

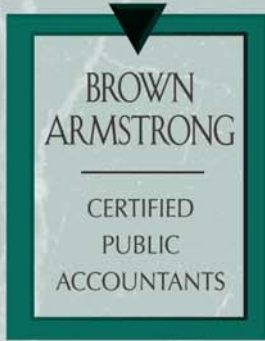
**COUNTY OF NAPA**  
**SINGLE AUDIT REPORT**  
**JUNE 30, 2018**

**COUNTY OF NAPA  
SINGLE AUDIT REPORT  
FOR THE YEAR ENDED JUNE 30, 2018**

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## REPORTS



# BROWN ARMSTRONG

*Certified Public Accountants*

## **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**

The Honorable Board of Supervisors and Grand Jury  
County of Napa  
Napa, California

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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 aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Napa, California (the County), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 12, 2018.

### **Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

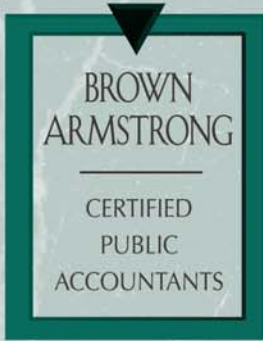
## **Purpose of this Report**

This report is intended 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 report is not suitable for any other purpose.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong  
Accountancy Corporation*

Bakersfield, California  
December 12, 2018



# BROWN ARMSTRONG

*Certified Public Accountants*

## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

The Honorable Board of Supervisors and Grand Jury  
County of Napa  
Napa, California

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### **Report on Compliance for Each Major Federal Program**

We have audited the County of Napa, California's (the County) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have direct and material effect on each of the County's major federal programs for the year ended June 30, 2018. The County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

### **Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

### **Opinion on Each Major Federal Program**

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

## 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 our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

## 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 aggregate 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, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 12, 2018, 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 financial statements as a whole.

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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Bakersfield, California  
February 28, 2019

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong*  
*Accountancy Corporation*

## **SCHEDULE**



**County of Napa**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2018**

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grant Award Number	Expenditures	Expenditures to Subrecipients
<b>U.S. Department of Agriculture</b>				
Passed through the State Department of Food and Agriculture:				
Plant and Animal Disease, Pest Control, and Animal Care:				
European Grapevine Moth - Detection	10.025	16-0697-SF	\$ 289,135	\$ -
European Grapevine Moth - Detection	10.025	17-0549-026-SF	523,680	-
County GWSS Program	10.025	16-0518-SF	180,120	-
Exotic Pest Detection Trapping	10.025	17-0131	49,397	-
Light Brown Apple Moth	10.025	17-0154-031-SF	1,203	-
Sudden Oak Death - Quarantine	10.025	17-0213-026-SF	1,237	-
Subtotal 10.025			<u>1,044,772</u>	<u>-</u>
Passed through the State Department of Education:				
School Breakfast Program				
	10.553	2012-SN-28-R	10,812	-
National School Lunch Program				
	10.555	2012-SN-28-R	19,880	-
Subtotal 10.553 and 10.555 (Child Nutrition Cluster)			<u>30,692</u>	<u>-</u>
Passed through the State Department of Public Health:				
Nutrition Education and Obesity Prevention				
	10.200	16-10181	295,686	279,173
WIC Supplemental Nutrition Program				
	10.557	15-10072	1,021,961	-
WIC Farmers' Market Nutrition Program (FMNP)				
	10.572	15-10072	608	-
Passed through the State Department of Social Services:				
State Administration Matching Grant for Supplemental Nutrition Assistance:				
CalFresh Administration	10.561		2,091,681	-
CalFresh Employment and Training	10.561		101,927	-
Subtotal 10.561			<u>2,193,608</u>	<u>-</u>
<b>Total U.S. Department of Agriculture</b>			<u><b>4,587,327</b></u>	<u><b>279,173</b></u>
<b>U.S. Department of Housing and Urban Development</b>				
Direct Programs:				
Continuum of Care Planning				
	14.267	CA1414L9T171500	18,064	-
Coordinated Assessment 2017				
	14.267	CA1482L9T171500	19,054	-
Homeless Management Information System (HMIS)				
	14.267	CA0289L9T171607	35,887	-
Transitional Residential Alliance and Integrated Network (TRAIN) - Home to Stay 2017				
	14.267	CA0293L9T171609	24,413	24,413
Transitional Residential Alliance and Integrated Network (TRAIN) - Home to Stay 2018				
	14.267	CA0293L9T171710	23,028	23,028
Subtotal 14.267			<u>120,446</u>	<u>47,441</u>
Permanent Supportive Housing I 2017				
	14.273	CA1415L9T171500	24,569	24,569
Permanent Supportive Housing II 2017				
	14.273	CA1416L9T171500	6,506	6,506
Subtotal 14.273			<u>31,075</u>	<u>31,075</u>
Passed through the State Department of Housing and Community Development:				
Community Development Block Grant (CDBG)				
	14.228	14-CDBG-9897	1,090,694	-
Emergency Solutions Grant Program (ESG)				
	14.231	16-ESG-11087	87,156	87,156
Emergency Solutions Grant Competitive Program (ESG-C)				
	14.231	16-ESG-11011	126,023	126,023
Subtotal 14.231			<u>213,179</u>	<u>213,179</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<u><b>1,455,394</b></u>	<u><b>291,695</b></u>
<b>U.S. Department of the Interior</b>				
Direct Programs:				
Enhanced Law Enforcement Services - Lake Berryessa				
	15.000	R16PC00048	384,036	-
Payment in Lieu of Taxes (PILT)				
	15.226		163,726	-
Federal Grazing Fee				
	15.227		207	-
National Wildlife Refuge Fund				
	15.659		74	-
<b>Total U.S. Department of the Interior</b>			<u><b>548,043</b></u>	<u><b>-</b></u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**County of Napa**  
**Schedule of Expenditures of Federal Awards (Continued)**  
**For the Year Ended June 30, 2018**

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grant Award Number	Expenditures	Expenditures to Subrecipients
<b>U.S. Department of Justice</b>				
Direct Programs:				
Domestic Cannabis Eradication/Suppression Program (DCESP)	16.000	2017-33	13,261	-
Domestic Cannabis Eradication/Suppression Program (DCESP)	16.000	2018-31	11,358	-
Subtotal 16.000			24,619	-
Passed through Governor's Office of Emergency Services, California:				
Napa Victim/Witness Assistance	16.575	VW16070280	87,290	-
Napa Victim/Witness Assistance	16.575	VW17080280	180,205	-
Unserved/Underserved Victim Advocacy & Outreach	16.575	UV16020280	184,995	-
Unserved/Underserved Victim Advocacy & Outreach	16.575	XV15010280	114,517	-
County Victim Services Program	16.575	XC16010280	95,991	-
Child Advocacy Center Program	16.575	KC17010280	220	-
Subtotal 16.575			663,218	-
Passed through the Children's Advocacy Centers of California:				
Victims of Child Abuse Children's Advocacy Center National Subgrants Program	16.758	07-NAPA-CA-SA17	3,000	-
<b>Total U.S. Department of Justice</b>			<b>690,837</b>	<b>-</b>
<b>U.S. Department of Labor</b>				
Passed through the Workforce Alliance of the North Bay (WANB):				
Workforce Innovation and Opportunity Act (WIOA):				
WIOA Adult Program	17.258	170753B-17	231,341	-
WIOA Slingshot	17.258	170753B-17	50,000	-
Subtotal 17.258			281,341	-
WIOA Youth Activities	17.259	170753B-17	257,088	169,928
WIOA Dislocated Workers:				
Dislocated Worker	17.278	170753B-17	246,549	-
Caljob Enhancement	17.278	170753B-17	1,000	-
Rapid Response	17.278	170753B-17	3,082	-
Subtotal 17.278			250,631	-
Subtotal 17.258, 17.259, and 17.278 (WIOA Cluster)			789,060	169,928
<b>Total U.S. Department of Labor</b>			<b>789,060</b>	<b>169,928</b>
<b>U.S. Department of Transportation</b>				
Direct Programs:				
Airport Improvement Program	20.106	3-06-0162-034-2016	487,607	-
Airport Improvement Program	20.106	3-06-0162-036-2017	45,761	-
Subtotal 20.106			533,368	-
Passed through the State Department of Transportation:				
Highway Planning and Construction - Oakville Crossroads Bridge	20.205	BRLO-5921 (010)	15,590	-
Highway Planning and Construction - Dry Creek Road	20.205	BRLO-5921 (061)	207,695	-
Highway Planning and Construction - Silverado Trail (Howell Mt to Zinfandel Ln)	20.205	STPL-5921 (075)	76,485	-
Highway Planning and Construction - Greenwood Ave over Garnett Creek	20.205	BRLO-5921 (068)	10,372	-
Highway Planning and Construction - Chiles-Pope Valley Road	20.205	BRLS-5921 (074)	134,271	-
Highway Planning and Construction - 2014 Earthquake - Oak Knoll/Old Sonoma Rd	20.205	ER-26E0(001)	3,806	-
Highway Planning and Construction - 2014 Earthquake - Cuttings Wharf Culvert	20.205	ER-26E0(002)	15,900	-
Highway Planning and Construction - 2014 Earthquake - Old Sonoma Road Culvert	20.205	ER-26E0(003)	3,353	-
Highway Planning and Construction - 2014 Earthquake - Yountville Crossroad Bridge	20.205	ER-26E0(004)	4,619	-
Highway Planning and Construction - 2014 Earthquake - Silverado Trail Bridge/Taplin Rd	20.205	ER-26E0(005)	3,770	-
Highway Planning and Construction - 2014 Earthquake - Silverado Trail Bridge/MPM26.5	20.205	ER-26E0(006)	3,378	-
Highway Planning and Construction - Storm 4301 - Silverado Trail	20.205	ER-32LO(347)	144,758	-
Highway Planning and Construction - Storm 4301 - Howell Mountain	20.205	ER-32LO(422)	635,405	-
Highway Planning and Construction - Storm 4301 - Pope Canyon	20.205	ER-32LO(419)	145,466	-
Highway Planning and Construction - Storm 4301 - Wooden Valley MPM 3.0	20.205	ER-32LO(420)	70,120	-
Highway Planning and Construction - Storm 4301 - Wooden Valley MPM 2.75	20.205	ER-32LO(423)	660,491	-
Highway Planning and Construction - Storm 4308 - Berryessa/Knoxville	20.205	ER-32LO(348)	847,044	-
Highway Planning and Construction - Storm 4308 - Wooden Valley - MPM 2.5	20.205	ER-32LO(421)	5,749	-
Highway Planning and Construction - Storm 4308 - Wooden Valley - MPM 3.1	20.205	ER-32LO(349)	10,832	-
Highway Planning and Construction - 2017 Fire Complex - Wooden Valley	20.205	ER-38HO(001)	25,386	-
Highway Planning and Construction - 2017 Fire Complex - Petrified Forest	20.205	ER-38HO(002)	22,716	-
Subtotal 20.205			3,047,206	-
<b>Total U.S. Department of Transportation</b>			<b>3,580,574</b>	<b>-</b>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**County of Napa**  
**Schedule of Expenditures of Federal Awards (Continued)**  
**For the Year Ended June 30, 2018**

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grant Award Number	Expenditures	Expenditures to Subrecipients
<b>U.S. Institute of Museum and Library Services</b>				
Passed through the State Library:				
Grants to States: Crisis Collection Grant	45.310	40-8806	12,168	-
Grants to States: Bike Branch	45.310	40-8776	14,408	-
Subtotal 45.310			<u>26,576</u>	-
<b>Total U.S. Institute of Museum and Library Services</b>			<b><u>26,576</u></b>	<b>-</b>
<b>U.S. Environmental Protection Agency</b>				
Direct Programs:				
SF Bay Water Quality Improvement Fund - Napa River	66.126	W9-99T07301	89,433	-
SF Bay Water Quality Improvement Fund - Napa River	66.126	W9-99T24201	296,458	-
Subtotal 66.126			<u>385,891</u>	-
Passed through the State Water Resources Control Board:				
Milliken-Sarco-Tulocay (MST) Recycled Water Pipeline Extension	66.458	D16-01037	1,573,548	-
Subtotal 66.458			<u>1,573,548</u>	-
Napa River Restoration Oakville to Oak Knoll Project	66.460	D1613202	625,328	-
Subtotal 66.460			<u>625,328</u>	-
<b>Total U.S. Environmental Protection Agency</b>			<b><u>2,584,767</u></b>	<b>-</b>
<b>U.S. Department of Health and Human Services</b>				
Passed through the National Association of County and City Health Officials (NACCHO):				
Medical Reserve Corps Small Grant Program	93.008	5 MRCSG101005-04-00	822	-
Passed through the State Department of Public Health:				
Centers For Disease Control and Prevention: Bioterrorism	93.074	14-10524	174,609	-
Hospital Preparedness Program (HPP)	93.074	14-10524	151,755	-
Subtotal 93.074			<u>326,364</u>	-
Tuberculosis Grant	93.116		41,469	-
Immunization Subvention	93.268	17-10334	59,530	-
HIV Care (ADAP)	93.917	15-10490	4,186	-
Maternal, Child and Adolescent Health (MCAH)	93.994	201728	102,185	-
Passed through the State Department of Health Care Services:				
Projects for Assistance in Transition from Homelessness (PATH)	93.150		49,804	-
California Children's Services - Administrative (CHIP)	93.767		164,816	-
Medical Assistance Programs				
Child Health and Disability Prevention (CHDP)	93.778		145,013	-
Health Care Program for Children in Foster Care (HCPCFC)	93.778		109,687	-
California Children's Services - Administrative	93.778		350,316	-
County-Based Medi-Cal Administrative Activities	93.778	16-93371	1,053,454	-
Mental Health Medi-Cal Administrative Activities	93.778		261,728	-
Mental Health Medi-Cal Billing Administration	93.778		465,260	-
Medi-Cal Utilization Review	93.778		651,399	-
Medi-Cal Eligibility Determination - Social Services	93.778		2,928,452	-
Medi-Cal Renewal	93.778		29,747	-
Adult Protective Service (APS/CSBG)	93.778		895,939	-
In-Home Supportive Services Administrative (IHSS)	93.778		1,538,428	-
Child Welfare Services (CWS)	93.778		916,283	-
Passed through the State Department of Veterans Affairs:				
Veteran's Medi-Cal Cost Avoidance	93.778		518	-
Subtotal 93.778			<u>9,346,224</u>	-
Passed through the State Department of Health Care Services:				
Substance Abuse and Mental Health Services Administration Programs:				
Block Grants for Community Mental Health Services	93.958		482,739	275,749
Block Grants for Prevention and Treatment of Substance Abuse (SAPT)	93.959	17-94145	997,021	28,630

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**County of Napa**  
**Schedule of Expenditures of Federal Awards (Continued)**  
**For the Year Ended June 30, 2018**

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grant Award Number	Expenditures	Expenditures to Subrecipients
<b>U.S. Department of Health and Human Services (Continued)</b>				
Passed through the State Department of Social Services:				
Promoting Safe and Stable Families	93.556		77,806	-
Temporary Assistance for Needy Families:				
CalWORKS - Administrative	93.558		3,500,427	-
Emergency Assistance TANF	93.558		430,618	-
Subtotal 93.558			3,931,045	-
Refugee and Entrant Assistance	93.566		1,429	-
Community-Based Child Abuse Prevention Grants (CBCAP)	93.590		11,344	-
Child Welfare Services - IV-B	93.645		41,726	2,073
Foster Care - Title IV-E:				
Foster Care - Title IV-E - Social Services	93.658		2,930,202	549,126
Foster Care - Title IV-E - Probation	93.658		225,990	-
Subtotal 93.658			3,156,192	549,126
Adoption Assistance	93.659		1,234,729	-
Licensing Title XX	93.667		90,832	-
Foster Care Assistance Title XX	93.667	FY2012 - FY2018	1,097,698	-
In-Home Supportive Services (Public Authority)	93.667		187,799	-
Subtotal 93.667			1,376,329	-
Chafee Foster Care Independence Program	93.674		42,086	41,068
Passed through the State Department of Child Support Services:				
Child Support Enforcement	93.563		2,711,369	-
<b>Total U.S. Department of Health and Human Services</b>			<b>24,159,215</b>	<b>896,646</b>
<b>U.S. Department of Homeland Security</b>				
Passed through the State Department of Parks and Recreation:				
Law Enforcement Equipment Grant Program	97.012	FY1992 - FY2015	280,000	-
Passed through the State Department of Health Care Services:				
Federal Crisis Counseling Assistance and Training Program (CCP)	97.032	17-94645	141,352	141,352
Passed through Governor's Office of Emergency Services, California:				
2017 Napa Fire Complex	97.036	FEMA-4344-DR-CA	3,428,495	-
2017 Storm 4301	97.036	FEMA-4301-DR-CA	2,370,484	-
2017 Storm 4305	97.036	FEMA-4305-DR-CA	318,992	-
2017 Storm 4308	97.036	FEMA-4308-DR-CA	810,490	-
Subtotal 97.036			6,928,461	-
Homeland Security Grant Program	97.067	2015-0078	210,041	52,692
Homeland Security Grant Program	97.067	2016-0102	116,852	10,667
Homeland Security Grant Program	97.067	2017-0083	329	-
Passed through the City and County of San Francisco:				
Urban Areas Security Initiative Program (UASI)	97.067	2014-SS-00093	4,260	-
Subtotal 97.067			331,482	63,359
<b>Total U.S. Department of Homeland Security</b>			<b>7,681,295</b>	<b>204,711</b>
<b>Total Expenditures of Federal Awards Excluding Loans</b>			<b>\$ 46,103,088</b>	<b>\$ 1,842,153</b>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**County of Napa**  
**Schedule of Expenditures of Federal Awards (Continued)**  
**For the Year Ended June 30, 2018**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Catalog of Federal Domestic Assistance Number</u>	<u>Pass-Through Grant Award Number</u>	<u>Expenditures</u>	<u>Expenditures to Subrecipients</u>
<u>Federal Loan Balances With a Continuing Compliance Requirement</u>				
<b>U.S. Department of Agriculture</b>				
Water and Waste Disposal Systems for Rural Communities (Water)	10.760	91-02	\$ 2,743,157	\$ -
Water and Waste Disposal Systems for Rural Communities (Sewer)	10.760	92-01	7,451,364	-
Subtotal 10.760			<u>10,194,521</u>	<u>-</u>
<b>Federal Loan Balances With a Continuing Compliance Requirement</b>			<b><u>10,194,521</u></b>	<b><u>-</u></b>
<b>Total Expenditures of Federal Awards Including Loans</b>			<b><u>\$ 56,297,609</u></b>	<b><u>\$ 1,842,153</u></b>
<u>Non-Cash Assistance</u>				
<b>U.S. Department of Agriculture</b>				
Passed through the State Department of Public Health:				
WIC Supplemental Nutrition Program - Vouchers Redeemed	10.557	15-10072	\$ 1,561,834	\$ -
WIC Farmers' Market Nutrition Program (FMNP) - Vouchers Redeemed	10.572	15-10072	2,730	-
<b>Total Value of Non-Cash Assistance</b>			<b><u>\$ 1,564,564</u></b>	<b><u>\$ -</u></b>
<b>Total Expenditures of Federal Awards Including Loans and Value of Non-Cash Assistance</b>			<b><u>\$ 57,862,173</u></b>	<b><u>\$ 1,842,153</u></b>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**County of Napa**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2018**

**NOTE 1 – GENERAL**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) presents the activity of all federal award programs of the County of Napa (County). The County's reporting entity is defined in Note 1 to the County's basic financial statements. Expenditures of federal awards received directly from federal agencies, as well as expenditures of federal awards passed through other governmental agencies, are included in the SEFA.

**NOTE 2 – BASIS OF ACCOUNTING**

The accompanying SEFA is presented using the modified accrual basis of accounting, except for the following programs: Payments in Lieu of Taxes (15.226) and Federal Grazing Fee (15.227). For these programs, revenues received during the year are considered earned and are subsequently reported as expenditures. The information on this schedule is prepared 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the County's basic financial statements.

**NOTE 3 – RELATIONSHIP TO FINANCIAL STATEMENTS**

Federal award expenditures reported in the accompanying SEFA agree, or can be reconciled, in all material respects, to amounts reported in the County's basic financial statements.

**NOTE 4 – INDIRECT COSTS**

The County elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance for the following programs:

<u>Program Title</u>	<u>CFDA</u>	<u>Expenditures</u>
Napa Victim/Witness Assistance	16.575	\$ 87,290
Napa Victim/Witness Assistance	16.575	180,205
Unserved/Underserved Victim Advocacy and Outreach	16.575	184,995
Unserved/Underserved Victim Advocacy and Outreach	16.575	114,517
County Victim Services Program	16.575	95,991
Centers for Disease Control and Prevention: Bioterrorism	93.074	174,609
Hospital Preparedness Program (HPP)	93.074	151,755
Health Care Program for Children in Foster Care	93.778	109,687

**NOTE 5 – CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA)**

The CFDA numbers, included in the accompanying SEFA, were determined based on the program name, review of the grant or contract information, and the Catalog of Federal Domestic Assistance.

**NOTE 6 – PASS-THROUGH ENTITIES’ IDENTIFYING NUMBER**

When federal awards were received from a pass-through entity, the SEFA indicates the identifying grant or contract number assigned by the pass-through entity, if available.

**NOTE 7 – NON-CASH ASSISTANCE**

The following CFDA numbers also pertain to non-cash assistance, which has been included in the SEFA but not presented in the County’s basic financial statements:

*10.557 WIC Supplemental Nutrition Program – Vouchers Redeemed* totaling \$1,561,834 are reported at the value of client purchases of authorized food products.

*10.572 WIC Farmers’ Market Nutrition Program (FMNP) – Vouchers Redeemed* totaling \$2,730 are reported at the value of client purchases of authorized food products.

**NOTE 8 – LOANS OUTSTANDING**

*Water and Waste Disposal Systems for Rural Communities*

Beginning in fiscal year 2012-13, the Napa Berryessa Resort Improvement District (NBRID) received a loan from the United States Department of Agriculture to fund water and wastewater improvements. The funding was provided by the Rural Utilities Service under CFDA 10.760. NBRID was awarded two Rural Development Loans repayable under the terms of the agreement. The following schedule presents the amount of loan balance outstanding for each project at June 30, 2018.

	<u>Water</u>	<u>Sewer</u>
Loan Balance, Outstanding July 1, 2017	\$ 2,788,157	\$ 7,573,364
Total Principal Repayments	<u>(45,000)</u>	<u>(122,000)</u>
Loan Balance, Outstanding June 30, 2018	<u>\$ 2,743,157</u>	<u>\$ 7,451,364</u>

**NOTE 9 – CALIFORNIA DEPARTMENT OF TRANSPORTATION**

The County participated in the Federal Apportionment Exchange Program and State Match Program. Federal Regional Surface Transportation (RSTP) funds were exchanged for nonfederal State Highway Account Funds as follows:

<u>Program</u>	<u>Contract</u>	<u>State Expenditures</u>
RSTP Exchange	X18-5921 (077)	\$ 237,648
State Match	X18-5921 (077)	<u>100,000</u>
Total		<u>\$ 337,648</u>

**NOTE 10 – WHOLE PERSON CARE**

The County is participating in a Whole Person Care (WPC) Pilot Program with the State of California Department of Health Care Services. Per the agreement, the overarching goal of the WPC program is, "...the coordination of health, behavioral health, and social services, as applicable, in a patient-centered manner with the goals of improved beneficiary health and wellbeing through more efficient and effective use of resources." The original agreement was entered into on November 21, 2016, and will continue through June 30, 2021. A second round of funding was made available and awarded to the County on June 12, 2017.

Although the County is receiving this money through the State of California, the original source of the funding is Federal. For the year ending June 30, 2018, the County expended \$1,930,471 of WPC funds. The WPC Pilot Program Team repeatedly issued guidance informing lead entities (including the County) that they had determined recipients to be contractors rather than subrecipients. For this reason the County is not reporting its WPC expenditures on the SEFA. However, the County is treating the subcontractors as subrecipients and is monitoring them accordingly.



## **FINDINGS AND QUESTIONED COSTS**

**County of Napa**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2018**

**SECTION 1**

SUMMARY OF AUDITOR'S RESULTS

*Financial Statements*

1. Type of auditor's report issued: Unmodified
2. Internal control over financial reporting:
- a. Material weakness identified? \_\_\_ Yes X No
- b. Significant deficiencies identified  
not considered to be material weaknesses? \_\_\_ Yes X No
3. Noncompliance material to financial statements noted? \_\_\_ Yes X No

*Federal Awards*

1. Internal control over major federal programs:
- a. Material weakness identified? \_\_\_ Yes X No
- b. Significant deficiencies identified  
not considered to be material weaknesses? \_\_\_ Yes X No
2. Type of auditor's report issued on compliance  
for major programs: Unmodified
3. Any audit findings disclosed that are required to be  
reported in accordance with the Uniform Guidance? \_\_\_ Yes X No
4. Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
14.228	Community Development Block Grant
66.458	Capitalization Grants for Clean Water State Revolving Funds
93.659	Adoption Assistance
97.036	Disaster Grants (FEMA)

5. Dollar threshold used to distinguish between Type A and  
Type B programs: \$1,735,865
6. Auditee qualified as low-risk auditee under the Uniform  
Guidance? X Yes \_\_\_ No

**County of Napa**  
**Schedule of Findings and Questioned Costs (Continued)**  
**For the Year Ended June 30, 2018**

**SECTION 2**

FINANCIAL STATEMENT FINDINGS

None Reported.

**SECTION 3**

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None Reported.

**County of Napa  
Summary Schedule of Prior Year Audit Findings  
For the Year Ended June 30, 2018**

No findings in the prior year.

**County of Napa**  
**Supplementary Schedule of the California Office of Emergency Services**  
**and the Board of State and Community Corrections Grant Expenditures**  
**For the Year Ended June 30, 2018**

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period through June 30, 2017	For the Year Ended June 30, 2018	Cumulative as of June 30, 2018	Federal Share	State Share	County Share
Victim Witness Assistance Program; VW16070280						
Advocacy and Outreach						
Personnel services	\$ 219,241	\$ 60,257	\$ 279,498	\$ 60,257	\$ -	\$ -
Operating expenses	50,157	27,033	77,190	27,033	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 269,398</u>	<u>\$ 87,290</u>	<u>\$ 356,688</u>	<u>\$ 87,290</u>	<u>\$ -</u>	<u>\$ -</u>
Victim Witness Assistance Program; VW17080280						
Advocacy and Outreach						
Personnel services	\$ -	\$ 157,311	\$ 157,311	\$ 157,311	\$ -	\$ -
Operating expenses	-	50,403	50,403	22,894	27,509	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ 207,714</u>	<u>\$ 207,714</u>	<u>\$ 180,205</u>	<u>\$ 27,509</u>	<u>\$ -</u>
Unserviced/Underserved Victim Advocacy and Outreach Programs; UV16020280						
Advocacy and Outreach						
Personnel services	\$ 44,493	\$ 195,136	\$ 239,629	\$ 183,142	\$ -	\$ 11,994
Operating expenses	9,232	38,000	47,232	1,853	-	36,147
Equipment	-	-	-	-	-	-
Totals	<u>\$ 53,725</u>	<u>\$ 233,136</u>	<u>\$ 286,861</u>	<u>\$ 184,995</u>	<u>\$ -</u>	<u>\$ 48,141</u>
Unserviced/Underserved Victim Advocacy and Outreach Program; UV15010280						
Advocacy and Outreach						
Personnel services	\$ 113,811	\$ -	\$ 113,811	\$ -	\$ -	\$ -
Operating expenses	21,875	-	21,875	-	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 135,686</u>	<u>\$ -</u>	<u>\$ 135,686</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Unserviced/Underserved Victim Advocacy (XV) and Outreach Program; XV15010280						
Advocacy and Outreach						
Personnel services	\$ 146,722	\$ 144,330	\$ 291,052	\$ 114,517	\$ -	\$ 29,813
Operating expenses	30,083	-	30,083	-	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 176,805</u>	<u>\$ 144,330</u>	<u>\$ 321,135</u>	<u>\$ 114,517</u>	<u>\$ -</u>	<u>\$ 29,813</u>
County Victim Services Program; XC16010280						
Personnel services	\$ -	\$ 52,607	\$ 52,607	\$ 39,478	\$ -	\$ 13,129
Operating expenses	4,426	70,713	75,139	56,513	-	14,200
Equipment	42,420	-	42,420	-	-	-
Totals	<u>\$ 46,846</u>	<u>\$ 123,320</u>	<u>\$ 170,166</u>	<u>\$ 95,991</u>	<u>\$ -</u>	<u>\$ 27,329</u>
County Victim Services Program; KC (Courage Center)						
Personnel services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating expenses	-	220	220	220	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ 220</u>	<u>\$ 220</u>	<u>\$ 220</u>	<u>\$ -</u>	<u>\$ -</u>