



Federal Awards Reports in Accordance
with the Uniform Guidance
December 31, 2020

Jefferson County, Colorado

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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 Commissioners and
Members of the Audit Committee
Jefferson County, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Jefferson County, Colorado (“Jefferson County”), as of and for the year then ended December 31, 2020, and the related notes to the financial statements, which collectively comprise Jefferson County’s basic financial statements and have issued our report thereon dated August 26, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Jefferson County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Jefferson County’s internal control. Accordingly, we do not express an opinion on the effectiveness of Jefferson 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 over financial reporting was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jefferson 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*.

Jefferson County's Response to the Finding

Jefferson County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Jefferson County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 result 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 "Eide Sully LLP".

Denver, Colorado
August 26, 2021



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 the Uniform Guidance

Board of Commissioners and
Members of the Audit Committee
Jefferson County, Colorado

Report on Compliance for Each Major Federal Program

We have audited Jefferson County’s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Jefferson County’s major federal programs for the year ended December 31, 2020. Jefferson 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 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 Jefferson 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 Jefferson County’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our qualified and unmodified opinions on compliance for the major federal programs. However, our audit does not provide a legal determination of Jefferson County’s compliance.

Basis for Qualified Opinion on the CCDF Cluster

As described in the accompanying schedule of findings and questioned costs, Jefferson County did not comply with requirements regarding Federal Financial Assistance Listing/CFDA #93.575 and #93.596, CCDF Cluster, as described in finding 2020-002 for allowable activities and allowable costs and eligibility. Compliance with such requirements is necessary, in our opinion, for Jefferson County to comply with the requirements applicable to the CCDF Cluster.

Qualified Opinion on the CCDF Cluster

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, Jefferson County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the CCDF Cluster for the year ended December 31, 2020.

Opinion on Each of the Other Major Federal Programs

In our opinion, Jefferson County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2020.

Other Matters

Jefferson County's response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Jefferson County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of Jefferson 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 Jefferson 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 Jefferson 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 and significant deficiencies and therefore, material weaknesses and significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2020-002 and 2020-003 that we consider to be material weaknesses.

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Jefferson County as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise Jefferson County's basic financial statements. We issued our report thereon dated August 26, 2021, 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.

Eide Bailly LLP

Denver, Colorado
August 26, 2021

Jefferson County, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended December 31, 2020

Program Description	Federal Financial Assistance Listing/CFDA Number	Pass-through Entity Identifying Number	Sub-totals by Pass- through Entity Identifying Number	Federal Expenditures	Clusters	Totals by Agency	Amounts Passed- Through to Subrecipients
DEPARTMENT OF AGRICULTURE							
Passed through Colorado Department of Human Services:							
Supplemental Nutrition Assistance Program (SNAP)	10.551	*		73,298	73,298 ¹		
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	*		2,849,620	2,849,620 ¹	2,922,918 ¹	2,922,918
Passed through Colorado Department of Public Health and Environment:							
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557						
	10.557	WIC FFY2020	1,146,363				
	10.557	WIC FFY2021	386,516				
	10.557	BFPC FFY2021	15,863				
	10.557	BFPC FFY2020	41,476				
	10.557	Non-Cash Value	2,842,652				
			<u>CFDA 10.557 Subtotal:</u>	4,432,870			4,432,870
Child and Adult Care Food Program	10.558	*		97,609			97,609
Passed through Colorado Department of Local Affairs:							
Secure Payments for States and Counties Containing Federal Land-National Forest Payments	10.665	*		34,890	34,890 ²	34,890 ²	<u>34,890</u>
TOTAL: DEPARTMENT OF AGRICULTURE						<u>\$ 7,488,287</u>	
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
Direct Funding:							
Community Development Block Grants/Entitlement Grants	14.218		561,040		561,040 ³		488,672
COVID-19 Community Development Block Grants/Entitlement Grants	14.218		118,659		118,659 ³	679,699 ³	101,960
HOME Investment Partnerships Program	14.239			490,956			490,956
Passed through City of Arvada							
COVID-19 Community Development Block Grant/Entitlement Grants	14.218	*	126,000		126,000 ³	126,000 ³	126,000
			<u>CFDA 14.218 Subtotal:</u>	805,699			<u>805,699</u>
TOTAL: DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						<u>\$ 1,296,655</u>	
DEPARTMENT OF JUSTICE							
Direct Funding:							
State Criminal Alien Assistance Program (SCAAP)	16.606			48,918			48,918
DNA Backlog Reduction Program FY 2018	16.741		125,315				
DNA Backlog Reduction Program FY 2020-21	16.741		114,452				
			<u>CFDA 16.741 Subtotal:</u>	239,767			239,767
Second Chance Act Prisoner Reentry Initiative	16.812			113,607			113,607
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034			61,456			61,456
Equitable Sharing Program	16.922						
Equitable Sharing Program-DA	16.922		12,000				
Equitable Sharing Program-Sheriff	16.922		904,866				
			<u>CFDA 16.922 Subtotal:</u>	916,866			916,866

Jefferson County, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended December 31, 2020

Program Description	Federal Financial Assistance Listing/CFDA Number	Pass-through Entity Identifying Number	Sub-totals by Pass- through Entity Identifying Number	Federal Expenditures	Clusters	Totals by Agency	Amounts Passed- Through to Subrecipients
Passed through Colorado Department of Public Safety/Division of Criminal Justice:							
Crime Victim Assistance	16.575						
Sheriff Crime Victim Assistance (VOCA)	16.575	*	116,595				
Victim Advocacy VRA Crimes	16.575	*	184,802				
Family Justice Center Startup	16.575	*	106,089				
			CFDA 16.575 Subtotal:	407,486		407,486	
Crime Victim Compensation Grant	16.576	18VC1/19VC1		290,000		290,000	
Violence Against Women Formula Grants	16.588						
District Attorney-VAWA	16.588	*	65,694				
District Attorney-Sexual Assault Rapid Response	16.588	*	187,347				
			CFDA 16.588 Subtotal	253,041		253,041	
Passed through City of Lakewood							
Edward Byrne Memorial Justice Assistance Grant							
Edward Byrne Justice Grant Formula 5	16.738	*		15,057		15,057	
TOTAL: DEPARTMENT OF JUSTICE						\$ 2,346,198	
DEPARTMENT OF TREASURY							
COVID-19 Coronavirus Relief Fund (CARES)	21.019		101,708,240			\$ 101,708,240	32,903,553
Passed Through Colorado Department of Public Health and Environment							
COVID-19 Coronavirus Relief Fund (Public Health CARES)	21.019	*	64,694				
COVID-19 Coronavirus Relief Fund (Public Health CARES)	21.019	*	528,926			593,620	
TOTAL: DEPARTMENT OF TREASURY						\$ 102,301,860	
DEPARTMENT OF LABOR							
Passed through Colorado Department of Labor and Employment:							
Employment Service/Wagner-Peyser Funded Activities	17.207						
Wagner-Peyser Plan Year 2019	17.207	*	159,144				
Wagner-Peyser Plan Year 2020	17.207	*	216,453				
One-Stop Grant	17.207	*	1,919				1,919
Governor's Summer Job Hunt 19	17.207	*	42,000				
			CFDA 17.207 Subtotal:	419,516	<i>419,516 4</i>		
Disabled Veterans' Outreach Program (DVOP) FY20	17.801	*		19,273	<i>19,273 4</i>	<i>438,789 4</i>	438,789
WIOA Adult Program							
WIA/WIOA Adult Program-Plan Year 2019	17.258	5226	137,119				
WIA/WIOA Adult Program-Plan Year 2019	17.258	5226	44,500				
One-Stop Grant	17.258	*	1,918				1,918
WD-FY19 DW Performance Incentive	17.258	*	32,503				
			CFDA 17.258 Subtotal:	216,040	<i>216,040 5</i>		
WIOA Youth Activities							
WIA/WIOA Youth-Plan Year 2018	17.259	*	60,767				
WIA/WIOA Youth-Plan Year 2019	17.259	*	77,995				
WIA/WIOA Youth-Plan Year 2020	17.259	*	76,467				
WIOA 10% Sector Partnership PY18	17.259	*	1,407				
One-Stop Grant	17.259	*	1,918				1,918

The Accompanying Notes are an Integral Part of this Schedule

Jefferson County, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended December 31, 2020

Program Description	Federal Financial Assistance Listing/CFDA Number	Pass-through Entity Identifying Number	Sub-totals by Pass- through Entity Identifying Number	Federal Expenditures	Clusters	Totals by Agency	Amounts Passed- Through to Subrecipients
Youth Work Experience-Plan Year 2019	17.259	*	171,407				
Youth Work Experience-Plan Year 2020	17.259	*	1,846				
			CFDA 17.259 Subtotal:	391,807	<i>391,807</i> 5		
YOUTHBUILD PY18	17.274	5226	42,500	42,500		42,500	
WIOA National Dislocated Worker Grants / WIA National Emergency Grants							
WIOA National Dislocated Worker Grants/WIA National Emergency Grants							
COVID-19 FY20 Emergency Recovery Grant WIOA DW	17.277	*	17,450				
COVID-19 FD20 Disaster Recovery Grant WIOA DW	17.277	*	41,864				
			CFDA 17.277 Subtotal:	59,314		59,314	
Unemployment Insurance							
Workforce Development FY 2018	17.225	*	231				
Workforce Development FY 2020	17.225	*	28,303				
			CFDA 17.225 Subtotal:	28,534		28,534	
Trade Adjustment Assistance							
Workforce Development TAA-Plan Year 2018	17.245	*	19,736				
Workforce Development TAA-Plan Year 2018	17.245	*	8,292				
			CFDA 17.245 Subtotal:	28,028		28,028	
WIOA Dislocated Workers Formula Grants							
WIA/WIOA Dislocated Workers-Plan Year 2018	17.278	*	43,736				
WIA/WIOA Dislocated Workers-Plan Year 2019	17.278	*	119,128				
WIA/WIOA Dislocated Workers-Plan Year 2020	17.278	*	371,819				
FY19 AD Enhanced Dislocated Worker	17.278	*	44,197				
FY20 Trf DW/EDW	17.278	*	298,347				
FY20 Adult Trf DW/EDW	17.278	*	115,812				
FY20 EDW	17.278	*	44,044				
FY20 LVER	17.278	*	11,900				
FY18 Apprenticeship Grant	17.278	*	16,488				
One-Stop Grant	17.278	*	1,918				
WD 10% DW Council	17.278	*	10,000	1,077,389	<i>1,077,389</i> 5	<i>1,685,237</i> 5	1,918
TOTAL: DEPARTMENT OF LABOR			CFDA 17.278 Subtotal:			\$ 2,282,402	
DEPARTMENT OF TRANSPORTATION							
Federal Aviation Administration							
Airport Improvement Program	20.106		363,848				
COVID-19 Airport Improvement Program	20.106		157,000				
			CFDA 20.106 Subtotal:	520,848		520,848	
Passed through Colorado Department of Transportation							
Highway Planning and Construction	20.205	8-HA1-XC00048/331001768	269,860	269,860	<i>269,860</i> 6	<i>269,860</i> 6	269,860
Passed through Colorado Regional Air Quality Control							
State and Community Highway Safety	20.600						
Click It or Ticket	20.600	*	5,530				
CDOT Speed Mitigation-Fiscal Year 2015	20.600	69A375300004020COO	58,846				

The Accompanying Notes are an Integral Part of this Schedule

Jefferson County, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended December 31, 2020

Program Description	Federal Financial Assistance Listing/CFDA Number	Pass-through Entity Identifying Number	Sub-totals by Pass-through Entity Identifying Number	Federal Expenditures	Clusters	Totals by Agency	Amounts Passed-Through to Subrecipients
Passed through Colorado Office of Transportation Safety/Highway Safety Office							
State and Community Highway Safety							
NHTSA Impaired Driving	20.600	*	15,566				
			<u>CFDA 20.600 Subtotal:</u>	79,942	79,942	79,942	79,942
TOTAL: DEPARTMENT OF TRANSPORTATION							<u>\$ 870,650</u>
Passed through Colorado Department of Public Health & Environment:							
Environmental Protection Agency							
Performance Partnership Grants	66.605	Radon	8,183	8,183			8,183
TOTAL: ENVIRONMENTAL PROTECTION AGENCY							<u>\$ 8,183</u>
Passed Through Colorado Department of State							
COVID-19 HAVA Election Security Grants	90.404	CMS162534	148,951	148,951			148,951
DEPARTMENT OF HEALTH AND HUMAN SERVICES							<u>\$ 148,951</u>
Direct Funding:							
Drug Free Communities FY19	93.276		131,766	131,766			131,766
Head Start	93.600		4,084,517	4,084,517	4,084,517	4,084,517	4,084,517
Passed through Colorado Department of Public Health & Environment:							
Public Health Emergency Preparedness	93.069						
	93.069	PHEP-HW21	168,253				
	93.069	FLWT-HW20	263,546				
	93.069	CRI-HX21CJ-BP2	48,612				
	93.069	CRI-HX20CJ-BP2	57,414				
			<u>CFDA 93.069 Subtotal:</u>	537,825			537,825
Injury Prevention and Control Research and State and Community Based Programs	93.136						
Overdose to Action	93.136	*	80,827	80,827			80,827
Family Planning-Services	93.217						
	93.217	FPP-L21FP-HHS	63,000				
	93.217	FPP-JA20L-HHS	91,128				
			<u>CFDA 93.217 Subtotal:</u>	154,128			154,128
Immunization Cooperative Agreements	93.268						
	93.268	H21MCOTHER	124,402				
	93.268	JG20CH	74,968				
			<u>CFDA 93.268 Subtotal:</u>	199,370			199,370
Emerging Infections Programs	93.317						
Pertussis	93.317	H20EIP	15,313				
Foodnet	93.317	H20EIPCONT	27,535				
			<u>CFDA 93.317 Subtotal:</u>	42,848			42,848
Public Health Emergency Response: Cooperative Agreement for Emergency							
Response: Public Health Crisis Response	93.354	*	114,766				
COVID-19 Public Health Emergency Response: Cooperative Agreement for Emergency							
Response: Public Health Crisis Response	93.354	*	349,945				
Prescription Pill Counter Grant	93.354	*	4,960				
			<u>CFDA 93.354 Subtotal:</u>	469,671			469,671

Jefferson County, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended December 31, 2020

Program Description	Federal Financial Assistance Listing/CFDA Number	Pass-through Entity Identifying Number	Sub-totals by Pass-through Entity Identifying Number	Federal Expenditures	Clusters	Totals by Agency	Amounts Passed-Through to Subrecipients
HIV Prevention Activities-Health Department Based	93.940						
HIV Prevention Activities-Health Department Based	93.940	EI-1802	64,768	64,768		64,768	
Preventive Health Services Sexually Transmitted Diseases Control Grants	93.977						
Preventive Health Services-Sexually Transmitted Diseases Control Grants	93.977	Non-Cash Value	10,000	10,000		10,000	
OPIOID STR							
HIV Prevention Activities-Health Department Based	93.788	EI-1802 CDHS HIV	105,866				
Maternal and Child Health Services Block Grant to the States	93.994						
	93.994	MCH-NB20BL	99,135				
	93.994	MCH-NB21BL	31,991				
	93.994	NB20CL	61,799				
	93.994	ND21CL	13,075				
			CFDA 93.994 Subtotal:	206,000		206,000	
Passed through Colorado Department of Human Services:							
COVID-19 Coronavirus Relief Fund	21.019	*	944,871			944,871	
			CFDA 21.019 Subtotal:	103,246,731			
Guardianship Assistance Grant	93.090	*	51,687	51,687		51,687	
Personal Responsibility Education Program	93.092	*	9,624	9,624		9,624	
Promoting Safe and Stable Families	93.556	*		192,275		192,275	
Temporary Assistance for Needy Families (TANF)	93.558	*	8,338,694				
Child Support Enforcement	93.563	*		3,516,477		3,516,477	
Low-Income Home Energy Assistance	93.568	*		24,884		24,884	
Child Care and Development Block Grant	93.575	*	5,178,359		5,178,359		
COVID-19 Child Care and Development Block Grant	93.575	*	857,654		857,654		
			CFDA 93.575 Subtotal:	6,036,013			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	*		1,443,527	1,443,527	7,479,540	7,479,540
Stephanie Tubbs Jones Child Welfare Services Program: Title IV-B - Child Care	93.645	*		287,722		287,722	
Foster Care-Title IV-E	93.658	*		5,408,734		5,408,734	
Adoption Assistance	93.659	*		1,544,386		1,544,386	
Social Services Block Grant (Title XX)	93.667	*		2,349,630		2,349,630	
Chafee Foster Care Independence Program	93.674	*		103,066		103,066	
Passed Through Larimer County							
Temporary Assistance for Needy Families (STEP Subgrant)	93.558	*	235,597				
			CFDA 93.558 Subtotal:	8,574,291		8,574,291	
Passed through Health Care Policy and Finance:							
Children's Health Insurance Program	93.767	*	14,639	14,639		14,639	
Medical Assistance Program:							
Early, Periodic Screen, Diagnose, Treat (ESPD)	93.778	*	46,845	46,845	46,845		
SEP - Options for Long Term Care	93.778	21-160384	1,442,955	1,442,955	1,442,955		
Medicaid: Title XIX	93.778	*	3,509,142	3,509,142	3,509,142	4,998,942	4,998,942
Passed through Colorado Department of Behavioral Health							
Opioid STR (State Targeted Response)	93.788	201800011218	42,387				
			CFDA 93.788 Subtotal:	148,253		148,253	

The Accompanying Notes are an Integral Part of this Schedule

Jefferson County, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended December 31, 2020

Program Description	Federal Financial Assistance Listing/CFDA Number	Pass-through Entity Identifying Number	Sub-totals by Pass- through Entity Identifying Number	Federal Expenditures	Clusters	Totals by Agency	Amounts Passed- Through to Subrecipients	
Passed through Colorado Department of Local Affairs:								
Community Services Block Grant	93.569	*	389,397				210,516	
COVID-19 Community Services Block Grant	93.569	*	19,521					
			<u>CFDA 93.569 Subtotal:</u>	408,918		<u>408,918</u>		
TOTAL: DEPARTMENT OF HEALTH AND HUMAN SERVICES						<u>\$ 42,039,659</u>		
DEPT OF HOMELAND SECURITY								
Passed through Colorado Department of Public Safety:								
Emergency Management Performance Grants	97.042	*		105,000		105,000		
Pre-Disaster Mitigation	97.047	*		1,341		1,341		
TOTAL: DEPARTMENT OF HOMELAND SECURITY						<u>\$ 106,341</u>		
EXECUTIVE OFFICE OF THE PRESIDENT								
High Intensity Drug Trafficking Areas Program								
Passed through the City of Lakewood:								
West Metro Drug Task Force HIDTA	95.001	G18RM0025A	9,775					
Passed through the Rocky Mountain HIDTA:								
Office of National Drug Control Policy-West Metro Drug Task Force	95.001	*	42,679			52,454		
			<u>CFDA 93.569 Subtotal:</u>	52,454		<u>52,454</u>		
TOTAL: EXECUTIVE OFFICE OF THE PRESIDENT						<u>\$ 52,454</u>		
TOTAL: JEFFERSON COUNTY FEDERAL EXPENDITURES				<u>\$ 158,941,639</u>	<u>\$ 22,800,333</u>	<u>\$ 22,800,333</u>	<u>\$ 158,941,639</u>	<u>\$ 34,287,374</u>

* Pass-through Entity Identifying Number NOT AVAILABLE

Cluster Legend:

- 1 SNAP Cluster
- 2 Forest Service Schools and Roads Cluster
- 3 CDBG-Entitlement Grants Cluster
- 4 Employment Service Cluster
- 5 WIOA Cluster
- 6 Highway Planning and Construction Cluster
- 7 Highway Safety Cluster
- 8 Head Start Cluster
- 9 CCDF Cluster
- 10 Medicaid Cluster

Jefferson County, Colorado

**NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS**

Year ended December 31, 2020

General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Jefferson County, Colorado primary government (the County). The County's reporting entity is defined in Note 1 to the County's general-purpose financial statements. All federal financial assistance received by the primary government directly from federal agencies, as well as federal financial assistance passed through other government agencies, including the State of Colorado, is included on the schedule. In addition, federal financial assistance awarded directly to eligible County Social Services recipients via Electronic Benefits Transfer (EBT) is also included in the schedule. The State of Colorado issues EBT to the eligible County recipients. Only the federal amount of such pass-through awards and EBT is included on the schedule.

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Jefferson County, Colorado, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulation (CFR) Part 200, Uniform Administrative Requirements, Costs 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 basic financial statements. Jefferson County, Colorado, received federal awards both directly from federal agencies and indirectly through pass-through entities. Federal financial assistance provided to a sub-recipient is treated as an expenditure when it is paid to the sub-recipient.

Governmental fund types account for the County's federal grant activity. Therefore, expenditures in the schedule of expenditures of federal awards are recognized on the modified accrual basis – when they become a demand on current available financial resources. The County's summary of significant accounting policies is presented in Note 1 in the County's basic financial statements.

Jefferson County did not elect to use the 10% de minimus indirect cost rate.

Note B – Federal Financial Assistance Listing / Federal CFDA Numbers

Federal Financial Assisting Listing / CFDA numbers are from the Catalog of Federal Domestic Assistance published by the Office of Management and Budget and the General Services Administration.

Note C – Noncash Programs

Certain federal financial assistance programs do not involve cash awards to the County. Of the federal expenditures presented in the accompanying schedule of federal awards, noncash award programs include the following:

WIC Food Vouchers (CFDA #10.557)	\$2,842,652
Chlamydia Tests (CFDA #93.977)	\$ 10,000

Jefferson County, Colorado

**NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS**

Year ended December 31, 2020

Note D – Donated Personal Protective Equipment (PPE) (unaudited)

Nonmonetary assistance of PPE received during the emergency period of the COVID-19 pandemic was \$16,975 and is based on the estimated fair market value of the PPE received. The donated PPE was generally provided by donors without information about compliance or reporting requirements associated with federal financial assisting listings or CFDA numbers. The donated PPE is not included in the schedule of expenditures of federal awards.

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs	Unmodified for all major federal programs except for the CCDF Cluster which was qualified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516 Yes

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>Federal Financial Assistance Listing/CFDA Number</u>
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557
COVID-19 Coronavirus Relief Fund	21.019
CCDF Cluster:	
Child Care and Development Block Grant	93.575
COVID-19 Child Care and Development Block Grant	93.575
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596

Dollar threshold used to distinguish between Type A and Type B programs \$3,000,000

Auditee qualified as low-risk auditee No

Section II – Financial Statement Findings

**2020-001 Restatement and Material Audit Adjustments
Material Weakness**

Criteria: The County is required to provide accurate GAAP basis financial data for preparation of the annual financial statements. Additionally, a good system of internal accounting control contemplates an adequate system for recording, processing and reconciling account balances to the financial statements.

Condition: Based on audit procedures performed as of December 31, 2020, we identified the following material adjustments that were recorded in order to fairly present the financial statements in accordance with GAAP:

- During 2020, the County was required to implement GASB Statement No. 84, *Fiduciary Activities*. We identified several adjustments that were required to be made to the Custodial Fund financial statements in order to appropriately reflect the custodial activities and balances as of and for the year ended December 31, 2020.
- We identified material misstatements related to inappropriate cutoff of accounts receivable that required audit adjustments to accounts receivable and revenue in the General Fund, Internal Service Fund and Governmental Activities. In addition, we identified a misstatement, that was corrected as a restatement to opening net position, for errors in the recognition of depreciation expense on infrastructure assets in Governmental Activities.

Additionally, management identified misstatements in the prior year financial statements and posted restatements to correct the errors:

- During 2020, the County determined that the Inmate Welfare Fund, previously presented as a nonmajor special revenue fund, did not meet the definition of a Special Revenue Fund, and the fund's activities should be presented within the General Fund.
- During 2020, the County determined that there were errors related to amounts previously reported for capital assets and a restatement was posted to correct those errors.

Cause: The County's financial statement reconciliation controls failed to prevent, or detect on a timely basis, material errors in the financial statements.

Effect: Management has posted correcting journal entries for each of the items noted above.

Section II – Financial Statement Findings (continued)

Recommendation: We recommend the County continue to improve controls surrounding the performance and approvals of reconciliations of account balances and transaction classes to the financial statements. Design of the controls in place needs to be improved to allow for reconciliations at the department level to be successful, including verification that transactions were appropriately reflected in the financial statements.

Views of Responsible Officials: Agree.

Section III – Federal Award Findings and Questioned Costs

2020-002 **Passed-through Colorado Department of Human Services
Federal Financial Assistance Listing/CFDA Numbers – All Grants
93.575 Child Care and Development Block Grant
93.575 COVID-19 Child Care and Development Block Grant
93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund
(CCDF Cluster)**

Allowable Costs and Allowable Activities

Eligibility

Material Non-Compliance

Material Weakness in Internal Control over Compliance

Criteria: The CCDF Cluster includes programs in which States design their own programs, within very broad Federal guidelines. The objective of the CCDF Cluster is to provide funds to increase the availability, affordability, and quality of child care services. Funds are used to subsidize child care for low-income families where the parents are working or attending training or educational programs, as well as for activities to promote overall child care quality for all children, regardless of subsidy receipt. There are various eligibility requirements for the Colorado Child Care Assistance Program (CCCAP) detailed in the Code of Colorado Regulations Department of Human Services Income Maintenance (Volume 3) 9 CCR 2503-9, section 3.905.1- CCCAP Low-Income Child-Care Eligibility. Specifically, the County shall determine income for the household. The County should apply consistent income calculation methods to determine whether income meets the guidelines based on household size. The County shall obtain supporting documentation for all elements of the application process and ensure completeness of all documentation received from the participant. The County then shall input household size and annual income into the State CHATS system to determine the parent fee of which a parent will pay every month a child is provided care. Additionally, the County is required to perform Quality Control reviews over 1% of the County's total active case files.

Condition: We tested eligibility and allowable costs and activities for 54 eligibility cases. We also tested 26 Quality Assurance (QA) reviews. We noted the following in our testing:

- 16 instances of non-compliance in which income was calculated incorrectly by the case workers. As part of eligibility determination, the income was incorrectly calculated based on information maintained in case file.
- 14 instances in which the parent fee was incorrectly determined based on information maintained in case file.
- 2 instances in which the parent fee was incorrectly determined due to a CHATS system error placing a participant in the incorrect federal poverty guideline.
- 2 instances of non-compliance in which the parent fee was not attached to the case in the CHATS system. This caused federal dollars to cover all of the care charges in the month rather than the beneficiary paying their responsible portion of childcare and federal dollars covering the remainder.

Section III – Federal Award Findings and Questioned Costs (continued)

- 2 instances where a QA case review was performed and a finding was noted due to missing signature(s) on application; however, the review finding was not corrected. This did not result in a change of eligibility.

Cause: Due to the County's ineffective monitoring, income was incorrectly determined by the case workers. Income was calculated based on inconsistent methods and not based on rules identified for consistency in the CCAP program. The incorrect income calculation directly impacts the parent fee as it is determined based on household size and annual income. The incorrect parent fee results in an incorrect allocation of Federal dollars. The County implemented a new policy in February 2020, of which the case workers are required to utilize an income calculation tool to ensure consistent calculations. Caseworkers made errors by taking incorrect information from the client support documents as well as incorrectly transferring information from the calculation worksheet into CHATS. Additionally, one error was the result of lack of review as the caseworker did not attach the parent fee to the participant's case. Due to insufficient monitoring over the QA process, findings identified remained uncorrected.

Effect: In conjunction, all errors ultimately lead to an incorrect parent fee. The incorrect parent fee assessed results in an incorrect allocation of Federal dollars.

Questioned Costs: Total actual questioned costs due to errors utilizing more federal dollars amounted to \$711. The amount for which the participant paid more than required based on rules amounted to \$72.

Context/Sampling: A nonstatistical sample of 54 participants out of 978 were selected for eligibility and allowable cost testing. For the 54 participants, we tested a total of approximately \$2,400 of daily care payments out of total federal direct payments of approximately \$6.1 million. Additionally, we tested the monthly parent fee for each participant to verify accuracy of the parent fee which reduces the federal portion of the monthly care costs. We tested a total of approximately \$8,600 monthly parent fees charged to the 54 participants we selected. A nonstatistical sample of 26 quality control reviews were tested out of approximately 150.

Repeat Finding from Prior Year(s): Yes, prior year finding 2019-002.

Recommendation: We recommend the County increase the number of QAs that are being conducted, while having a focus on those cases conducted by case workers of which there were continuous findings noted. We recommend the County implement additional expectations to encourage caseworkers to verify the inputs into CHATS are correct. We also recommend the County consistently conduct the QA reviews each month and throughout the year to ensure case files are being reviewed each month.

Views of Responsible Officials: Agree.

Section III – Federal Award Findings and Questioned Costs (continued)

**2020-003 Passed-through Colorado Department of Public Health and Environment
Federal Financial Assistance Listing/CFDA Number 10.557 – All Grants
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)**

Allowable Costs and Allowable Activities

Eligibility

Material Weakness in Internal Control over Compliance

Criteria: There are various eligibility requirements for Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) detailed in the Uniform Guidance. Under the eligibility compliance requirement, guidance requires a competent professional authority must determine that the applicant is at nutritional risk. Further noted in the Colorado WIC Program Policies and Procedures, when a participant is diagnosed as high risk, they must have an appointment with a WIC Counselor within one month of the eligibility determination. The participant shall be granted one month of food benefits during the timeframe until counseling session has occurred.

The Uniform Guidance, Section 200.303 Internal Controls, requires that the non-Federal entity must establish and maintain documentation of effective internal controls over Federal awards that provide reasonable assurance that awards are being managed in compliance with Federal statutes, regulations and the terms and conditions of the Federal award.

Condition: We tested eligibility and allowable costs and activities for sixty eligibility cases. We noted the following in our testing:

- 4 instances of which high risk participants were granted more than one month of benefits prior to receiving a nutritional counseling session by a competent professional authority.
- 60 instances in which no control over eligibility determination was identified or documented.

Cause: There is a lack of controls designed to prevent, detect and correct eligibility errors and ensure all program participants meet eligibility and allowable costs and activities criteria.

Effect: Failure to implement controls to initially assess and monitor program eligibility could result in incorrect eligibility determinations as well as incorrect authorization of benefits.

Questioned Costs: Unknown as the benefits affected are noncash benefits.

Context/Sampling: A nonstatistical sample of 60 participants out of approximately 5,600 cases were selected for eligibility and allowable cost testing.

Repeat Finding from Prior Year(s): No.

Section III – Federal Award Findings and Questioned Costs (continued)

Recommendation: We recommend the County implement controls which include a review of supporting eligibility documentation to ensure accurate eligibility determinations and distribution of food packages.

Views of Responsible Officials: Agree.