

**COUNTY OF MADERA
SINGLE AUDIT REPORT
YEAR ENDED JUNE 30, 2023**



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAconnect.com

**COUNTY OF MADERA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2023**

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	1
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE	3
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	7
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	11
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	13



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Board of Supervisors
County of Madera
Madera, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of County of Madera, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County of Madera's basic financial statements, and have issued our report thereon dated June 14, 2024. Our report includes a reference to other auditors who audited the financial statements of the Madera County Workforce Investment Corporation, as described in our report on the County's financial statements. The report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by these auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered County of Madera'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 County of Madera's internal control. Accordingly, we do not express an opinion on the effectiveness of County of Madera'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.

Honorable Board of Supervisors
County of Madera

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

We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether County of Madera’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*.

County of Madera’s Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the County of Madera’s response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. County of Madera’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.



CliftonLarsonAllen LLP

Roseville, California
June 14, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER
COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Board of Supervisors
County of Madera
Madera, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited County of Madera's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of County of Madera's major federal programs for the year ended June 30, 2023. County of Madera's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the Madera County Workforce Investment Corporation (MCWIC), which expended \$2,486,115 in federal awards which is not included in the County's schedule of expenditures of federal awards during the year ended June 30, 2023. Our audit, described below, did not include the operations of MCWIC because MCWIC engaged other auditors to perform an audit in accordance with the Uniform Guidance.

In our opinion, County of Madera complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of County of Madera and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of County of Madera's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to County of Madera's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on County of Madera's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about County of Madera's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding County of Madera's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of County of Madera's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 County of Madera's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Honorable Board of Supervisors
County of Madera

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 County of Madera as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise County of Madera’s basic financial statements. We have issued our report thereon, dated June 14, 2024, which contained unmodified opinions on those financial statements. Our report includes a reference to other auditors who audited the discretely presented component unit. 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 basic 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.



CliftonLarsonAllen LLP

Roseville, California
June 14, 2024

**COUNTY OF MADERA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
<u>U.S. Department of Agriculture</u>				
Passed through State Department of Food and Agriculture:				
Plant and Animal Disease, Pest Control, and Animal Care	10.025	21-0517-053-SF	\$ 31,077	\$ 31,077
Plant and Animal Disease, Pest Control, and Animal Care	10.025	21-0517-053-SF	22,772	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	21-0517-052-SF	104,047	104,047
Plant and Animal Disease, Pest Control, and Animal Care	10.025	21-0517-052-SF	118,131	-
Subtotal - Assistance Listing Number 10.025			<u>276,027</u>	<u>135,124</u>
Passed through the State Department of Public Health:				
Supplemental Nutrition Assistance Program	10.551	19-10341	282,713	-
Passed through the State Department of Social Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		3,691,913	-
Subtotal - SNAP Cluster			<u>3,974,626</u>	<u>-</u>
Passed through the State Department of Education:				
School Breakfast Program	10.553	01867-SN-20-R	19,683	-
National School Lunch Program	10.555	01867-SN-20-R	37,801	-
Subtotal - Child Nutrition Cluster			<u>57,484</u>	<u>-</u>
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	19-10158	590,063	-
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	22-10258	1,817,214	-
Subtotal - Assistance Listing Number 10.557			<u>2,407,277</u>	<u>-</u>
Total U.S. Department of Agriculture			<u>6,715,414</u>	<u>135,124</u>
<u>U.S. Department of Housing and Urban Development</u>				
Passed through State Department of Housing and Community Development:				
Community Development Block Grants/State's Program and Non-Entitlement in Hawaii	14.228	17-CDBG-12021	12,182	12,182
Community Development Block Grants/State's Program and Non-Entitlement in Hawaii	14.228	Program Income	4,014,198	9,975
Subtotal - Assistance Listing Number 14.228			<u>4,026,380</u>	<u>22,157</u>
Home Investment Partnerships Program	14.239	Program Income	2,037,421	1,846
Passed through the State Department of Public Health:				
COVID 19 - Housing Opportunities for Persons with AIDS	14.241	19-10516 AO1	76,955	-
Total U.S. Department of Housing and Urban Development			<u>6,140,756</u>	<u>24,003</u>
<u>U.S. Department of Interior</u>				
Passed through State Department of Parks and Recreation:				
Sports fishing and Boating Safety Act	15.622	C22L0608	43,237	-
Total U.S. Department of Interior			<u>43,237</u>	<u>-</u>
<u>U.S. Department of Justice</u>				
Direct Award:				
COVID 19 - Coronavirus Emergency Supplemental Funding	16.034	2020-VD-BX-1492	42,397	-
Domestic Cannabis Eradication	16.579	2022-25	36,571	-
Domestic Cannabis Eradication	16.579	2023-25	8,131	-
Subtotal - Assistance Listing Number 16.579			<u>44,702</u>	<u>-</u>
Treatment Court Discretionary Grant Program	16.585	15PBJA-21-GG-04277-DGCT	126,203	-
State Criminal Alien Assistance Program	16.606	15PBJA-21-RR-05014-SCAA	165,362	-
Bulletproof Vest Partnership Program	16.607	2021BOB21026978	2,204	-
Bulletproof Vest Partnership Program	16.607	2022BOBX22031216	1,798	-
Subtotal - Assistance Listing Number 16.607			<u>4,002</u>	<u>-</u>
Public Safety Partnership and Community Policing Grants	16.710	2020UMX0080	187,211	-
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-21-GG-02322	136,108	-
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-21-GG-02135	37,919	-
Subtotal - Assistance Listing Number 16.710			<u>361,238</u>	<u>-</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0776	18,978	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-02485-JAGX	29,165	-
Subtotal - Assistance Listing Number 16.738			<u>48,143</u>	<u>-</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF MADERA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
Passed through the Governor's Office of Emergency Services:				
Crime Victim Assistance	16.575	XC21040200	\$ 77,485	\$ -
Crime Victim Assistance	16.575	XC22050200	68,962	-
Subtotal - Assistance Listing Number 16.575			146,447	-
Violence Against Women Formula Grants	16.588	PU21 04 0200	9,212	-
Violence Against Women Formula Grants	16.588	PU22 01 0200	58,330	-
Subtotal - Assistance Listing Number 16.588			67,542	-
Passed through the Board of State and Community Corrections:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	BSCC-601-19	48,714	-
Support for Adam Walsh Act Implementation Grant Program	16.750	2020-DS-BX-0017	8,238	-
Total U.S. Department of Justice			1,062,988	-
<u>U.S. Department of Transportation</u>				
Passed through the State Department of Transportation:				
Highway Planning & Construction	20.205	CML5941(122)	195,702	-
Highway Planning & Construction	20.205	CML 5941(102)	108,959	-
Highway Planning & Construction	20.205	BRLS5941(100)	72,484	-
Highway Planning & Construction	20.205	BRLS5941(088)	4,100	-
Highway Planning & Construction	20.205	BRLO5941(104)	733,582	-
Highway Planning & Construction	20.205	BRLO5941(081)	6,488	-
Highway Planning & Construction	20.205	BRLO5941(089)	86,878	-
Highway Planning & Construction	20.205	BRLO5941(103)	90,055	-
Highway Planning & Construction	20.205	CML-5941(131)	272,065	-
Highway Planning & Construction	20.205	LPPSB1L-5941(132)	659,000	-
Highway Planning & Construction	20.205	LPPSB1L-5941(132)	365,799	-
Highway Planning & Construction	20.205	618000047	203,499	-
Highway Planning & Construction	20.205	X23-5941(135)	463,374	-
Subtotal - Highway Planning and Construction Cluster			3,261,985	-
Formula grants for Rural Areas:	20.509	64BA22-02096	497,851	-
Passed through the State Office of Traffic Safety:				
National Priority Safety Programs	20.616	DI23014	159,765	-
Regional Crash Response and Extrication Improvement Program	20.600	EM23008	42,510	-
Total U.S. Department of Transportation			3,962,111	-
<u>U.S. Department of the Treasury</u>				
Direct Award				
COVID-19 - California Housing & Community Development (HCD)	21.019	20-CDBG-CV2-3-00082	350,396	-
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		6,734,191	1,130,394
Total U.S. Department of the Treasury			7,084,587	1,130,394
<u>The Institute of Museum and Library Services</u>				
Passed through the State Library:				
Grants to States	45.310	40-9341	44,407	-
Grants to States	45.310	40-9335	64,240	-
Grants to States	45.310	40-9415	1,300	-
Grants to States	45.310	40-9416	13,200	-
Subtotal - Assistance Listing Number 45.310			123,147	-
Total The Institute of Museum and Library Services			123,147	-
<u>U.S. Department of Health Education</u>				
Passed through the State Department of Education				
Education Stabilization Fund	84.425	MCC # 12060-21	158,847	-
Total U.S. Department of Education			158,847	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF MADERA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
<u>U.S. Department of Health and Human Services</u>				
Direct Award:				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	H79SM084296	\$ 137,135	\$ -
Passed through the State Department of Child Support Services: Child Support Enforcement	93.563		2,584,928	-
Passed through the State Department of Health Care Services: Projects for Assistance in Transition from Homelessness (PATH)	93.150	21-10090	39,136	-
Children's Health Insurance Program	93.767		722,706	-
Medical Assistance Program	93.778		139,842	-
Medical Assistance Program	93.778	PPA #20-19EVRGRN	101,117	-
Subtotal - Assistance Listing Number 93.778			<u>240,959</u>	-
Block Grants for Community Mental Health Services	93.958	1B09SM083782-01	242,772	188,542
Block Grants for Prevention and Treatment of Substance Abuse	93.959	21-10090	780,090	22,650
Maternal and Child Health Services Block Grant to the States	93.994		126,329	-
Passed through the State Department of Public Health: Public Health Emergency Preparedness	93.069	22-10657	245,751	-
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	22-10113	96,040	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	20U4U22 Yr 1	692	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	20U4U22 Yr 2	2,114	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	2220R-TA00	2,163	-
Subtotal - Assistance Listing Number 93.116			<u>4,969</u>	-
Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	20-10529	25,371	-
COVID 19 - Immunization Cooperative Agreements	93.268	22-11028	56,463	-
COVID 19 - Immunization Cooperative Agreements	93.268	22-11028	500,686	-
Subtotal - Assistance Listing Number 93.268			<u>557,149</u>	-
COVID 19 - Epidemiology and Lab Capacity for Infectious Diseases (ELC)	93.323	COVID-19ELC20	116,214	-
COVID 19 - Epidemiology and Lab Capacity for Infectious Diseases (ELC)	93.323	COVID-19ELC78	2,380,756	-
COVID 19 - Epidemiology and Lab Capacity for Infectious Diseases (ELC)	93.323	AMDPHL04	137,940	-
COVID 19 - Epidemiology and Lab Capacity for Infectious Diseases (ELC)	93.323	1 NU90TP922174-01-00	60,324	-
Subtotal - Assistance Listing Number 93.323			<u>2,695,234</u>	-
COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	COVID-WFD-020	317,054	-
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	CERI-21-23-19	286,261	-
Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke	93.426	20-10284	40,882	-
PPHF: Racial and Ethnic Approaches to Community Health Program Financed Solely by Public Prevention and Health Funds	93.738	18-10552, A01	147,373	-
PPHF: Racial and Ethnic Approaches to Community Health Program Financed Solely by Public Prevention and Health Funds	93.738	18-10552, A03	278,053	-
Subtotal - Assistance Listing Number 93.738			<u>425,426</u>	-
Maternal, Infant, and Early Childhood Home Visiting Grant Program	93.870	CHVP 22-20	566,381	-
Maternal, Infant, and Early Childhood Home Visiting Grant Program	93.870	21-10742	57,079	-
Subtotal - Assistance Listing Number 93.870			<u>623,460</u>	-
National Bioterrorism Hospital Preparedness Program	93.889	22-10657	189,376	32,850
HIV Care Formula Grants	93.917	20-10058	14,425	-
HIV Care Formula Grants	93.917	18-10874	102,542	-
Subtotal - Assistance Listing Number 93.917			<u>116,967</u>	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF MADERA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	21-10563	\$ 119,247	\$ -
Maternal and Child Health Services Block Grant to the States	93.994	202020	59,995	-
Passed through the State Department of Social Services:				
Guardianship Assistance	93.090		20,666	-
Promoting Safe and Stable Families	93.556		271,263	-
Temporary Assistance for Needy Families (TANF)	93.558		15,178,587	-
Adoption and Legal Guardianship Incentive Payments	93.603		128,628	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645		76,367	-
Foster Care-Title IV-E	93.658		6,038,109	-
COVID 19 - Foster Care-Title IV-E	93.658		152,270	-
Subtotal - Assistance Listing Number 93.658			6,190,379	-
Adoption Assistance- Title IV-E	93.659		2,949,398	-
COVID 19- Adoption Assistance-Title IV-E	93.659		334,314	-
Subtotal - Assistance Listing Number 93.659			3,283,712	-
Social Services Block Grant	93.667		845,870	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674		35,151	-
Medical Assistance Program	93.778		3,748,711	-
Total U.S. Department of Health and Human Services			40,456,571	244,042
<u>U.S. Department of Homeland Security</u>				
Passed through the State Governor's Office of Emergency Services:				
Emergency Management Performance Grants	97.042	2021-0014	61,190	-
Emergency Management Performance Grants	97.042	2021-0015	92,295	-
Subtotal - Assistance Listing Number 97.042			153,485	-
<u>U.S. Department of Homeland Security</u>				
Homeland Security Grant Program (HSGP)	97.067	2018-0054	165,725	-
Homeland Security Grant Program (HSGP)	97.067	2019-0035	38,695	-
Homeland Security Grant Program (HSGP)	97.067	2020-0095	96,040	-
Homeland Security Grant Program (HSGP)	97.067	2021-0081	32,349	-
Homeland Security Grant Program (HSGP)	97.067	2022-0043	92,967	-
Subtotal - Assistance Listing Number 97.067			425,776	-
Total U.S. Department of Homeland Security			579,261	-
Total Expenditures of Federal Awards			\$ 66,326,919	\$ 1,533,563

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF MADERA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) presents the activity of all federal awards programs of the County of Madera (the County) for the year ended June 30, 2023, except for federal awards received by the Madera County Workforce Investment Corporation. Madera County Workforce Investment Corporation engaged other auditors to perform an audit in accordance with the U.S. Office of Management and Budget, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Code of Federal Regulations, Title 2, Subtitle A, Chapter II, Part 200) also referred to as the Uniform Guidance.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. 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. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 FEDERAL ASSISTANCE LISTING NUMBER

The program titles and Federal Assistance Listing numbers were obtained from the federal or pass-through grantor. When no Federal Assistance Listing number had been assigned to a program, the two-digit federal agency identifier and the federal contract number were used. When there was no federal contract number, the two-digit federal agency identifier and the word “unknown” were used.

NOTE 4 INDIRECT COST RATE

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

NOTE 5 LOANS WITH CONTINUING COMPLIANCE REQUIREMENTS

Outstanding federally funded program loans, with a continuing compliance requirement, carried balances as of June 30, 2023 as follows:

<u>Assistance Listing Number</u>	<u>Federal Program</u>	<u>Outstanding Loans</u>	<u>Loans with Continuing Compliance Requirements</u>
14.228	Community Development Block Grant/States Program	\$ 3,826,922	\$ 3,983,851
14.239	Home Investment Partnership Program	1,992,495	2,035,575

**COUNTY OF MADERA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023**

NOTE 6 OTHER LOANS

Outstanding federally funded program loans, carried balances as of June 30, 2023 as follows:

Assistance Listing Number	Federal Program	Outstanding Loans
10.760	Water and Water Disposal Systems for Rural Counties	\$ 2,441,000

NOTE 7 PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

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

**COUNTY OF MADERA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section I – Summary of Auditors’ Results

Financial Statements

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

Federal Awards

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

Identification of Major Federal Programs

Assistance Listing Number

Name of Federal Program or Cluster

10.561	Supplemental Nutrition Assistance Program Cluster
14.228	Community Development Block Grants
20.205	Highway Planning and Construction
21.027	COVID 19 - Coronavirus State and Local Fiscal Recovery Funds
93.563	Child Support Enforcement
93.658	Foster Care
93.659	Adoption Assistance

**COUNTY OF MADERA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section I – Summary of Auditors’ Results (Continued)

Dollar threshold used to distinguish between
Type A and Type B programs: \$ 1,989,808

Auditee qualified as low-risk auditee? _____ yes x no

Section II – Financial Statement Findings

2023-001 – Unearned Revenue

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Criteria: GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions* established criteria for revenue recognition for government-mandated and voluntary nonexchange transactions. For these transactions, revenue should be recognized once all applicable eligibility requirements are met. Revenue related to Coronavirus State & Local Fiscal Recovery Funds (CSLFRF) may be recognized once eligible expenditures are incurred.

Condition: During the audit, we noted that the beginning balance of unearned revenue related to Coronavirus State & Local Fiscal Recovery Funds in the Special Revenue – Health and Sanitation Fund was overstated by \$586,780.

Context: During the audit, we noted that the County had not recognized revenue in the prior year in the amount of \$586,780 for eligible expenditures of CSLFRF funds. This amount was being reported in unearned revenue related to the CSLFRF funds.

Cause: the county auditor-controller requires each department to complete a form that lists and supports each federal program’s received revenues and incurred expenditures. This form is then reviewed by staff and management in the auditor-controller’s office. During fiscal year 2022-2023 and 2023-2024 the auditor-controller office had key staff and management employees separate which meant that less knowledgeable staff were reviewing these department forms. Due to inadequate staffing, there was an oversight and lack of review of supporting documentation.

Effect: An audit adjustment of \$586,780, restating beginning fund balance and unearned revenue in the Special Revenue – Health and Sanitation Fund was recorded.

Recommendation: We recommend that the County review all unearned revenue balances related to government-mandated and voluntary exchange transactions at year-end to determine that revenue has been properly recognized once eligibility requirements have been met.

Views of responsible officials: The County agrees that a review on all unearned revenue balances needs to be completed and since the Auditor-Controller has procedures in place to complete this review, we will ensure to prioritize accordingly.

**COUNTY OF MADERA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section III – Findings and Questioned Costs – Major Federal Programs

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



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.