



Federal Awards Reports in Accordance
with the Uniform Guidance
For the Fiscal Year Ending June 30, 2021
County of Solano, California

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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
County of Solano, 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, each major fund, and the aggregate discretely presented component units and remaining fund information of the County of Solano, California (County), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated January 31, 2022. Our report included an emphasis of matter paragraph regarding the County's adoption of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, effective July 1, 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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Esde Bailly LLP".

Sacramento, California
January 31, 2022



Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance; and Supplemental Schedule of Office of California State Department of Aging Grants

To the Board of Supervisors
County of Solano, California

Report on Compliance for Each Major Federal Program

We have audited the County of Solano, 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, 2021. 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 the Coronavirus Relief Fund Program and Section 8 Housing Choice Vouchers Program

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding CFDA No. 21.019 Coronavirus Relief Fund as described in finding 2021-002 for Subrecipient Monitoring, CFDA No. 14.871 Section 8 Housing Choice Vouchers as described in finding 2021-004 for Subrecipient Monitoring and finding 2021-005 for Reporting. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that programs.

Qualified Opinion on the Coronavirus Relief Fund Program and Section 8 Housing Choice Vouchers Program

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 the Coronavirus Relief Fund Program and Section 8 Housing Choice Vouchers Program for the year ended June 30, 2021.

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, 2021.

Other Matters

The results of our auditing procedures disclosed an other instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2021-003. Our opinion on the major federal program is not modified with respect to this matter.

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

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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2021-002, 2021-004, and 2021-005 to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2021-001 and 2021-003 to be significant deficiencies.

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

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 and Supplemental Schedule of Office of California State Department of Aging Grants

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the County as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated January 31, 2022, which contained unmodified opinions on those financial statements. Our report included an emphasis of matter paragraph stating that the County adopted Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, effective July 1, 2020. 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. The Supplemental Schedule of Office of California State Department of Aging Grants is presented for purposes of additional analysis 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 and Supplemental Schedule of Office of California State Department of Aging Grants are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Sacramento, California
August 16, 2022

County of Solano, California
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing/Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	Amounts Passed- Through to Subrecipients
US Department of Agriculture (USDA)				
Pass-Through Programs:				
California Department of Food and Agriculture (CDFA)				
Plant and Animal Disease, Pest Control, and Animal Care	10.025	18-0629-000-FR	\$ 178,242	\$ -
Plant and Animal Disease, Pest Control, and Animal Care	10.025	19-8506-0484-FR	159,610	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	19-0267-000-FR	122,758	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	18-0619-000-FR	51,829	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	20-0270-0023-FR	1,901	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	20-0270-046-FR	1,649	-
Subtotal Plant and Animal Disease, Pest Control, and Animal Care			515,989	-
California Department of Education				
Child Nutrition Cluster:				
School Breakfast Program	10.553	48-10488-6051569-01	18,501	-
National School Lunch Program	10.555	48-10488-6051569-01	34,272	-
Subtotal Child Nutrition Cluster			52,773	-
California Department of Public Health (CDPH)				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	4265	2,312,872	-
SNAP Cluster:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	SP-2021-28, SP-1920-28, CF-1920-28	59,995	48,022
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	4265	217,768	127,539
California Department of Social Services (CDSS)				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	1946001347 A7	10,992,567	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - CalFresh/CalWIN	10.561	1946001347 A7	156,686	-
Subtotal SNAP Cluster			11,427,016	175,561
US Department of Agriculture (USDA) Total			14,308,650	175,561
US Department of Housing and Urban Development (HUD)				
Direct Programs:				
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers	14.871	CA131	3,010,491	3,010,491
Subtotal Housing Voucher Cluster			3,010,491	3,010,491
US Department of Housing and Urban Development (HUD) Total			3,010,491	3,010,491
US Department of Justice (DOJ)				
Direct Programs:				
Safe Streets Violent Crimes Initiative	16.U01	Not Applicable	20,065	-
2020 Domestic Cannabis Eradication Suppression Program	16.U02	Not Applicable	21,549	-
State Criminal Alien Assistance Program (SCAAP)	16.606	Not Applicable	252,000	-
COVID - 19 Coronavirus Emergency Supplemental Funding	16.034	Not Applicable	58,008	-
Direct Programs Subtotal			351,622	-

County of Solano, California
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing/Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	Amounts Passed- Through to Subrecipients
US Department of Justice (DOJ) (Continued)				
Pass-Through Programs:				
California Board of State and Community Corrections				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	BSCC 629-19	\$ 481,995	\$ 474,195
California Office of Emergency Services (CalOES)				
Paul Coverdell Forensic Sciences Improvement Program	16.742	CQ19080480	54,512	-
Crime Victim Assistance	16.575	VW20390480	615,694	-
Crime Victim Assistance	16.575	VW19380480	203,446	-
Crime Victim Assistance	16.575	FJ18010480	186,266	-
Crime Victim Assistance	16.575	XC19020480	98,710	-
Crime Victim Assistance	16.575	XC20030480	68,154	-
Crime Victim Assistance	16.575	UV190020480	49,724	-
Crime Victim Assistance	16.575	UV20030480	42,658	-
Subtotal Crime Victim Assistance			1,264,652	-
Pass-Through Programs Subtotal			1,801,159	474,195
US Department of Justice (DOJ) Total			2,152,781	474,195
US Department of Labor (DOL)				
Pass-Through Programs:				
State of California Employment Development Department (EDD)				
WIA/WIOA Cluster:				
WIA/WIOA Adult Program	17.258	K9110061	59,812	-
WIA/WIOA Adult Program	17.258	AA011039	411,947	-
WIA/WIOA Adult Program	17.258	AA111039	892,901	-
Subtotal WIA/WIOA Adult Program			1,364,660	-
WIA/WIOA Youth Activities	17.259	AA011039	330,490	206,790
WIA/WIOA Youth Activities	17.259	AA111039	519,516	-
WIA/WIOA Youth Activities	17.259	AA211039	116,034	-
Subtotal WIA/WIOA Youth Activities			966,040	206,790
WIA/WIOA Dislocated Worker Formula Grants	17.278	AA011039	257,954	-
WIA/WIOA Dislocated Worker Formula Grants	17.278	K9110061	406,619	-
WIA/WIOA Dislocated Worker Formula Grants	17.278	AA111039	911,699	-
Subtotal WIA/WIOA Dislocated Worker Formula			1,576,272	-
Subtotal WIA/WIOA Cluster			3,906,972	206,790
WIOA National Dislocated Worker Grants/WIA National Emergency Grants	17.277	AA111039	92,264	-
WIOA National Dislocated Worker Grants/WIA National Emergency Grants	17.277	AA211039	5,299	-
Subtotal WIOA National Dislocated Worker Grants / WIA National Emergency Grants			97,563	-
US Department of Labor (DOL) Total			4,004,535	206,790

County of Solano, California
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing/Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	Amounts Passed- Through to Subrecipients
US Department of Transportation (DOT)				
Direct Programs:				
Airport Improvement Program	20.106	Not Applicable	\$ 41,607	\$ -
Airport Improvement Program	20.106	Not Applicable	10,482	-
Airport Improvement Program	20.106	Not Applicable	<u>2,518</u>	<u>-</u>
Subtotal Airport Improvement Program			<u>54,607</u>	<u>-</u>
Pass-Through Programs:				
California Department of Transportation (CalTrans)				
Highway Planning and Construction Cluster:				
Highway Planning and Construction	20.205	5923	<u>463,324</u>	<u>-</u>
Subtotal Highway Planning and Construction Cluster			<u>463,324</u>	<u>-</u>
California Office of Traffic Safety (OTS)				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	AL20019	264,502	-
Highway Safety Cluster:				
National Priority Safety Programs	20.616	D120016	46,920	-
National Priority Safety Programs	20.616	D120010	<u>168,749</u>	<u>-</u>
Subtotal Highway Safety Cluster			<u>215,669</u>	<u>-</u>
Pass-Through Programs Subtotal			<u>943,495</u>	<u>-</u>
US Department of Transportation (DOT) Total			<u>998,102</u>	<u>-</u>
US Department of Health and Human Services (DHHS)				
Direct Programs:				
Health Center Program Cluster:				
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, Public Housing Primary Care)	93.224	Not Applicable	1,649,283	-
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, Public Housing Primary Care)	93.224	Not Applicable	712,871	-
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, Public Housing Primary Care)	93.224	Not Applicable	<u>64,629</u>	<u>-</u>
Subtotal			<u>2,426,783</u>	<u>-</u>
Grants for New and Expanded Services under the Health Center Program	93.527	Not Applicable	<u>254,571</u>	<u>-</u>
Total Health Center Program Cluster			<u>2,681,354</u>	<u>-</u>
COVID-19 Provider Relief Fund	93.498	Not Applicable	432,068	-
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	Not Applicable	316,585	-
COVID 19 - Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	Not Applicable	<u>13,984</u>	<u>-</u>
Subtotal			<u>330,569</u>	<u>-</u>
Direct Programs Subtotal			<u>3,443,991</u>	<u>-</u>

County of Solano, California
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing/Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	Amounts Passed- Through to Subrecipients
US Department of Health and Human Services (DHHS) (Continued)				
Pass-Through Programs:				
California Department of Aging (CDA)				
Aging Cluster:				
Special Programs for the Aging, Title VII, Chapter 3, for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	AP-2021-28, 2001CAOAEA-00	\$ 7,468	\$ 7,468
Special Programs for the Aging, Title VII, Chapter 2, Long Care Ombudsman Services for Older Individuals	93.042	AP-2021-28 2001CAOAOAOM-00	68,595	68,595
COVID - 19 Special Programs for the Aging, Title VII, Long-Term Care Ombudsman Services for Older	93.042	CARES Act - Ombudsman Program	<u>7,019</u>	<u>7,019</u>
Subtotal Special Programs for the Aging, Title VII, 2, Long-Term Care Ombudsman Services for Older Individuals			<u>75,614</u>	<u>75,614</u>
Special Programs for the Aging, Title III, Part D, Disease and Health Promotion Services	93.043	AP-2021-28 2001CAOAPH-00	42,526	42,526
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	AP-2021-28 2001CAOASS-00	800,353	572,209
COVID - 19 Special Programs for the Aging, Title III, Part B, for Supportive Services and Senior Centers	93.044	CARES Act - Supportive Services 2001CASSC3-00	<u>160,774</u>	<u>160,774</u>
Subtotal Special Programs for the Aging, Title III, Part Grants for Supportive Services and Senior Centers			<u>961,127</u>	<u>732,983</u>
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	AP-2021-28 2001CAOACM-00 2001CAOAHDC-00 FFCRA, Older Americans Act	825,196	825,196
COVID - 19 Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	2001CACMC2-00, 2001CAHDC2-00 CARES Act -	372,620	335,358
COVID - 19 Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	Nutrition Services 2001CAHDC3-00	<u>220,551</u>	<u>220,551</u>
Subtotal Special Programs for the Aging, Title III, Part Nutrition Services			<u>1,418,367</u>	<u>1,381,105</u>
National Family Caregiver Support, Title III, Part E	93.052	AP-2021-28, 2001CAOAFCC-00 CARES ACT - FCSP	230,453	230,453
COVID - 19 National Family Caregiver Support, Title III, Part Subtotal National Family Caregiver Support, Title III, Part E	93.052	2001CAFCC3-00	<u>18,314</u>	<u>18,314</u>
			<u>248,767</u>	<u>248,767</u>
Nutrition Services Incentive Program	93.053	AP-1920-28, 2001CAOANS-00	<u>203,350</u>	<u>203,350</u>
Total Aging Cluster			<u>2,957,219</u>	<u>2,691,813</u>

County of Solano, California
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing/Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	Amounts Passed- Through to Subrecipients
US Department of Health and Human Services (DHHS) (Continued)				
Pass-Through Programs:				
California Department of Public Health (CDPH)				
Public Health Emergency Preparedness (PHEP)	93.069	4265	\$ 357,253	\$ -
National Bioterrorism Hospital Preparedness Program	93.889	4265	368,221	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	4265	52,460	-
Childhood Lead Poisoning Prevention Projects, State and Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	4265	15,124	-
COVID - 19 Epidemiology and Laboratory Capacity for Diseases	93.323	4265	2,115,138	-
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	4265	653,791	-
HIV Care Formula Grants	93.917	4265	141,073	-
HIV Prevention Activities_Health Department Based	93.940	4265	159,969	33,737
Maternal and Child Health Services Block Grant to the Public Health Emergency Response: Cooperative for Emergency Response: Public Health Crisis Response	93.354	4265	300,824	-
Immunization Cooperative Agreements	93.268	4265	437,159	-
California Department of Social Services (CDSS)				
Guardianship Assistance	93.090	1946001347 A7	641,654	-
MaryLee Allen Promoting Safe and Stable Families	93.556	1946001347 A7	271,319	167,566
Community-Based Child Abuse Prevention Grants	93.590	1946001347 A7	30,408	-
Temporary Assistance for Needy Families	93.558	1946001347 A7	27,804,391	5,297,489
Temporary Assistance for Needy Families	93.558	03617-22	259,364	-
Temporary Assistance for Needy Families	93.558	03761-22	400,256	-
Subtotal Temporary Assistance for Needy Families			28,464,011	5,297,489
Refugee and Entrant Assistance State/Replacement Administered Programs	93.566	1946001347 A7	(9)	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	1946001347 A7	147,859	-
Foster Care_Title IV-E	93.658	1946001347 A7	7,232,899	2,202,270
Adoption Assistance_Title IV-E	93.659	1946001347 A7	5,139,084	-
Social Services Block Grant	93.667	1946001347 A7	597,016	-
John H. Chafee Foster Care Program for Successful to Adulthood	93.674	1946001347 A7	125,124	125,114
California Department of Child Support Services (DCSS)				
Child Support Enforcement	93.563	1-946001347-P-9	8,185,396	-
California Department of Health Care Services (DHCS)				
Projects for Assistance in Transition from Homelessness	93.150	14-90354	65,808	-
Block Grants for Community Mental Health Services	93.958	14-90354	398,393	207,181
Block Grants for Prevention and Treatment of Substance	93.959	14-90106	1,677,750	169,128
Maternal and Child Health Services Block Grant to the	93.994	4265	825,023	-
Medicaid Cluster:				
Medical Assistance Program	93.778	1946001347 A7	17,812,396	-
Total Medicaid Cluster			17,812,396	-
Sierra Health Foundation				
Opioid STR	93.788	CA19MAT103	47,503	-
US Department of Health and Human Services (DHHS) Total			83,069,176	11,017,164

County of Solano, California
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing/Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	Amounts Passed- Through to Subrecipients
Social Security Administration (SSA)				
Direct Programs:				
Disability Insurance/SSI Cluster:				
Supplemental Security Income	96.006	Not Applicable	\$ 13,400	\$ -
Total Disability Insurance/SSI Cluster			<u>13,400</u>	<u>-</u>
Social Security Administration (SSA) Total			<u>13,400</u>	<u>-</u>
US Department of Homeland Security (DHS)				
Pass-Through Programs:				
California Office of Emergency Services (CalOES)				
Public Assistance Grants (Presidentially Declared Disasters)	97.036	FEMA-4558-DR-CA Cal OES ID: 095-0000 Cal OES ID: 095-0000	3,486	-
Emergency Management Performance Grants	97.042	Subaward #2020-0095 / Subaward #2019-0003 Cal OES ID: 095-0000	152,276	-
Homeland Security Grant Program	97.067	Subaward #2018-0054 / Subaward #2019-0035 / Subaward #2020-0095 /	406,284	112,135
City & County of San Francisco				
Homeland Security Grant Program	97.067	075-95017	241,908	-
Subtotal Homeland Security Grant Program			<u>648,192</u>	<u>112,135</u>
US Department of Homeland Security (DHS) Total			<u>803,954</u>	<u>112,135</u>
US Department of the Treasury				
Direct Programs:				
COVID-19 Emergency Rental Assistance Program	21.023	Not Applicable	1,125,928	940,122
Pass-Through Programs:				
California Department of Finance				
COVID-19 Coronavirus Relief Fund	21.019	20-1892-0-1-806	44,884,892	7,380,945
US Department of Treasury Total			<u>46,010,820</u>	<u>8,321,067</u>
US Small Business Administration (SBA)				
Pass-Through Programs:				
Humboldt State University				
Small Business Development Centers	59.037	SBAHQ-20-C-0069	124,402	-
Small Business Development Centers	59.037	SBAHQ-21-B-0044	71,371	-
Small Business Development Centers	59.037	SBAHQ-20-B-0073	49,642	-
US Small Business Administration (SBA) Total			<u>245,415</u>	<u>-</u>
Total Federal Financial Assistance			<u>\$ 154,617,324</u>	<u>\$ 23,317,403</u>

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the County of Solano, California (County) under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 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.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the modified accrual basis of accounting for the governmental funds and the accrual basis of accounting for the proprietary funds, except for subrecipient expenditures are recorded on the cash basis and certain U.S. Department of Health and Human Resources programs that are reported on a cash basis in accordance with guidance provided by the California Health and Human Services Agency. 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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in the prior years.

Note 3 - Pass-Through Entities' Identifying Numbers

When federal awards are received from a pass-through entity, the Schedule indicates if assigned, the identifying grant or contract number that has been assigned by the pass-through entity.

Note 4 - Medicaid Cluster

Except for Medi-Cal administrative expenditures, Medicaid (Medi-Cal) and Medicare program expenditures are excluded from the schedule of expenditures of federal awards. These expenditures represent fees for services; therefore, neither is considered a federal award program of the County for purposes of the schedule of expenditures of federal awards or in determining major programs. The County assists the State of California (State) in determining eligibility and provides Medi-Cal and Medicare services through County-owned health facilities. Medi-Cal administrative expenditures are included in the schedule of expenditures of federal awards as they do not represent fees for services.

Note 5 - Indirect Cost Rate

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

Note 6 - Aging Cluster

The California Department of Aging considers other closely related pass-through programs by the State to be included with the Aging Cluster, in accordance with 2 CFR 200.12.

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 totaling \$432,068. Additional funds of \$407,800 were received during the year ended June 30, 2021. The County incurred eligible expenditures and, therefore, recognized revenues totaling \$407,800 for the year ended June 30, 2021 on the financial statements. In accordance with the 2021 compliance supplement, the PRF expenditures recognized on the schedule are based on the reporting to HHS for Period 1, defined as payments received during April 10, 2020 to June 30, 2020 of \$432,068, as required under the PRF program.

Note 8 - Related Parties

The County entered into a contract with Community Action Partnership Solano (CAP Solano JPA) (a related-party), which is comprised of six cities (Fairfield, Vacaville, Suisun City, Benicia, Rio Vista, and Vallejo) and the County. Each member agency has a representative on the Board of Directors of CAP Solano JPA. The County's representative on the Board of Directors serves as the contract administrator over the COVID-19 Coronavirus Relief Fund (Federal Financial Assistance Listing/CFDA Number 21.019) awarded to the CAP Solano JPA in the amount of \$2,329,755.

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP:	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 federal programs:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	Yes
Type of auditor’s report issued on compliance for major federal programs:	Unmodified for all major programs except for the Coronavirus Relief Fund Program and Section 8 Housing Choice Vouchers Program, which were qualified.
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes

Identification of major federal programs:

Name of Federal Program	Federal Financial Assistance Listing/CFDA Number
SNAP Cluster	10.561
Foster Care_Title IV-E	93.658
Child Support Enforcement	93.563
COVID-19 Coronavirus Relief Fund	21.019
Housing Voucher Cluster	14.871

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

None noted

Section III – Federal Award Findings and Questioned Costs

2021-001 **Program:** Section 8 Housing Choice Vouchers
CFDA No.: 14.871
Federal Agency: U.S. Department of Housing and Urban Development
Passed-through: n/a – direct award
Award Year: 2020-2021
Compliance Requirement: Other
Type of Finding: *Significant Deficiency*
Grant Award Number: CA131

Criteria:

Title 2 *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) requires the County of Solano, California (County) to prepare a Schedule of Expenditures of Federal Awards (SEFA) showing both total federal expenditures and payments to subrecipients for the year.

Condition Found:

The Catalog of Domestic Financial Assistance (CFDA) or Federal Financial Assistance Number was misreported on the SEFA.

Questioned Costs:

No known questioned costs identified.

Context:

We identified that the Section 8 Housing Choice Voucher Program’s expenditures were incorrectly reported on the SEFA under the Section 8 Project-Based Cluster.

Effect:

The program expenditures were misidentified on the SEFA.

Cause:

The County’s internal controls over the preparation of the SEFA did not ensure that the Section 8 Housing Choice Vouchers program was properly identified.

Recommendation:

We recommend that the County strengthen its procedures over the preparation of the SEFA to ensure that programs are properly identified, and expenditures are properly recognized in accordance with the Uniform Guidance.

Views of Responsible Officials

Management agrees with the finding. See separate corrective action plan.

2021-002 **Program:** COVID-19 Coronavirus Relief Fund
CFDA No.: 21.019
Federal Agency: U.S. Department of the Treasury
Passed-through: California Department of the Treasury
Award Year: 2020-2021
Compliance Requirement: Subrecipient Monitoring
Type of Finding: *Material Weakness, Material Instances of Noncompliance*
Grant Award Number: 20-1892-0-1-806

Criteria:

2 CFR 200.331(a) establishes the required elements that the pass-through entity (County of Solano, California or “County”) must include in their subrecipient agreements.

2 CFR 200.331(b) establishes the requirement that the pass-through entity must evaluate the risk of noncompliance with Federal statutes, regulations, and terms and conditions of the program for each subaward for the purpose of determining the appropriate subrecipient monitoring activities.

2 CFR 200.331(d) and 2 CFR 200.331(e) establishes the requirement that the pass-through entity must monitor the activities of each subrecipient of program funds to ensure that the subaward is used for authorized purposes, complies with the terms and conditions of the subaward and achieves performance goals. 2 CFR 200.331(d) requires that the monitoring activities must include:

- 1) Reviewing of financial and performance reports as required by the pass-through entity.
- 2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means.
- 3) Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient from the pass-through entity as required by §200.521 Management decision.

2 CFR 200.331(f) establishes the requirement for the pass-through entity to verify whether the subrecipient is subject to a single audit when the subrecipient’s expenditures are expected to exceed the threshold set forth in 2 CRF 200.501.

Condition Found:

In 3 out of 4 subrecipient awards selected for review, we found that the subrecipient agreement did not contain the federal award identification elements required to be communicated by the County.

We found that the County department did not have documented policies or procedures for the evaluation of each subrecipient's risk of noncompliance with program requirements prior to awarding the subrecipient contract. We also found that the County department did not have documented monitoring procedures to be followed based on the assessed level of risk of noncompliance. Furthermore, the County department did not have documented procedures to verify whether the subrecipient was subject to a single audit. As a result, we found that in 4 out of 4 subrecipient awards selected, a documented assessment of the subrecipient's risk of noncompliance was not performed. In these same instances, a documented review of whether the subrecipient was subject to a single audit was also not performed. All 4 of the subrecipient awards selected were administered by department of the County Administrator.

In 2 out of the 4 subrecipient awards selected, we found that the County identified questioned costs as a result of their monitoring activities. However, these monitoring activities were performed subsequent to the completion of the contract. The County has not yet recovered the questioned costs from the subrecipients.

Questioned Costs:

We identified known questioned costs of \$325,008. These questioned costs were identified by the County through their monitoring activities.

Context/Sampling

We selected 100% of the County's subrecipients of the program.

Effect:

The County did not include all the required elements in their subawards and did not perform appropriate monitoring procedures over the subrecipients.

Cause:

The County did not have documented policies and procedures over subrecipient monitoring to ensure that the required risk assessments and monitoring procedures were performed. The County's subrecipient contracting procedures also did not require the inclusion of the required elements.

Recommendation:

We recommend that the County establish documented policies and procedures over subrecipient monitoring, including a documented risk assessment, monitoring procedures, and contract reviews.

Views of Responsible Officials:

Management agrees with the finding. See separate corrective action plan.

2021-003

Program: Coronavirus Relief Fund

CFDA No.: 21.019

Federal Agency: U.S. Department of the Treasury

Passed-through: California Department of the Treasury

Award Year: 2020-2021

Compliance Requirement: Other

Type of Finding: *Significant Deficiency, Instance of Noncompliance*

Grant Award Number: 20-1892-0-1-806

Criteria:

2 CFR 200.303(a) requires that the non-federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

An element of effective internal controls includes ensuring that an individual is not in a position to review or approve transactions in which they have a financial interest in (a conflict of interest).

Condition Found:

We identified an instance in which a County employee was assigned as the contract administrator to a subrecipient contract with an organization in which the employee was concurrently a member the Board of Directors. The contract administrator was responsible for the substantive review of the contract and responsible for monitoring of the subrecipients compliance with the contract provisions.

Questioned Costs:

We identified known questioned costs of \$67,635. These questioned costs are included in the questioned costs identified in Finding 2021-002. These questioned costs were identified by the County through their monitoring activities.

Context/Sampling

This instance was identified through our procedures performed to gain an understanding of the County's internal control over compliance with the Uniform Guidance for subrecipients.

Effect:

The County had related party transactions that were not identified, and monitoring procedures were not put into place to mitigate a conflict of interest.

Cause:

The County's internal controls were not designed effectively to prevent an individual from reviewing a subrecipient contract in which they had a related party relationship.

Recommendation:

We recommend that the County strengthen internal controls to identify and prevent County employees from overseeing contracts in which the employees' have a financial interest in. We also recommend that the County establish policies and procedures to identify and track related party transactions.

Views of Responsible Officials:

Management agrees with the finding. See separate corrective action plan.

2021-004

Program: Section 8 Housing Choice Vouchers

CFDA No.: 14.871

Federal Agency: U.S. Department of Housing and Urban Development

Passed-through: n/a – direct award

Award Year: 2020/2021

Compliance Requirement: Subrecipient Monitoring

Type of Finding: *Material Weakness, Material Noncompliance*

Grant Award Number: CA131

Criteria:

2 CFR 200.331(a) establishes the required elements that the pass-through entity (County) must include in their subrecipient agreements.

2 CFR 200.331(b) establishes the requirement that the pass-through entity must evaluate the risk of noncompliance with Federal statutes, regulations, and terms and conditions of the program for each subaward for the purpose of determining the appropriate subrecipient monitoring activities.

2 CFR 200.331(d) and 2 CFR 200.331(e) establishes the requirement that the pass-through entity must monitor the activities of each subrecipient of program funds to ensure that the subaward is used for authorized purposes, complies with the terms and conditions of the subaward and achieves performance goals. 2 CFR 200.331(d) requires that the monitoring activities must include:

- 1) Reviewing of financial and performance reports as required by the pass-through entity.
- 2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means.
- 3) Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient from the pass-through entity as required by §200.521 Management decision.

2 CFR 200.331(f) establishes the requirement for the pass-through entity to verify whether the subrecipient is subject to a single audit when the subrecipient's expenditures are expected to exceed the threshold set forth in 2 CFR 200.501.

Condition Found:

In 1 out of 1 instance selected, we found that the subrecipient agreement did not contain the federal award identification elements required to be communicated by the County.

We found that the County did not have documented policies or procedures for the evaluation of the subrecipient's risk of noncompliance with program requirements prior to awarding the subrecipient contract. We also found that the County did not have documented monitoring procedures to be followed based on the assessed level of risk of noncompliance. Furthermore, the County did not have documented procedures to verify whether the subrecipient was subject to a single audit. As a result, we found that in 1 out of 1 instance selected, a documented assessment of the subrecipient's risk of noncompliance was not performed. In this same instance, a documented review of whether the subrecipient was subject to a single audit was also not performed.

Questioned Costs:

No known questioned costs identified.

Context/Sampling

We selected 100% of the County's subrecipients of the program.

Effect:

The County did not include all the required elements in their subawards and did not perform appropriate monitoring procedures over the subrecipients.

Cause:

The County did not have documented policies and procedures over subrecipient monitoring to ensure that the required risk assessments and monitoring procedures were performed. The County's subrecipient contracting procedures also did not require the inclusion of the required elements.

Recommendation:

We recommend that the County establish documented policies and procedures over subrecipient monitoring, including a documented risk assessment, monitoring procedures, and contract reviews.

Views of Responsible Officials:

Management agrees with the finding. See separate corrective action plan.

2021-005

Program: Section 8 Housing Choice Vouchers

CFDA No.: 14.871

Federal Agency: U.S. Department of Housing and Urban Development

Passed-through: n/a – direct award

Award Year: 2020/2021

Compliance Requirement: Reporting

Type of Finding: *Material Weakness, Material Noncompliance*

Grant Award Number: CA131

Criteria:

2 CFR 200.303(a) establishes that the auditee must establish and maintain effective internal control over the federal award that provides assurance that the entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. 2 CFR Part 170 establishes requirements for recipients' reporting of information on subawards as required by the Federal Funding Accountability and Transparency Act of 2006 (FFATA).

Condition:

We identified that the FFATA reporting was not completed as required by 2 CFR Part 170 for the following instances:

Transactions Tested	Subaward Not Report	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
1	1	1	1	1

Dollar Amount of Tested Transactions	Subaward Not Report	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
\$3,010,491	\$3,010,491	\$3,010,491	\$3,010,491	\$3,010,491

Cause:

Management asserted that the agreement had been in place for greater than 10 years and had no reason to be updated.

Effect:

Ineffective controls over this area of compliance could result in reports that are inaccurate or incomplete being submitted to the federal agency.

Questioned Costs:

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

Context/Sampling:

We tested 100% of all subrecipients.

Repeat Finding from Prior Year(s):

No.

Recommendation:

We recommend that management strengthen their processes and procedures related to the submission of the required FFATA reports to ensure compliance with the program requirements. We also recommend that management establish documented review of the required FFATA reports by an individual other than the preparer prior to submission and retain record of the review and submission.

Views of Responsible Officials:

Management agrees with the finding. See separate corrective action plan.

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

Financial Statement Findings

Finding No.	Program/Cluster	CFDA No.	Compliance Requirement	Status
2020-001	Capital Assets	n/a	n/a	Implemented
2020-002	Cash and Investments	n/a	n/a	Implemented

Federal Award Findings

None reported.

County of Solano, California
 Supplemental Schedule of Office of California State Department of Aging Grants
 For the Fiscal Year Ended June 30, 2021

Federal Grantor/Program Title	CFDA Number	Contract Number	Federal Award Expenditures	State Expenditures	**Adjustment Federal Award Expenditures	**Adjustment State Expenditures	**Adjusted Federal Award Expenditures	**Adjusted State Expenditures
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	AP-2021-28	\$ 7,468	\$ -	\$ 804	\$ -	\$ 8,272	\$ -
Special Programs for the Aging, Title VII, Chapter 2, Long-Term Care Ombudsman Services for Older Individuals	93.042	AP-2021-28	68,595	-	4,516	-	73,111	-
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	AP-2021-28	42,526	-	(5,360)	-	37,166	-
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	AP-2021-28	800,353	-	144,250	-	944,603	-
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	AP-2021-28	825,196	-	97,360	-	922,556	-
National Family Caregiver Support, Title III, Part E	93.052	AP-2021-28	230,453	-	15,440	-	245,893	-
Nutrition Services Incentive Program	93.053	AP-2021-28	203,350	-	38,171	-	241,521	-
General Fund IIIB (Ombudsman)*	N/A	AP-2021-28	-	190,917	-	39,808	-	230,725
Public Health L&C Program Fund (PHL&C Ombudsman)	N/A	AP-2021-28	-	7,300	-	235	-	7,535
State Health Facilities Citation Penalties Account (SHF Cit Pen Ombudsman)	N/A	AP-2021-28	-	17,105	-	13,164	-	30,269
State Nursing Facilities Quality and Accountability (SNFQAF Ombudsman)	N/A	AP-2021-28	-	22,255	-	13,536	-	35,791
General Fund IIIC	N/A	AP-2021-28	-	358,533	-	63,133	-	421,666
			<u>\$ 2,177,941</u>	<u>\$ 596,110</u>	<u>\$ 295,181</u>	<u>\$ 129,876</u>	<u>\$ 2,473,122</u>	<u>\$ 725,986</u>

*CDA State General Fund IIIB is listed in the ombudsman section of the CDA Area Plan Budget Display

**The reporting basis for the County's expenditures of federal awards on the Schedule of Expenditures of Federal Awards (SEFA) differs from the close-out reporting requirements of the California Department of Aging (CDA). Payments to subrecipients are reporting on a cash basis on the SEFA in accordance with the Uniform Guidance, whereas the CDA's close-out reporting requires expenditures to be reported on the accrual basis.