



Federal Awards Reports in Accordance
with the Uniform Guidance
December 31, 2021

Jefferson County, Colorado

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 <i>Government Auditing Standards</i>	1
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	3
Schedule of Expenditures of Federal Awards	7
Notes to Schedule of Expenditures of Federal Awards	13
Schedule of Findings and Questioned Costs	15



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, 2021, and the related notes to the financial statements, which collectively comprise Jefferson County’s basic financial statements and have issued our report thereon dated July 29, 2022.

Report on 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 2021-001, that we consider to be a material weakness.

Report on Compliance and Other Matters

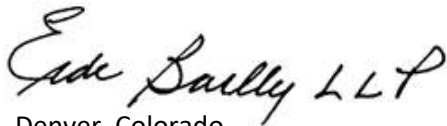
As part of obtaining reasonable assurance about whether Jefferson County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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

Government Auditing Standards requires the auditor to perform limited procedures on Jefferson County's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Jefferson County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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.



Denver, Colorado
July 29, 2022



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

Qualified and Unmodified Opinions

We have audited Jefferson County’s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Jefferson County’s major federal programs for the year ended December 31, 2021. 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.

Qualified Opinion on the CCDF Cluster

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, Jefferson County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the CCDF Cluster for the year ended December 31, 2021.

Unmodified 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, 2021.

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

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

Matter Giving Rise to 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 #93.575 and #93.596, CCDF Cluster, as described in finding 2021-002 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.

Compliance with such requirements is necessary, in our opinion, for Jefferson County to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Jefferson County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Jefferson County’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Jefferson County’s internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2021-002 to be a material weakness.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2021-003 and 2021-004 to be significant deficiencies.

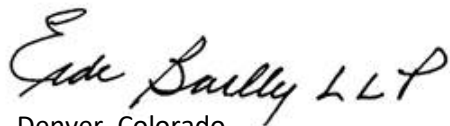
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

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, 2021, and the related notes to the financial statements, which collectively comprise Jefferson County's basic financial statements. We issued our report thereon dated July 29, 2022, 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 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.



Denver, Colorado
September 8, 2022

Jefferson County, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended December 31, 2021

Program Description	Federal 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	*	53,803	53,803	<i>53,803</i> ¹		
Supplemental Nutrition Assistance Program (SNAP)	10.561	*	3,143,594	3,143,594	<i>3,143,594</i> ¹	<i>3,197,397</i> ¹	3,197,397
Passed through Colorado State Department of Health and Environment:							
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557						
	10.557	WIC FFY2021	1,499,828				
	10.557	BFPC FFY2021	-				
	10.557	BFPC FFY2021	72,438				
	10.557	Non-Cash Value	2,954,180				
			<u>CFDA 10.557 Subtotal:</u>	4,526,446			4,526,446
Child and Adult Care Food Program	10.558	*		133,156			133,156
Passed through Colorado Department of Local Affairs:							
Secure Payments for States and Counties Containing Federal Land-National Forest Payments	10.665			31,496	<i>31,496</i> ²	<i>31,496</i> ²	<u>31,496</u>
TOTAL: DEPARTMENT OF AGRICULTURE							<u>\$ 7,888,495</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
Direct Funding:							
Community Development Block Grants/Entitlement Grants	14.218		1,414,922		<i>1,414,922</i> ³		
COVID-19 Community Development Block Grants/Entitlement Grants	14.218		255,676		<i>255,676</i> ³	<i>1,670,598</i> ³	
			<u>CFDA 14.218 Subtotal:</u>	1,670,598			1,670,598
HOME Investment Partnerships Program	14.239			576,075			576,075
TOTAL: DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							<u>\$ 2,246,673</u>
DEPARTMENT OF JUSTICE							
Direct Funding:							
DNA Backlog Reduction Program FY 2018	16.741		125,384				
DNA Backlog Reduction Program FY 2020-21	16.741		135,339				
			<u>CFDA 16.741 Subtotal:</u>	260,723			260,723
Second Chance Act Prisoner Reentry Initiative	16.812			348,987			348,987
Equitable Sharing Program	16.922						
Equitable Sharing Program-Sheriff	16.922		450,110	450,110			450,110
Passed through Colorado Department of Public Safety/Division of Criminal Justice:							
Crime Victim Assistance	16.575						
Sheriff Crime Victim Assistance (VOCA)	16.575	*	114,630				
Victim Advocacy VRA Crimes	16.575	*	418,212				
			<u>CFDA 16.575 Subtotal:</u>	532,842			532,842

The Accompanying Notes are an Integral Part of this Schedule

Jefferson County, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended December 31, 2021

Program Description	Federal 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
Crime Victim Compensation Grant	16.576	18VC1/19VC1		440,000		440,000	
Violence Against Women Formula Grants	16.588						
District Attorney-VAWA	16.588	*	88,121				
District Attorney-Sexual Assault Rapid Response	16.588	*	142,015				
			CFDA 16.588 Subtotal	230,136		230,136	
Passed through City of Lakewood							
Edward Byrne Memorial Justice Assistance Grant							
Edward Byrne Justice Grant Formula 5	16.738	*		12,602		<u>12,602</u>	
TOTAL: DEPARTMENT OF JUSTICE						\$ 2,275,400	
DEPARTMENT OF TREASURY							
Emergency Rental Assistance ERA1 & ERA 2	21.023		16,797,841	16,797,841		\$ 16,797,841	896,539
CORONAVIRUS State and Local Fiscal Recovery Funds	21.027		1,529,051				
CWDC Upskilling Admin	21.027		687				
			CFDA 21.027 Subtotal	1,529,738		<u>1,529,738</u>	
TOTAL: DEPARTMENT OF TREASURY						\$ 18,327,579	
DEPARTMENT OF LABOR							
Apprenticeship USA Grants - CUWA	17.285	*	16,186	16,186		16,186	
Employment Service/Wagner-Peyser Funded Activities	17.207						
Wagner-Peyser Plan Year 2020	17.207	*	492,694				
Wagner-Peyser Plan Year 2021	17.207	*	312,423				
Governor's Summer Job Hunt 20	17.207	*	42,000				
			CFDA 17.207 Subtotal:	847,117	<i>847,117 4</i>		
Disabled Veterans' Outreach Program (DVOP) FY20	17.801	*	15,421				
FY20 LVER	17.801	*	15,401				
FY21 LVER	17.801	*	(2,197)				
			CFDA 17.801 Subtotal:	28,625	<i>28,625 4</i>	<i>875,742 4</i>	875,742
WIOA Adult Program	17.258						
WIA/WIOA Adult Program-Plan Year 2019	17.258	5226	5,576				
WIA/WIOA Adult Program-Plan Year 2020	17.258	5226	324,490				
WIA/WIOA Adult Program-Plan Year 2021	17.258	5226	396,552				
WIA/WIOA Adult Admin-Plan Year 2021	17.258	*	9,956				
			CFDA 17.258 Subtotal:	736,574	<i>736,574 5</i>		
WIOA Youth Activities	17.259	*					
PY21 Youth Admin	17.259	*	51,537				
PY21 Youth Out of School WE	17.259	*	16,530				
PY21 Youth In School WE	17.259	*	4,831				
PY21 Youth In School	17.259	*	13,672				
PY21 Youth Out of School	17.259	*	26,833				
WIA/WIOA Youth-Plan Year 2020	17.259	*	26,194				
WIA/WIOA Youth Admin/Out of School-Plan Year 2020	17.259	*	187,273				
WIOA 10% Sector Partnership PY18	17.259	*	22,064				
Youth Work Experience-Plan Year 2019	17.259	*	52,444				
Youth Work Experience-Plan Year 2020	17.259	*	102,004				
			CFDA 17.259 Subtotal:	503,382	<i>503,382 5</i>		

The Accompanying Notes are an Integral Part of this Schedule

Jefferson County, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended December 31, 2021

Program Description	Federal 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
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		1,116,483				
COVID-19 FD20 Disaster Recovery Grant WIOA DW	17.277	*	1,087,290				
			<u>CFDA 17.277 Subtotal:</u>	2,203,773		2,203,773	
Unemployment Insurance							
Workforce Development FY 2020	17.225	*	7,575				
Workforce Development FY 2021	17.225	*	3,609				
			<u>CFDA 17.225 Subtotal:</u>	11,184		11,184	
Trade Adjustment Assistance							
Workforce Development TAA-Plan Year 2019	17.245	*	21,169				
Workforce Development TAA-Plan Year 2020	17.245	*	1,679				
			<u>CFDA 17.245 Subtotal:</u>	22,848		22,848	
WIOA Dislocated Workers Formula Grants							
WIA/WIOA Dislocated Workers-Plan Year 2019	17.278	*	16,329				
WIA/WIOA Dislocated Workers-Plan Year 2020	17.278	*	176,914				
WIA/WIOA Dislocated Workers-Plan Year 2021	17.278	*	201,187				
FY21 AD Enhanced Dislocated Worker	17.278	*	171,006				
FY20 Trf DW/EDW	17.278	*	62,342				
FY20 Adult Trf DW/EDW	17.278	*	9,546				
FY20 EDW	17.278	*	2,257				
FY22 EDW	17.278	*	2,823				
			<u>CFDA 17.278 Subtotal:</u>	642,404	642,404	1,882,360	1,882,360
Passed through City and County of Denver:							
TEC-P H-1B Job Training Grant	17.268	*	21,759	21,759		21,759	
TOTAL: DEPARTMENT OF LABOR						<u>\$ 5,033,852</u>	
DEPARTMENT OF TRANSPORTATION							
Federal Aviation Administration							
Airport Improvement Program	20.106		5,067,301				
			<u>CFDA 20.106 Subtotal:</u>	5,067,301		5,067,301	
Passed through Colorado Department of Transportation							
Highway Planning and Construction	20.205	8-HA1-XC00048/331001768	1,041,674	1,041,674	1,041,674	1,041,674	
Click it or Ticket	20.216		13,000	13,000		13,000	
Passed through Regional Air Quality Control							
State and Community Highway Safety	20.600						
CDOT Speed Mitigation	20.600	69A375300004020CO0	51,895	51,895	51,895	51,895	
Passed through Office of Transportation Safety/Highway Safety Office							
State and Community Highway Safety							
NHTSA Impaired Driving	20.608	*	10,653	10,653		10,653	
TOTAL: DEPARTMENT OF TRANSPORTATION						<u>\$ 6,184,523</u>	

Jefferson County, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended December 31, 2021

Program Description	Federal 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 Health & Environment:							
Environmental Protection Agency Performance Partnership Grants	66.605	Radon	15,538	15,538		15,538	
TOTAL: ENVIRONMENTAL PROTECTION AGENCY						<u>\$ 15,538</u>	
Passed Through Colorado Department of State							
COVID-19 HAVA Election Security Grants	90.404	CMS162534	70,164	70,164		<u>70,164</u>	<u>\$ 70,164</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Direct Funding:							
Drug Free Communities FY19	93.276		68,113	68,113		68,113	
Head Start	93.600		3,803,366				
American Rescue Plan - Head Start	93.600		52,552				
Emergency Supplemental Grant	93.600		45,557	3,901,475	*	3,901,475	3,901,475
			CFDA 93.600 Subtotal:		*	3,901,475	
Passed through Colorado Department of Health & Environment:							
Public Health Emergency Preparedness	93.069						
	93.069	C22PHPCONT	570,998				
	93.069	CRI	101,045				
			CFDA 93.069 Subtotal:	672,043			672,043
Injury Prevention and Control Research and State and Community Based Programs Overdose to Action	93.136						
	93.136		114,820	114,820			114,820
Family Planning Services	93.217	L21FPP FY21	226,540	226,540			226,540
Immunization Grants IMM COVID	93.268						
	93.268	I-Core Services-H21IMMCOI	193,862				
		IMM#2	128,494				
			CFDA 93.268 Subtotal:	322,356			322,356
Emerging Infections Programs Pertussis Foodnet	93.217						
	93.317	Pertussis-H21EIPCONT	14,704				
	93.317	FoodNet-H21EIPCONT	26,586				
			CFDA 93.317 Subtotal:	41,290			41,290
ELC Round 1	93.323	ELC	2,471,822	2,471,822			2,471,822
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response EPI Overdose Data to Action Grant	93.354						
	93.354		166,034				
			69,038				
			CFDA 93.354 Subtotal:	235,072			235,072
Preventive Health Services Sexually Transmitted Diseases Control Grants	93.977	Non-Cash Value	14,080	14,080			14,080
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The Accompanying Notes are an Integral Part of this Schedule

Jefferson County, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended December 31, 2021

Program Description	Federal 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 CDHS HIV Syringe Access	93.788	EI13 HIV	170,406				
HIV Prevention Activities CDHS HIV Health care setting Category A	93.788	EI02 Category A	28,274				
HIV Prevention Activities CDHS HIV PWID Outreach	93.788	EI17 Outreach	27,217				
HIV Prevention Activities CDHS HIV HCV testing	93.788	EI28 Testing	8,768				
Maternal and Child Health Services Block Grant to the States	93.994						
	93.994	L21MCH LPHB	150,277				
	93.994	L21MCH LPHE/LPHC	145,791				
		CFDA 93.994 Subtotal:		296,068		296,068	
Passed through Colorado Department of Human Services:							
COVID-19 Coronavirus Relief Fund	21.019	*	59,464	59,464			59,464
Guardianship Assistance Grant	93.090	*	50,332	50,332			50,332
Personal Responsibility Education Program	93.092	*	206	206			206
Promoting Safe and Stable Families	93.556	*		609,394			609,394
Temporary Assistance for Needy Families (TANF)	93.558	*	7,706,670				
ARPA Temporary Assistance for Needy Families (TANF)	93.558	*	803,746				
		CFDA 93.558 Subtotal:		8,510,416	<i>8,510,416</i>	<i>8,510,416</i>	8,510,416
Child Support Enforcement	93.563	*		3,627,790			3,627,790
Low-Income Home Energy Assistance	93.568	*		371,504			371,504
Child Care and Development Block Grant	93.575	*		3,110,877	<i>3,110,877</i>		
ARPA Child Care and Development Block Grant	93.575	*		41,082	<i>41,082</i>		
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	*		4,032,895	<i>4,032,895</i>	<i>7,184,854</i>	7,184,854
Stephanie Tubbs Jones Child Welfare Services Program: Title IV-B - Child Care	93.645	*		352,688			352,688
Foster Care-Title IV-E	93.658	*		4,702,685			4,702,685
Adoption Assistance	93.659	*		1,653,989			1,653,989
Social Services Block Grant (Title XX)	93.667	*		1,948,416			1,948,416
Chafee Foster Care Independence Program	93.674	*		84,084			84,084
ARPA Chafee Foster Care Independence Program	93.674	*		111,325			111,325
Coronavirus Relief Fund	93.747	*		18,758			18,758
Passed through Health Care Policy and Finance:							
Medical Assistance Program:							
SEP - Options for Long Term Care	93.778	21-160384	1,338,597	1,338,597	<i>1,338,597</i>		
Medicaid: Title XIX	93.778	*	3,103,377	3,103,377	<i>3,103,377</i>	<i>4,441,974</i>	4,441,974
Passed through Colorado Department of Behavioral Health							
Opioid STR (State Targeted Reponse)	93.788	201800011218	4,444				
		CFDA 93.788 Subtotal:		239,109			239,109
Passed through Colorado Department of Local Affairs:							
Community Services Block Grant	93.569	*	431,197				
COVID-19 Community Services Block Grant	93.569	*	411,510	842,707			842,707
		CFDA 93.569 Subtotal:					
TOTAL: DEPARTMENT OF HEALTH AND HUMAN SERVICES						\$ 43,173,374	
DEPT OF HOMELAND SECURITY							

The Accompanying Notes are an Integral Part of this Schedule

Jefferson County, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended December 31, 2021

Program Description	Federal 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 Division of Homeland Security & Emergency Management								
Emergency Management Performance Grants	97.042	*		105,000		105,000		
Pre-Disaster Mitigation	97.047	*		68,323		68,323		
TOTAL: DEPARTMENT OF HOMELAND SECURITY						<u>\$ 173,323</u>		
EXECUTIVE OFFICE OF THE PRESIDENT								
High Intensity Drug Trafficking Areas Program								
Office of National Drug Control Policy								
High Intensity Drug Trafficking Areas Program (HIDTA)	95.001		121,048					
Passed through the City of Lakewood:								
West Metro Drug Task Force HIDTA	95.001	G18RM0025A	23,530					
			<u>CFDA 95.001 Subtotal:</u>	144,578		<u>144,578</u>		
TOTAL: EXECUTIVE OFFICE OF THE PRESIDENT						<u>\$ 144,578</u>		
TOTAL: JEFFERSON COUNTY FEDERAL EXPENDITURES				<u>\$ 85,533,499</u>	<u>\$ 32,789,881</u>	<u>\$ 32,789,881</u>	<u>\$ 85,533,499</u>	<u>\$ 3,143,212</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, 2021

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 Assistance Listing / Federal 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)	\$2,954,180
Chlamydia Tests (CFDA #93.977)	\$ 14,080

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	Yes
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
SNAP Cluster	
Supplemental Nutrition Assistance Program	10.551
Supplemental Nutrition Assistance Program	10.561
Emergency Rental Assistance	21.023
WIOA National Dislocated Worker	17.277
Airport Improvement Program	20.106
Head Start Cluster	93.600
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
Foster Care-Title IV-E	93.658
Adoption Assistance	93.659
Social Services Block Grant (Title XX)	93.667
Dollar threshold used to distinguish between Type A and Type B programs	\$2,566,005
Auditee qualified as low-risk auditee	No

Section II – Financial Statement Findings

**2021-001 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 and ensuring cutoff is accurate for both accounts receivable, accounts payable and related revenues and expenditures.

Condition: Based on audit procedures performed as of December 31, 2021, we identified the following material adjustments that were recorded in order to fairly present the financial statements in accordance with GAAP:

- During 2021, We identified a material audit adjustment related to correcting fiduciary fund reporting as required by GASB Statement No. 84, Fiduciary Activities, in order to appropriately reflect the custodial activities and balances as of and for the year ended December 31, 2021.

- We identified a material misstatement related to inappropriate cutoff of accounts receivable that required an audit adjustment to accounts receivable and revenues in the Road and Bridge Fund for approximately \$1 million. This adjustment also resulted in a material adjustment to the TABOR refund for the same amount due to the additional revenues recognized in 2021 through that audit adjustment. In addition, we identified four other financial statement misstatements related to accounts receivable and revenue cutoff whose effects in the current and prior periods were deemed to be immaterial, and as such, the entries were uncorrected as of December 31, 2021.

- We also identified several errors related to the cutoff of accounts payable and other accrued liabilities that resulted in three additional uncorrected misstatements as follows:
 - The IBNR liability estimate related to medical claims was deemed to be understated by approximately \$900,000.
 - Multiple lawsuits ongoing as of December 31, 2021 were settled during 2022 prior to issuance of the financial statements. An accrual to record the liability and expenditures related to the known settlements as of December 31, 2021 was not recorded and should have been.
 - Several missed accounts payable entries were noted related to the accruals for the rental assistance payment federal program that amounted to approximately \$130k.

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

Section II – Financial Statement Findings (continued)

Effect: Management has posted correcting journal entries for the material items noted above. Remaining items that were deemed to be immaterial were included in the corrective action plan to ensure errors of similar nature do not occur going forward, however, no adjustments were posted for these items.

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

2021-002 **Passed-through Colorado Department of Human Services
Federal Financial Assistance Listing/CFDA Numbers – All Grants
93.575 Child Care and Development Block Grant
93.596 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.

Condition: We tested eligibility and allowable costs and activities for 53 eligibility cases. We noted the following in our testing:

- 5 instances of non-compliance in which income was calculated incorrectly by the case worker. As part of eligibility determination, the income was incorrectly calculated based on information maintained in case file. As a result of this, the corresponding parent fee was also incorrectly determined.
- 3 instances of non-compliance in which cases were not closed in a timely manner and in accordance with State rules & regulations.
- 1 instance 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.
- 1 instance of non-compliance in which there was inadequate documentation to support income within the case file.
- 1 instance of non-compliance in which the parent fee was not able to be recalculated based on support included in the case file.

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

Cause: Due to the County’s ineffective monitoring, income was incorrectly determined by the case worker. The incorrect income calculation directly impacts the parent fee as it is determined based on household size and annual income. Subsequently, the incorrect parent fee results in an incorrect allocation of Federal dollars.

Additionally, three errors were noted regarding cases not being closed in a timely manner, which was also due to ineffective monitoring.

Effect: In conjunction, with the exception of the cases that were not timely closed, 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 \$266. The amount for which the participant paid more than required based on rule amounted to \$131.

Context/Sampling: A nonstatistical sample of 53 participants out of approximately 1,500 were selected for eligibility and allowable cost testing. For the 53 participants, we tested a total of approximately \$2,600 of daily care payments out of total federal direct payments of approximately \$5.3 million. Additionally, we tested the monthly parent fee for each participant to verify accuracy of the parent fee which reduces the federal of the monthly care costs. We tested a total of approximately \$6,200 monthly parent fees charged to the 53 participants we selected.

Repeat Finding from Prior Year(s): Yes, prior year finding 2020-002.

Recommendation: We recommend the County implement additional expectations to encourage caseworkers to verify the inputs into CHATS are correct. The County should also utilize tools such as a checklist to ensure all required documentation is included and accurate within case files.

Views of Responsible Officials: Agree.

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

**2021-003 Passed-through Colorado Department of Human Services
Federal Financial Assistance Listing/CFDA Number 93.659 – All Grants
Adoption Assistance Title IV-E**

**Allowable Costs and Allowable Activities
Significant Deficiency in Internal Control over Compliance**

Criteria: The Adoption Assistance program provides federal matching funds to eligible Title IV-E agencies that provide ongoing subsidy and/or nonrecurring payments to parents who adopt eligible children. There are compliance requirements regarding allowable costs and allowable activities to ensure federal funds are expended in accordance with a written and binding adoption assistance agreement. Furthermore, 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 allowable costs and activities for 60 adoption subsidy payments. We noted the following in our testing:

- One instance in which the adoption subsidy payment was incorrectly calculated based on the signed contract maintained with the file.

Cause: The County's controls failed to ensure the program's allowable costs and activities criteria were met.

Effect: The error resulted in an incorrect subsidy payment distributed to the adopted parents.

Questioned Costs: None to report

Context/Sampling: A nonstatistical sample of 60 participants out of 10,386 were selected for allowable cost testing.

Repeat Finding from Prior Year(s): No

Recommendation: We recommend the County implement controls which include a review of rates entered in the system to the signed contracts to ensure accurate subsidy payments.

Views of Responsible Officials: Agree.

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

2021-004 **Passed-through Colorado Department of Labor and Employment
Federal Financial Assistance Listing/CFDA Number 17.277 – All Grants
Emergency Recovery Grant WIOA DW
Disaster Recovery Grant WIOA DW**

**Reporting
Significant Deficiency in Internal Controls over Compliance**

Criteria: The Emergency Recovery and Disaster Recovery programs provide federal funds to eligible dislocated workers to minimize the economic impact on individuals whose jobs have been impacted by the COVID-19 pandemic. There are compliance requirements regarding reporting to ensure federal funds are being expended in accordance with the grant agreements. Furthermore, 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 reporting for three reports required to be submitted to the State. We noted the following in our testing:

- All three instances in which there was no documentation of review and approval of the reports by management before they were submitted to the State.
- One instance where the required report was not submitted timely.
- One instance where the amounts reported were not supported by the County's records.

Cause: The County failed to ensure the internal controls surrounding compliance over the program's reporting criteria was met.

Effect: Documented approvals, untimely and/or inaccurate submission of reports to the State.

Questioned Costs: None to report

Context/Sampling: A nonstatistical sample of 3 reports out of 16 were selected for reporting testing.

Repeat Finding from Prior Year(s): No

Recommendation: We recommend the County implement controls which include a review of reports required to be submitted to the State to documented approvals, timely and accurate completion and submission of all required reporting documents.

Views of Responsible Officials: Agree