

**COUNTY OF MONO
SINGLE AUDIT REPORT
JUNE 30, 2015**

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COUNTY OF MONO

Single Audit Report
For the Year Ended June 30, 2015

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

Board of Supervisors
County of Mono
Bridgeport, 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, each major fund, and the aggregate remaining fund information of the County of Mono (County), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 29, 2016.

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*.

Board of Supervisors
County of Mono

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Gallina LLP". The signature is written in black ink and is positioned above the typed name and date.

Roseville, California
March 29, 2016

**INDEPENDENT AUDITOR'S 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 OMB CIRCULAR A-133**

Board of Supervisors
County of Mono
Bridgeport, California

Report on Compliance for Each Major Federal Program

We have audited the County of Mono's (County) compliance with the types of compliance requirements described in the *OMB Circular A-133 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, 2015. 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 the requirements of laws, regulations, contracts, and grants 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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, 2015.

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 OMB Circular A-133, 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended June 30, 2015, and have issued our report thereon dated March 29, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the 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 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 financial statements or to the 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 expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



Roseville, California
March 29, 2016

COUNTY OF MONO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements/ Expenditures
<u>U.S. Department of Agriculture</u>			
Passed through USDA Forest Service:			
2014 USDA Forest Service	10.304	--	\$ 24,052
Subtotal CFDA 10.304			<u>24,052</u>
Passed through State Department of Public Health:			
WIC - Women, Infants, and Children	10.557	--	204,703
Passed through State Department of Social Services:			
State Administrative Matching Grants for Food Stamp Program	10.561	--	<u>480,082</u>
Total U.S. Department of Agriculture			<u>\$ 708,837</u>
<u>U.S. Dept. of Housing and Urban Development</u>			
Passed through State Dept. of Housing and Community Development:			
Community Development Block Grant	14.228	12-CDBG-8400	<u>50,000</u>
U.S. Dept. of Housing and Urban Development			<u>\$ 50,000</u>
<u>U.S. Department of the Interior</u>			
Bureau of Land Management:			
Sagegrouse Cooperative Agreement	15.231	--	<u>23,377</u>
National Parks Service:			
Public Transit Outreach & Edu for Visitor Enjoyment	15.954	--	<u>5,180</u>
Total U.S. Department of the Interior			<u>\$ 28,557</u>
<u>U.S. Department of Justice</u>			
Direct Program:			
State Criminal Alien Assistance Program	16.606	--	14,577
Passed through State Office of Emergency Services:			
Victim Witness Assistance Program	16.575	VW13230260	52,515
Anti Drug Abuse Program	16.738	BSCC 645-14	23,676
Juvenile Accountability Block Grant (JABG)	16.523	BSCC 217-13	63,340
Reducing Racial and Ethnic Disparities	16.540	BSCC 394-14	58,971
Subtotal CFDA 16.804			<u>198,502</u>
Passed through Drug Enforcement Administration			
2013 Domestic Cannabis Eradication	16.111	2013-34	9,942
2014 Domestic Cannabis Eradication	16.111	2014-39	4,372
Subtotal CFDA 16.111			<u>14,314</u>
Total U.S. Department of Justice			<u>\$ 227,393</u>
<u>U.S. Department of Labor</u>			
Passed through Employment Development Department via Kern County ETR:			
Workforce Investment Act - Adult	17.258	--	13,716
Workforce Investment Act - Youth	17.259	--	14,935
Workforce Investment Act - Dislocated Worker	17.278	--	21,721
Total U.S. Department of Labor			<u>\$ 50,372</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

COUNTY OF MONO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements/ Expenditures
<u>U.S. Department of Transportation</u>			
Direct Program:			
Airport Improvement Program	20.106	3-06-0119-007-2013	\$ 14,899
Airport Improvement Program	20.106	3-06-0030-009-2013	23,055
Subtotal CFDA 20.106			<u>37,954</u>
Passed through State Department of Transportation:			
Highway Planning & Construction-	20.205	09-1300006	87,576
Highway Planning & Construction (RSTP Apportionment)	20.205	09-15000049	229,725
National Scenic Byways Program	20.205	902-5947	60,158
Subtotal CFDA 20.205			<u>377,459</u>
Total U.S. Department of Transportation			<u>\$ 415,413</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through California Dept. of Aging Via Inyo County:			
Aging Title III Part B	93.044	--	29,320
Aging Title III Part C	93.045	--	14,435
Nutrition Services Incentive Program	93.053	--	5,977
Subtotal Pass Through			<u>49,732</u>
Passed through California Secretary of State:			
Help America Vote Act (HAVA)	93.617	--	27,013
Passed through State Department of Social Services:			
Family Preservation and Support Services	93.556	--	11,740
Temporary Assistance for Needy Families	93.558	--	372,951
Refugee Cash Assistance	93.566	--	1,735
Child Welfare Services – State Grants	93.645	--	11,260
Foster Care – Title IV-E	93.658	--	59,514
Adoption Assistance	93.659	--	4,926
In-Home Supportive Services	93.667	--	47,423
Independent Living	93.674	--	18,355
Subtotal			<u>527,904</u>
Passed through State Department of Health Services:			
Public Health Emergency Preparedness	93.069	--	110,281
Pandemic Flu	93.069	--	40,697
Maternal and Child Health Services	93.110	--	104,544
Immunization	93.268	--	25,000
California Children's Services	93.767	--	107,342
Health Care Program for Children in Foster Care	93.767	--	2,236
Medical Assistance Program	93.778	--	292,982
Hospital Emergency Preparedness and Response	93.889	--	107,635
HIV Care Formula Grants	93.917	--	20,501
Children's Health and Disability Prevention	93.994	--	43,957
Subtotal			<u>855,175</u>
Passed through State Department of Alcohol and Drug Programs:			
Block Grants for Prevention and Treatment of Substance Abuse (SAPT)	93.959	--	392,257
Total U.S. Department of Health and Human Services			<u>\$ 1,852,081</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

COUNTY OF MONO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements/ Expenditures
<u>U.S. Department of Homeland Security</u>			
Passed through State Dept. of Boating and Waterways			
2014 Boating Safety & Equipment Grant	97.012	--	\$ <u>113,435</u>
Passed through State Office of Homeland Security:			
2014 EMPG	97.042	--	128,065
2014 State Homeland Security Grant	97.067	--	29,665
2013 State Homeland Security Grant	97.067	--	33,380
Subtotal			<u>191,110</u>
Total U.S. Department of Homeland Security			<u>\$ 304,545</u>
Total Expenditures of Federal Awards			<u>\$ 3,637,198</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

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COUNTY OF MONO

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

NOTE 1: GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the County of Mono. The County of Mono reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

NOTE 2: BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is prepared using the modified accrual basis of accounting for program expenditures accounted for in governmental funds and the accrual basis of accounting for expenditures accounted for in proprietary funds, as described in Note 1 of the County's basic financial statements.

NOTE 3: RELATIONSHIP TO FINANCIAL STATEMENTS

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree, in all material respects, to amounts reported within the County's financial statements. Federal award revenues are reported principally in the County's financial statements as intergovernmental revenues in the General and Special Revenue funds.

NOTE 4: PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

When federal awards were received from a pass-through entity; the Schedule of Expenditures of Federal Awards 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: PROGRAM CLUSTERS

Federal programs, which must be audited as a program cluster, include the following:

<u>Federal CFDA</u>	<u>Program Title</u>	<u>Federal Expenditures</u>
<u>WIA Cluster:</u>		
17.258	Workforce Investment Act – Adult	\$ 13,716
17.259	Workforce Investment Act – Youth	14,935
17.278	Workforce Investment Act – Dislocated	<u>21,721</u>
	TOTAL	<u>\$ 50,372</u>
<u>Aging Cluster:</u>		
93.044	Special Programs for the Aging-Title III Part B	\$ 29,320
93.045	Special Programs for the Aging-Title III Part C	14,435
93.053	Nutritional Services Incentive Program	<u>5,977</u>
	TOTAL	<u>\$ 49,732</u>

COUNTY OF MONO

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

NOTE 6: DEPARTMENT OF AGING FEDERAL/STATE SHARE

The California Department of Aging (CDA) requires agencies who receive CDA funding to display state-funded expenditures discretely along with federal expenditures. The County expended the following state and federal amounts under these grants:

<u>CFDA</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>
93.044	\$ 29,320	\$ --
93.045	14,435	29,254
93.053	<u>5,977</u>	<u>--</u>
	<u>\$ 49,732</u>	<u>\$ 29,254</u>

NOTE 7: TOTAL FEDERAL AWARDS EXPENDED BY CFDA NUMBER

When there is more than one program under a single CFDA number, the Schedule of Expenditures of Federal Awards presents totals of all programs under the one CFDA number. Occasionally, however, the total could not be conveniently displayed because all programs under one CFDA were not contiguous. When this occurred, this total is not shown on the schedule, but instead provided here

93.069	\$ 150,978
93.767	109,578
97.067	63,045

COUNTY OF MONO

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2015

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 weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses | None Reported |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|---------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None Reported |
| 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 Circular OMB A-133, Section 510(a)? | No |

4. Identification of major programs:

CFDA Number

Name of Federal Program

10.561

State Administrative Matching
Grants for Food Stamp Program
Highway Planning and Construction
Block Grants for Prevention and
Treatment of Substance Abuse

20.205

93.959

- | | |
|---|------------|
| 5. Dollar threshold used to distinguish between Type A and Type B programs: | \$ 300,000 |
| 6. Auditee qualified as a low-risk auditee under OMB Circular A-133, Section 530? | Yes |

COUNTY OF MONO

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2015

Section 2

Financial Statement Findings

None reported

Section 3

Federal Award Findings and Questioned Costs

None reported

COUNTY OF MONO

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2015

None noted.

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SUPPLEMENTARY SCHEDULES

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COUNTY OF MONO

Schedule of the California Emergency Management Agency
and the Department of Corrections and Rehabilitation Grants Expenditures
For the Year Ended June 30, 2015

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period Through June 30, 2014	For the Year Ended June 30, 2015	Cumulative As of June 30, 2015	Federal Share	State Share	County Share
CalMMET# MH08.03.0260						
Personal services	\$ 156,314	\$ 48,976	\$ 205,290	\$ --	\$ 48,976	\$ --
Operating expenses	--	1,058	1,058	--	1,058	--
Equipment	--	6,185	6,185	--	6,185	--
Totals	<u>\$ 156,314</u>	<u>\$ 56,219</u>	<u>\$ 212,533</u>	<u>\$ --</u>	<u>\$ 56,219</u>	<u>\$ --</u>
2011 HSG# 2011-0077						
Equipment	\$ 15,408	\$ --	\$ 15,408	\$ --	\$ --	\$ --
Totals	<u>\$ 15,408</u>	<u>\$ --</u>	<u>\$ 15,408</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
2013 HSG# 2013-						
Equipment	\$ 50,149	\$ 33,380	\$ 83,529	\$ 33,380	\$ --	\$ --
Totals	<u>\$ 50,149</u>	<u>\$ 33,380</u>	<u>\$ 83,529</u>	<u>\$ 33,380</u>	<u>\$ --</u>	<u>\$ --</u>
2014 HSG						
Equipment	\$ --	29,665	\$ 29,665	\$ 29,665	\$ --	\$ --
Totals	<u>\$ --</u>	<u>\$ 29,665</u>	<u>\$ 29,665</u>	<u>\$ 29,665</u>	<u>\$ --</u>	<u>\$ --</u>
2013 EMPG# 2013-0047						
Personal services	\$ 115,462	--	\$ 115,462	\$ --	\$ --	\$ --
Equipment	12,488	--	12,488	--	--	--
Totals	<u>\$ 127,950</u>	<u>\$ --</u>	<u>\$ 127,950</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
2014 EMPG						
Personal services	\$ --	\$ 128,065	\$ 128,065	\$ 128,065	\$ --	\$ --
Totals	<u>\$ --</u>	<u>\$ 128,065</u>	<u>\$ 128,065</u>	<u>\$ 128,065</u>	<u>\$ --</u>	<u>\$ --</u>
Victim/Witness Assistance VW13-23-0260						
Personal services	\$ 64,552	\$ 95,766	\$ 160,318	\$ 52,515	\$ 43,251	\$ --
Operating expenses	5,807	4,707	10,514	--	4,707	--
Totals	<u>\$ 70,359</u>	<u>\$ 100,473</u>	<u>\$ 170,832</u>	<u>\$ 52,515</u>	<u>\$ 47,958</u>	<u>\$ --</u>