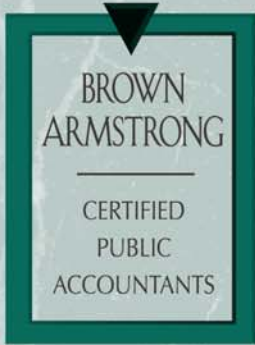


COUNTY OF SANTA CRUZ
SINGLE AUDIT REPORT
FOR THE YEAR ENDED
JUNE 30, 2020

**COUNTY OF SANTA CRUZ
SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2020**

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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

To the Honorable Board of Supervisors
of the County of Santa Cruz, California
Santa Cruz, 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 Santa Cruz (the County), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 23, 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 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 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*.

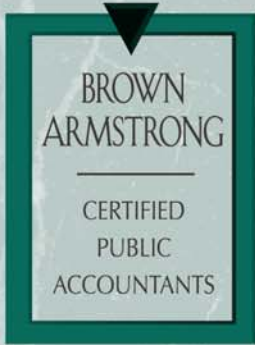
Purpose of this Report

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.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

*Brown Armstrong
Accountancy Corporation*

Bakersfield, California
December 23, 2020



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

To the Honorable Board of Supervisors
of the County of Santa Cruz, California
Santa Cruz, California

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Report on Compliance for Each Major Federal Program

We have audited the County of Santa Cruz's (the County) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2020. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our 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 identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, 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, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 23, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Restriction on Use

This report is intended solely for the information and use of management, County Board of Supervisors, others within the County, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

*Brown Armstrong
Accountancy Corporation*

Bakersfield, California
February 18, 2021

**COUNTY OF SANTA CRUZ
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020**

Federal Grantor/Program Title	Federal CFDA Number	Contract or Program Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture				
Passed through CA Department of Food and Agriculture				
Phytophthora Ramorum	10.025	19-0267-029-SF	\$ -	\$ 46,511
Glassy-Winged Sharpshooter	10.025	17-0453-032-SF	-	50,611
Enhanced Exotic Pest Survey	10.025	19-0140	-	160,784
Asian Citrus Psyllid (ACP)	10.025	19-0737-001-SF	-	40,061
Subtotal			<u>-</u>	<u>297,967</u>
CalFRESH Employment and Training (CFET)	10.561	--	-	194,338
CalFRESH Enhanced	10.561	--	-	77,009
CalFRESH & Staff Development	10.561	--	-	7,886,794
Passed through California Department of Public Health				
Nutrition Education and Obesity Prevention	10.561	19-10334	-	307,591
Subtotal			<u>-</u>	<u>8,465,732</u>
Passed through California Department of Education				
National School Lunch and Breakfast Program	10.555	44-3447-90003419-01	-	31,061
Subtotal			<u>-</u>	<u>31,061</u>
Passed through California Department of Forestry and Fire Protection				
Cooperative Forestry Assistance	10.664	9999000FED	-	24,656
Subtotal			<u>-</u>	<u>24,656</u>
Total U.S. Department of Agriculture			<u>-</u>	<u>8,819,416</u>
U.S. Department of Housing and Urban Development				
Direct Programs				
HUD Supportive Housing Program - Match I	14.267	CA0231L9T081811	-	488,405
HUD Supportive Housing Program - Match I	14.267	CA0231L9T081912	-	269,006
HUD Supportive Housing Program - Match II	14.267	CA0960L9T081704	-	584
HUD Supportive Housing Program - Match III	14.267	CA1074L9T081705	-	12,583
HUD Supportive Housing Program - Bonus Housing	14.267	CA1310L9T081702	-	13,950
HUD Supportive Housing Program - Bonus Housing	14.267	CA1310L9T081803	-	(52,398)
HUD Supportive Housing Program - Bonus Housing	14.267	CA1310L9T081904	-	10,695
Passed through California Department of Housing and Community Development				
HUD Youth Homelessness Demonstration Program	14.267	CA1636Y9T081600	-	6,927
Subtotal			<u>-</u>	<u>749,752</u>
Direct Programs				
HUD Youth Homelessness Demonstration Program	14.276	CA1636Y9T081600	-	59,336
HUD Coordinated Entry	14.276		-	228,362
Subtotal			<u>-</u>	<u>287,698</u>
Passed through California Department of Housing and Community Development				
Home Investment Partnerships Program	14.239	16-HOME-11375	-	340,212
Subtotal			<u>-</u>	<u>340,212</u>
Total U.S. Department of Housing and Urban Development			<u>-</u>	<u>1,377,662</u>
U.S. Department of the Interior				
Passed through California Department of Parks and Recreation				
Land and Water Conservation Fund Grant - Chanticleer Ave Park Development	15.916	C8961002	-	479,039
Total U.S. Department of the Interior			<u>-</u>	<u>479,039</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**COUNTY OF SANTA CRUZ
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2020**

Federal Grantor/Program Title	Federal CFDA Number	Contract or Program Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Justice				
Direct Programs				
Criminal Alien Assistance Program	16.034	--	-	65,506
SSCO Sheriff's Quality Improvement Medical Examiner-Coroner Accredi Proj	16.560	--	-	25,673
Passed through California Emergency Management Agency				
Victim Witness Assistance Program	16.575	VW18370440	-	126,215
Victim Witness Assistance Program	16.575	VW19380440	-	312,727
Child Advocacy Center Program	16.575	KC18020440	-	111,149
Child Advocacy Center Program	16.575	KC19030440	-	26,023
County Victim Services Program	16.575	XC16010440	-	85,073
County Victim Services Program	16.575	XC19020440	-	98,437
Unserved/Underserved Victim Advocacy and Outreach Program	16.575	UV1803 0440	-	45,266
Unserved/Underserved Victim Advocacy and Outreach Program	16.575	UV19040440	-	117,427
Subtotal			-	922,317
Passed through Office for Victims of Crime				
Supporting Male Survivors of Violence	16.582	2015-VF-GX-K042	276,520	373,364
Passed through California Board of State and Community Corrections				
Sheriff's Office SCCO - Residential Abuse Treatment (RSAT)	16.593		-	90,061
Title II Juvenile Delinquency Prevention and Intervention Grant Program	16.540	PODER	13,721	25,847
Title II Juvenile Delinquency Prevention and Intervention Grant Program	16.540	STAR	90,736	110,731
Edward Byrne Memorial Justice Assistance (Mental Health Training Grant)	16.738		-	13,241
School Safety Grant	16.738		-	129,221
Total U.S. Department of Justice			380,977	1,755,961
U.S. Department of Labor				
Passed through California Department of Employment Development				
WIOA Cluster Programs				
Title I - A Adult Formula	17.258	--	311,819	1,111,704
WIOA Youth Activities - Title I Youth Formula	17.259	--	708,096	1,077,883
Title I-D Dislocated Worker Formula	17.278	--	276,235	880,622
Title I Rapid Response for RA & PGM - Business Retention Survey	17.278	--	44,000	154,648
WIOA Cluster			1,340,150	3,224,857
Total U.S. Department of Labor			1,340,150	3,224,857
U.S. Department of Transportation				
Passed through California Department of Transportation				
Highway Planning and Construction	20.205	BRLO-5936(061)	-	1,207
Highway Planning and Construction	20.205	BRLO-5936(086)	-	23,765
Highway Planning and Construction	20.205	BRLO-5936(089)	-	3,310
Highway Planning and Construction	20.205	BRLO-5936(091)	-	2,256
Highway Planning and Construction	20.205	BRLO-5936(092)	-	744
Highway Planning and Construction	20.205	BRLO-5936(093)	-	1,881
Highway Planning and Construction	20.205	BRLO-5936(094)	-	2,736
Highway Planning and Construction	20.205	BRLO-5936(095)	-	12,899
Highway Planning and Construction	20.205	BRLO-5936(096)	-	3,746
Highway Planning and Construction	20.205	BRLO-5936(097)	-	386,008
Highway Planning and Construction	20.205	BRLO-5936(112)	-	8,380
Highway Planning and Construction	20.205	BRLO-5936(127)	-	1,315
Highway Planning and Construction	20.205	BRLO-5936(132)	-	52,170
Highway Planning and Construction	20.205	DR-1968-HPMG	-	14,061
Highway Planning and Construction	20.205	ER-20E0-5936(010)	-	156,737
Highway Planning and Construction	20.205	ER-20E0-5936(011)	-	106,700
Highway Planning and Construction	20.205	ER-20E0-5936(012)	-	428
Highway Planning and Construction	20.205	ER-30R0-5936(003)	-	17,935
Highway Planning and Construction	20.205	ER-30R0-5936(004)	-	18,638
Highway Planning and Construction	20.205	ER-30R0-5936(006)	-	1,362

See accompanying notes to the Schedule of Expenditures of Federal Awards.

COUNTY OF SANTA CRUZ
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2020

Federal Grantor/Program Title	Federal CFDA Number	Contract or Program Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Transportation (Continued)				
Passed through California Department of Transportation (Continued)				
Highway Planning and Construction	20.205	ER-32D0-5936(002)	-	279
Highway Planning and Construction	20.205	ER-32D0-5936(003)	-	559
Highway Planning and Construction	20.205	ER-32D0-5936(004)	-	8,685
Highway Planning and Construction	20.205	ER-32D0-5936(011)	-	72,274
Highway Planning and Construction	20.205	ER-32D0-5936(014)	-	498,755
Highway Planning and Construction	20.205	ER-32L0-5936(002)	-	10,081
Highway Planning and Construction	20.205	ER-32L0-5936(004)	-	438
Highway Planning and Construction	20.205	ER-32L0-5936(005)	-	50,564
Highway Planning and Construction	20.205	ER-32L0-5936(006)	-	15,673
Highway Planning and Construction	20.205	ER-32L0-5936(007)	-	40,965
Highway Planning and Construction	20.205	ER-32L0-5936(008)	-	66,905
Highway Planning and Construction	20.205	ER-32L0-5936(012) & (049)	-	1,069
Highway Planning and Construction	20.205	ER-32L0-5936(013)	-	22,442
Highway Planning and Construction	20.205	ER-32L0-5936(014)	-	42,038
Highway Planning and Construction	20.205	ER-32L0-5936(015)	-	17,749
Highway Planning and Construction	20.205	ER-32L0-5936(016)	-	699,780
Highway Planning and Construction	20.205	ER-32L0-5936(020)	-	7,302
Highway Planning and Construction	20.205	ER-32L0-5936(046)	-	18,918
Highway Planning and Construction	20.205	ER-32L0-5936(048)	-	24,585
Highway Planning and Construction	20.205	ER-32L0-5936(052)	-	63,727
Highway Planning and Construction	20.205	ER-32L0-5936(056)	-	17,270
Highway Planning and Construction	20.205	ER-32L0-5936(057)	-	15,138
Highway Planning and Construction	20.205	ER-32L0-5936(058)	-	63,268
Highway Planning and Construction	20.205	ER-32L0-5936(059)	-	13,355
Highway Planning and Construction	20.205	ER-32L0-5936(060)	-	30,153
Highway Planning and Construction	20.205	ER-32L0-5936(062)	-	66,490
Highway Planning and Construction	20.205	ER-32L0-5936(064)	-	7,224
Highway Planning and Construction	20.205	ER-32L0-5936(065)	-	25,142
Highway Planning and Construction	20.205	ER-32L0-5936(066)	-	35,167
Highway Planning and Construction	20.205	ER-32L0-5936(067)	-	33,048
Highway Planning and Construction	20.205	ER-32L0-5936(068)	-	89,182
Highway Planning and Construction	20.205	ER-32L0-5936(069)	-	30,355
Highway Planning and Construction	20.205	ER-32L0-5936(072)	-	46,455
Highway Planning and Construction	20.205	ER-32L0-5936(079)	-	583
Highway Planning and Construction	20.205	ER-32L0-5936(080)	-	22,886
Highway Planning and Construction	20.205	ER-32L0-5936(081)	-	13,507
Highway Planning and Construction	20.205	ER-32L0-5936(082)	-	87,553
Highway Planning and Construction	20.205	ER-32L0-5936(083)	-	44,219
Highway Planning and Construction	20.205	ER-32L0-5936(084)	-	22,770
Highway Planning and Construction	20.205	ER-32L0-5936(093)	-	189,781
Highway Planning and Construction	20.205	ER-32L0-5936(094)	-	43,076
Highway Planning and Construction	20.205	ER-32L0-5936(095)	-	26,755
Highway Planning and Construction	20.205	ER-32L0-5936(097)	-	32,225
Highway Planning and Construction	20.205	ER-32L0-5936(103)	-	1,967
Highway Planning and Construction	20.205	ER-32L0-5936(104)	-	4,460
Highway Planning and Construction	20.205	ER-32L0-5936(106)	-	24,120
Highway Planning and Construction	20.205	ER-32L0-5936(149)	-	36,265
Highway Planning and Construction	20.205	ER-32L0-5936(150)	-	219
Highway Planning and Construction	20.205	ER-32L0-5936(199)	-	2,278
Highway Planning and Construction	20.205	ER-32L0-5936(200)	-	1,130
Highway Planning and Construction	20.205	ER-32L0-5936(201)	-	3,974
Highway Planning and Construction	20.205	ER-32L0-5936(202)	-	16,512
Highway Planning and Construction	20.205	ER-32L0-5936(205)	-	192,301
Highway Planning and Construction	20.205	ER-32L0-5936(207)	-	18,056
Highway Planning and Construction	20.205	ER-32L0-5936(208)	-	16,760
Highway Planning and Construction	20.205	ER-32L0-5936(209)	-	85,515
Highway Planning and Construction	20.205	ER-32L0-5936(210)	-	21,645
Highway Planning and Construction	20.205	ER-32L0-5936(220)	-	295,117
Highway Planning and Construction	20.205	ER-32L0-5936(222)	-	10,236
Highway Planning and Construction	20.205	ER-32L0-5936(223)	-	7,378
Highway Planning and Construction	20.205	ER-32L0-5936(227)	-	684
Highway Planning and Construction	20.205	ER-32L0-5936(229)	-	13,404
Highway Planning and Construction	20.205	ER-32L0-5936(257)	-	18,016

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**COUNTY OF SANTA CRUZ
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2020**

Federal Grantor/Program Title	Federal CFDA Number	Contract or Program Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Transportation (Continued)				
Passed through California Department of Transportation (Continued)				
Highway Planning and Construction	20.205	ER-32L0-5936(258)	-	23,937
Highway Planning and Construction	20.205	ER-32L0-5936(259)	-	4,269
Highway Planning and Construction	20.205	ER-32L0-5936(260)	-	39,753
Highway Planning and Construction	20.205	ER-32L0-5936(262)	-	34,020
Highway Planning and Construction	20.205	ER-32L0-5936(263)	-	180
Highway Planning and Construction	20.205	ER-32L0-5936(264)	-	525,604
Highway Planning and Construction	20.205	ER-32L0-5936(265)	-	6,752
Highway Planning and Construction	20.205	ER-32L0-5936(266)	-	24,666
Highway Planning and Construction	20.205	ER-32L0-5936(336)	-	1,940
Highway Planning and Construction	20.205	ER-32L0-5936(337)	-	25,472
Highway Planning and Construction	20.205	ER-32L0-5936(339)	-	322,218
Highway Planning and Construction	20.205	ER-32L0-5936(340)	-	46,905
Highway Planning and Construction	20.205	ER-32L0-5936(341)	-	6,163
Highway Planning and Construction	20.205	ER-32L0-5936(342)	-	179,664
Highway Planning and Construction	20.205	ER-32L0-5936(343)	-	287,731
Highway Planning and Construction	20.205	ER-32L0-5936(344)	-	176,162
Highway Planning and Construction	20.205	ER-32L0-5936(345)	-	11,527
Highway Planning and Construction	20.205	ER-32L0-5936(412)	-	30,507
Highway Planning and Construction	20.205	ER-32L0-5936(413)	-	41,367
Highway Planning and Construction	20.205	ER-32L0-5936(414)	-	20,519
Highway Planning and Construction	20.205	ER-32L0-5936(415)	-	35,337
Highway Planning and Construction	20.205	ER-32L0-5936(425)	-	20,333
Highway Planning and Construction	20.205	ER-32L0-5936(463)	-	5,093
Highway Planning and Construction	20.205	HSIPL-5936(122)	-	26,592
Highway Planning and Construction	20.205	HSIPL-5936(123)	-	4,100
Highway Planning and Construction	20.205	HSIPL-5936(129)	-	130,969
Highway Planning and Construction	20.205	HSIPL-5936(135)	-	44,492
Highway Planning and Construction	20.205	HSIPL-5936(140)	-	4,334
Total U.S. Department of Transportation			-	6,285,311
U.S. National Highway Traffic Safety Administration				
Passed through California Office of Traffic Safety				
Pedestrian and Bicycle Safety Program	20.600	PS19020 / PS20035	-	147,759
Occupant Protection Incentive Grant - Tulare County Office of Education Highway Safety Cluster	20.602	--	-	1,500
			-	149,259
National Priority Safety Programs - Child Passenger Safety Subtotal	20.616	OP190111 / OP20022	-	43,058
			-	43,058
National Priority Safety Programs - Impacted Impaired Driving Subtotal	20.608	AL18023	12,733	92,945
			12,733	92,945
Total U.S. National Highway Traffic Safety Administration			12,733	285,262
U.S. Department of the Treasury				
Passed through California Department of Finance				
Coronavirus Aid Relief and Economic Security (CARES) ACT Subtotal	21.019		-	6,698,038
			-	6,698,038
Total U.S. Department of the Treasury			-	6,698,038
U.S. Environmental Protection Agency				
Passed through California Environmental Protection Agency				
State Water Resource Control Board Subtotal	66.458		-	1,514,310
			-	1,514,310
Total U.S. Environmental Protection Agency			-	1,514,310

See accompanying notes to the Schedule of Expenditures of Federal Awards.

COUNTY OF SANTA CRUZ
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2020

Federal Grantor/Program Title	Federal CFDA Number	Contract or Program Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services				
Direct Programs				
Health Center Cluster	93.224	H80CS00048	37,482	2,618,613
Coronavirus Supplemental Funding for Health Centers	93.224	H8CCS34233	-	66,912
Health Center Coronavirus Aid, Relief, and Economic Security (CARES)				
Act Funding	93.224	HDCS35507	-	847,760
Expanding Capacity for Coronavirus Testing (ECT)	93.224	H8ECS38923	-	264,806
Subtotal			<u>37,482</u>	<u>3,798,091</u>
Drug Free Communities	93.276	5H79SP018550-07 / 6H79SP018550-08	44,216	140,087
Subtotal			<u>44,216</u>	<u>140,087</u>
CARES ACT	93.498	DS-31859429638	-	86,862
Subtotal			<u>-</u>	<u>86,862</u>
Addiction Treatment Starts Here: Primary Care Program	93.788	TC1043-19-04829	-	35,000
Addiction Treatment Starts Here: Primary Care Program	93.788	TC1909-000037	-	33,500
Subtotal			<u>-</u>	<u>68,500</u>
Early Intervention Services	93.918	H76HA00153	12,045	409,830
Subtotal			<u>12,045</u>	<u>409,830</u>
Passed through California Department of Social Services				
KinGap IV-E - Administration	93.090	--	-	7,481
Subtotal			<u>-</u>	<u>7,481</u>
Temporary Assistance for Needy Families				
CalWORKS - Assistance	93.558	--	-	7,807,366
Temporary Assistance for Needy Families - CalWorks Program and Staff				
Development	93.558	--	-	16,534,013
Temporary Assistance for Needy Families - EA - ER, ESC, CR	93.558	--	-	1,819,697
CALWIN	93.558	--	-	224,627
Subtotal			<u>-</u>	<u>26,385,703</u>
Foster Care - Title IV-E				
Foster Care - Assistance	93.658	--	-	1,302,428
Case Record Review	93.658	--	-	112,593
Child Welfare Services - CWS Title IV-E & Staff Development	93.658	--	-	493,534
Foster Parent Recruitment Retention and Support	93.658	--	-	27,169
Foster Care - Licensing Foster Family & Staff Development	93.658	--	-	26,777
Foster Care - Title IV-E - Administration & Staff Development	93.658	--	-	106,229
Foster Care - Kinship & Foster Care Emergency Fund	93.658	--	-	252
Probation - CSEC (Pass Through)	93.658	--	-	10,539
Probation - CWS - IV-E & GHMV (Pass Through)	93.658	--	-	219,011
Probation - CWS - OIP (Pass Through)	93.658	--	-	616
Child Welfare Services - Group Home Monthly Visits	93.658	--	-	8,356
Substance Abuse Disorder	93.658	--	-	17,997
Foster Care - EA - FC Emergency Assistance	93.658	--	-	368,802
SACWIS - CWS - NS	93.658	--	-	156
Public Agency IV-E Pass-Through (SCCOE)	93.658	--	-	187,868
FPP: Family Preservation (FED)	93.658	--	-	1,689
Passed through California Department of Health Services				
Family Preservation - DHS Title XIX	93.658	--	-	84,085
Child Welfare Services - CWS Title IV-E (DHS Title XIX)	93.658	--	-	5,083,277
Subtotal			<u>-</u>	<u>8,051,378</u>
Adoption Assistance				
Adoption Assistance - Assistance	93.659	--	-	4,515,029
Adoption Assistance - Other Public Assistance & Staff Development	93.659	--	-	211,155
Adoption Assistance - Social Services & Staff Development	93.659	--	-	199,249
Subtotal			<u>-</u>	<u>4,925,433</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**COUNTY OF SANTA CRUZ
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2020**

Federal Grantor/Program Title	Federal CFDA Number	Contract or Program Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services (Continued)				
Passed through California Department of Health Services (Continued)				
Child Welfare Services - Title XX	93.667	--	-	157,986
Title XX-FC	93.667	--	-	31,042
Subtotal			-	189,028
Promoting Safe and Stable Families - PSSF & Staff Development	93.556	--	-	153,316
Promoting Safe and Stable Families - PSSF Case Worker Visits	93.556	--	-	16,398
Subtotal			-	169,714
Child Welfare Services - Title IV-B & Staff Development	93.645	--	-	136,809
Subtotal			-	136,809
Independent Living Program & Staff Development	93.674	--	-	52,243
Subtotal			-	52,243
Passed through California Department of Child Support Services				
Child Support Enforcement - Santa Cruz County	93.563	--	-	4,228,969
Child Support Enforcement - San Benito County	93.563	--	-	1,123,530
Subtotal			-	5,352,499
Passed through California Department of Alcohol and Drug Programs				
Substance Abuse Prevention and Treatment Block Grant	93.959	DHCS #17-94200 A01 & 17- 94161 A01	1,661,865	1,913,021
Subtotal			1,661,865	1,913,021
Passed through California Department of Health Services				
Adult Protective Services-Title XIX & Staff Development	93.569	--	-	1,502,769
Subtotal			-	1,502,769
California Children's Services Admin - Optional Targeted Low Income (OTLICP)	93.767	CCS Information Notice 19-05	-	94,927
Subtotal			-	94,927
In Home Support Services - Title XIX & Staff Development	93.778	--	-	3,327,507
MEDI CAL 50% & Staff Development	93.778	--	-	19,178,261
California Children's Services Admin - Medical	93.778	CCS Information Notice 18-05	-	343,955
Child Health and Disability Prevention (CHDP)	93.778	CHDP Information Notice 18-02	-	226,980
Health Care Program for Children in Foster Care (HCPCFC)	93.778	CHDP Information Notice 18-03	-	67,630
Health Care Program for Children in Foster Care - Psychotropic Med (PMM&O)	93.778	CHDP Information Notice 18-03	-	13,568
Health Care Program for Children in Foster Care - Caseload Relief	93.778	CHDP Information Notice 18-03	-	20,494
Medicaid Administrative Activities - Targeted Case Management	93.778	19-96022	-	4,054,533
Whole Person Care Pilot Program	93.778	17-14184-SZ-44	-	3,175,108
Passed through California Department of Social Services				
Public Authority	93.778	--	-	2,020,951
Passed through the California Department of Mental Health				
Medical Assistance Program	93.778	--	-	1,715,462
Medical Assistance Program - MediCal Administrative Activities (MAA)	93.778	--	-	722,597
Subtotal			-	34,867,046
Passed through the California Department of Mental Health				
Projects for Assistance in Transition from Homelessness (PATH)	93.150	68-0317191	41,080	41,080
Substance Abuse & Mental Health Services Administration (SAMHSA)	93.958	SM010005-17	22,376	336,397

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**COUNTY OF SANTA CRUZ
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2020**

Federal Grantor/Program Title	Federal CFDA Number	Contract or Program Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services (Continued)				
Passed through the California Department of Public Health				
Public Health Emergency Preparedness (PHEP)	93.069	17-10195	-	257,915
California Personal Responsibilities	93.092	18-10240	-	124,999
Tuberculosis Prevention and Control	93.116	1944R-TA00	-	11,611
Childhood Lead Poisoning Prevention Projects (CLPPP)	93.197	17-10245	-	54,621
Immunization Assistance	93.268	17-10072	-	105,642
Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	6NU90TP922071-01-02	-	130,737
Hospital Preparedness Program (HPP)	93.889	17-10195	-	207,747
HIV Care Program	93.917	15-11077/16-10859 A01	84,708	185,553
Medication Assisted Treatment Hub and Spoke	93.958	17-94467	-	219,817
Medication Assisted Treatment Hub and Spoke	93.958	17-94468	-	56,487
Medication Assisted Treatment Hub and Spoke	93.958	19-96142	-	164,880
Federal Maternal & Child Health Basic Grant	93.994	201944	-	263,722
Total U.S. Department of Health and Human Services			<u>1,903,772</u>	<u>90,312,629</u>
U.S. Department of Homeland Security				
Passed through Governor's Office of Homeland Security				
State Domestic Preparedness Equipment Support Program				
Emergency Management Performance Grant - FY2018	97.042	2018-0008	-	148,892
Subtotal			-	148,892
Homeland Security Grant Program FY2017				
Homeland Security Grant Program FY2016	97.067	2017-0083	-	189,000
Subtotal	97.067	2016-0102	-	126,102
Subtotal			-	315,102
Passed through California Emergency Management Agency				
Public Assistance Grants				
Disaster Grant - 2017 Storm Disaster Recovery	97.036	--	-	2,657
Disaster Grant - FEMA - General County	97.036	087-00000	-	2,682,393
Disaster Grant - FEMA - CSA'S	97.036	087-91052	-	139,172
Subtotal			-	2,824,222
Total U.S. Department of Homeland Security			-	3,288,216
Total Expenditures of Federal Awards Excluding Prior Year Loans			<u>\$ 3,637,632</u>	<u>\$ 124,040,701</u>
<u>Prior Federal Loan Balances With a Continuing Compliance Requirement</u>				
U.S. Department of Housing and Urban Development				
Community Development Block Grant	14.228			\$ 194,552
Home Investment Partnerships Program	14.239			2,039,470
U.S. Environmental Protection Agency				
Passed through California Environmental Protection Agency				
State Water Resource Control Board	66.458			-
Prior Federal Loan Balances with a Continuing Compliance Requirement				<u>2,234,022</u>
Total Expenditures of Federal Awards Including Loans				<u>\$ 126,274,723</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**COUNTY OF SANTA CRUZ
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1 – REPORTING ENTITY

The County of Santa Cruz (County) was established by an act of the State Legislature of California in 1850 and is governed by a five-member elected Board of Supervisors (Board). The Board is responsible for the legislative and executive control of the County. The County provides various services on a countywide basis including law and justice, education, detention, social, health, hospital, fire protection, road construction, road maintenance, transportation, park and recreation facilities, elections and records, communications, planning, zoning, and tax collection.

The financial reporting entity consists of: (1) the County; (2) organizations for which the County is financially accountable; and (3) organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The following entities are component units of the County:

Blended Component Units

*Santa Cruz Flood Control and Water Conservation District – Zone 7
Santa Cruz County Public Financing Authority*

Discretely Presented Component Unit

Santa Cruz County Sanitation District

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

Consistent with the County's method of filing federal financial reports, the accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting.

A. Basis of Accounting

Funds received under the various grant programs have been recorded within the general, special revenue, and enterprise funds of the County. The County utilizes the modified accrual basis of accounting for the general fund and special revenue funds. The accrual basis of accounting is used for the enterprise funds. The accompanying Schedule of Expenditures of Federal Awards (Schedule) is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

B. Schedule of Expenditures of Federal Awards

The accompanying Schedule presents the activity of all Federal financial assistance programs of the County. Federal financial assistance received directly from Federal agencies as well as Federal financial assistance passed through from the State of California is included in the Schedule. The Schedule was prepared only from the accounts of various grant programs and, therefore, does not present the financial position or results of operations of the County.

C. Indirect Cost Rate

The County has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 – SUBRECIPIENTS

Of the federal expenditures presented in the Schedule, the County provided federal awards to subrecipients as follows:

Name of Program	CFDA No.	Amount
Supporting Male Survivors of Violence	16.582	\$ 276,520
Title II Juvenile Delinquency Prevention and Intervention Grant Program	16.540	104,457
Title I-A Adult Formula	17.258	311,819
WIOA Youth Activities - Title I Youth Formula	17.259	708,096
Title I-D Dislocated Worker Formula	17.278	276,235
Title I Rapid Response for RA & PGM - Business Retention Survey	17.278	44,000
National Priority Safety Programs - Impacted Impaired Driving	20.608	12,733
Health Center Cluster	93.224	37,482
Drug Free Communities	93.276	44,216
Early Intervention Services	93.918	12,045
Substance Abuse Prevention and Treatment Block Grant	93.959	1,661,865
Projects for Assistance in Transition from Homelessness (PATH)	93.150	41,080
Substance Abuse & Mental Health Services Administration (SAMHSA)	93.958	22,376
HIV Care Program	93.917	84,708
Total		\$ 3,637,632

NOTE 4 – PASS-THROUGH ENTITIES' IDENTIFYING NUMBERS

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.

NOTE 5 – LOANS OUTSTANDING

The following programs had federally-funded loans outstanding at June 30, 2020:

CFDA No.	Federal Grantor	County Department Administering Loans	Outstanding Balance at June 30, 2019	Payments/ Forgiveness of Prior Year Existing Loans	Loan Balances Carried Forward from Prior Year	New Loans Expense Included in SEFA	Outstanding Balance at June 30, 2020
14.228	Community Development Block Grant (CDBG)	Planning	\$ 194,552	\$ -	\$ 194,552	\$ -	\$ 194,552
14.239	Home Investment Partnerships Program (HOME)	Planning	2,193,979	(154,509)	2,039,470	-	2,039,470
66.458	State Water Resource Control Board (SWRCB)	Public Works	748,129	(748,129)	-	1,514,310	1,514,310
			<u>\$ 3,136,660</u>	<u>\$ (902,638)</u>	<u>\$ 2,234,022</u>	<u>\$ 1,514,310</u>	<u>\$ 3,748,332</u>

**COUNTY OF SANTA CRUZ
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements:

Type of auditor's report issued	Unmodified	
Internal control over financial reporting:		
• Material weakness(es) identified?	___ yes	___x no
• Significant deficiencies identified not considered to be material weaknesses?	___ yes	___x no
Noncompliance material to financial statements noted?	___ yes	___x no

Federal Awards:

Internal control over major programs:		
• Material weakness(es) identified?	___ yes	___x no
• Significant deficiencies identified not considered to be material weaknesses?	___ yes	___x no

Type of auditor's report issued on compliance for major programs:	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	___ yes	___x no
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Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.019	Coronavirus Relief Fund
93.563	Child Support Enforcement
93.778	Medical Assistance Program

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?	___x yes	___ no
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SECTION II – FINANCIAL STATEMENT FINDINGS

None in current year.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None in current year.

**COUNTY OF SANTA CRUZ
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020**

None.