



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** June 17, 2021

Staff Contact: Sheri Russell , Chief Financial Officer, (SRussell@Carson.org)

Agenda Title: For Possible Action: Discussion and possible action regarding recommended acceptance of the Carson City, Nevada Compliance Audit of the Schedule of Expenditures of Federal Awards for the Fiscal Year ("FY") ended June 30, 2020. (Sheri Russell, srussell@carson.org)

Staff Summary: The Federal Government requires compliance procedures over any entity that expends more than \$750,000 in Federal Funding during a FY. The City had \$10,005,333 in federal expenditures during FY 2020. The compliance procedures are typically due 9 months after the end of the FY, or March 31, 2021. The due date was extended to June 30, 2021, due to the pandemic. Typically these procedures are done in conjunction with the annual comprehensive financial report; however, the CARES Act audit procedures were not released until January 2021. Therefore, the City's independent auditor, BDO USA, LLC, was unable to combine the two reports.

Agenda Action: Formal Action / Motion **Time Requested:** 10 Minutes

Proposed Motion

I move to accept the report as submitted.

Board's Strategic Goal

Efficient Government

Previous Action

Annual Comprehensive Financial Report was approved by the Board of Supervisors on December 17, 2020.

Background/Issues & Analysis

The Carson City, Nevada Compliance Audit of the Schedule of Expenditures of Federal Awards for the FY ended June 30, 2020 has been completed by the Finance Department and audited by the City's independent auditors, BDO USA, LLP.

There was one finding noted.

Applicable Statute, Code, Policy, Rule or Regulation

NRS Chapter 354.624

Financial Information

Is there a fiscal impact? No

If yes, account name/number: N/A

Is it currently budgeted? No

Explanation of Fiscal Impact: N/A

Alternatives

N/A

Attachments:

[PBC SEFA - SEPARATE REPORT FY 2020.pdf](#)

Board Action Taken:

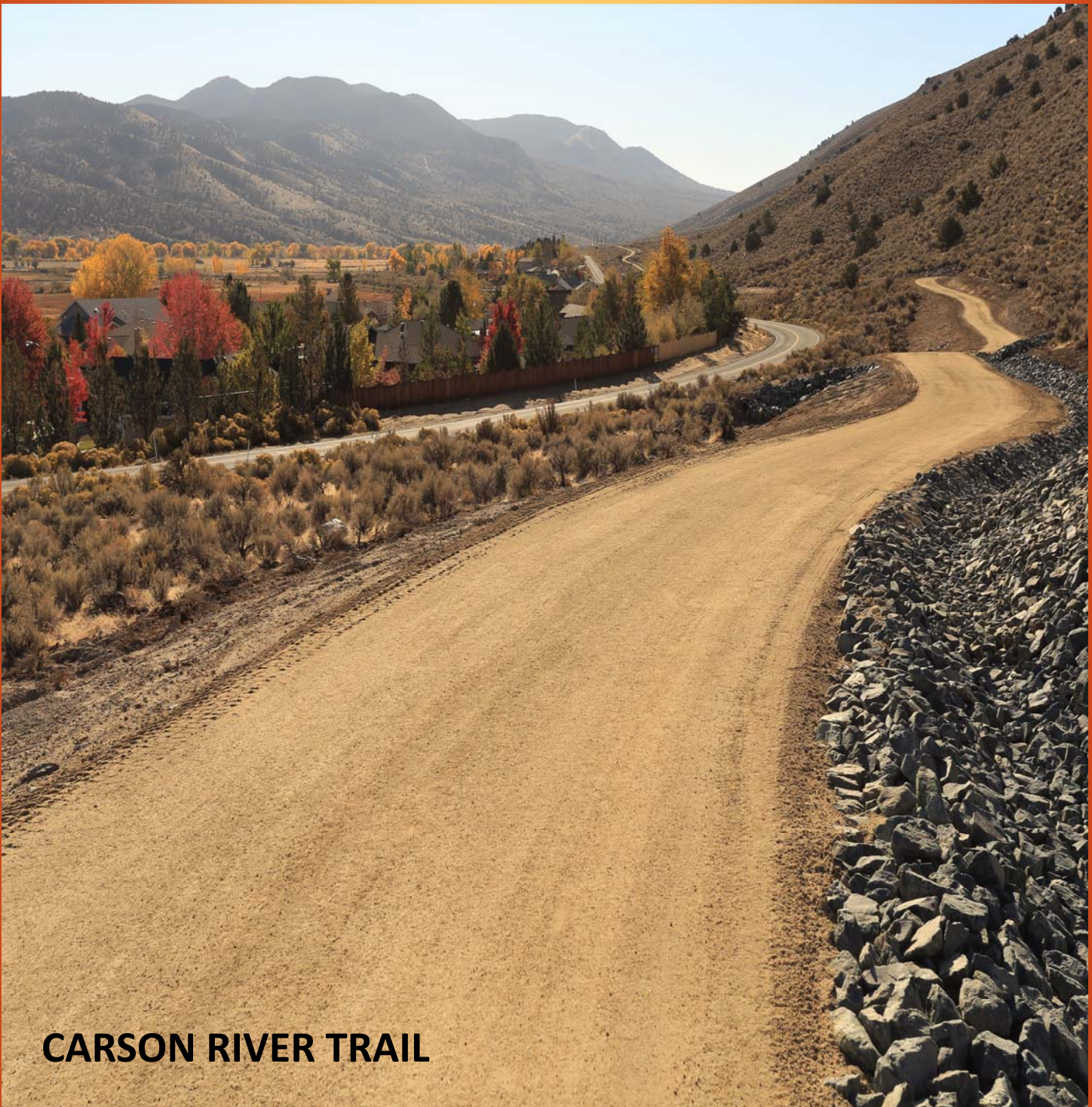
Motion: _____

1) _____

2) _____

Aye/Nay

(Vote Recorded By)



CARSON RIVER TRAIL

CARSON CITY, NEVADA
COMPLIANCE AUDIT OF
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED, JUNE 30, 2020

**CARSON CITY, NEVADA
COMPLIANCE AUDIT OF
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2020**

**Prepared by: Finance Department
Sheri Russell, Chief Financial Office**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
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JUNE 30, 2020

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Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Mayor and Other Members of the Board of Supervisors
Carson City, Nevada

Report on Compliance for Each Major Federal Program

We have audited the Carson City, Nevada’s (the “City”) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the City’s major federal programs for the year ended June 30, 2020. The City’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

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

Auditor’s Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the City 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

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audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City'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 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. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

We have audited the financial statements of the City as of and for the year ended June 30, 2020, and have issued our report thereon dated December 9, 2020, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

June (*), 2021

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020
(PAGE 1 OF 6)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES	PAYMENTS TO SUBRECIPIENTS
<u>U. S. Institute of Museum and Library Services:</u>				
Passed through Nevada State Library, Archives & Public Records:				
LSTA Grants to States - Capital Makers	45.310	LSTA 2019-30	\$ 7,230	-
LSTA Grants to States - Continuing Education Scholarship	45.310	9 LSTA	875	-
LSTA Grants to States - Community Enrichment	45.310	LSTA 18-20	448	-
Total U.S. Institute of Museum and Library Services			<u>8,553</u>	<u>-</u>
<u>U.S. Department of Agriculture:</u>				
Direct programs:				
Cooperative Patrol	10.Unknown	11-LE-11051360-036	5,520	-
Passed through Nevada Department of Health & Human Services:				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	197NVNV7W1003	219,249	-
Passed through Nevada State Controller:				
Forest Service - Schools and Roads Cluster Schools and Roads - Grants to States -	10.665	N/A	7,806	-
Total U.S. Department of Agriculture			<u>232,575</u>	<u>-</u>
<u>U.S. Department of Health and Human Services:</u>				
Direct programs:				
Family Planning Services	93.217	FPHPA006449-01-00	269,708	50,585
Family Planning Services	93.217	FPHPA006449-02-00	64,681	11,161
Family Planning Services - Program Income		N/A	168,000	-
Total Family Planning Services			<u>502,389</u>	<u>61,746</u>
Passed through Nevada State Emergency "Relief Fund"				
2020 CARES Act Stimulus Funds	93.003	HHS-24760855968	15,932	-
Passed through Nevada Department of Health and Human Services:				
Public Health Emergency Preparedness Program (PEHP)	93.069	1 NU90TP922047-01-00	503,481	-

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020
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FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES	PAYMENTS TO SUBRECIPIENTS
<u>U.S. Department of Health and Human Services (Continued):</u>				
Affordable Care Act (ACA) Personal Responsibility Education Progr	93.092	1801NVPREP 1701NVPREP	\$ 45,400	\$ -
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	1NU52PS910224-01 5NU52PS004681-05-00	12,733	-
Sexual Risk Avoidance Education	93.235	1801NVSRAE	24,547	-
Sexual Risk Avoidance Education	93.235	1901NVSRAE	84,013	-
Total Sexual Risk Avoidance Education Programs			108,560	-
Immunization Cooperative Agreements	93.268	1NH23IP922609-01-00	88,728	-
Immunization Cooperative Agreements - Program Income			27,890	-
Total Immunization Cooperative Agreements			116,618	-
National State Based Tobacco Control Programs	93.305	5 NU58DP006009-05	61,418	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	5NU50CK000419-05-01 NU50CK000560-01	70,244	-
Public Health Emergency Response Public Health Preparedness Program (PHP) COVID-19	93.354	1 NU90TP922107-01-00	144,845	33,849
Child Support Enforcement - Title IV - D	93.563	N/A	22,461	-
Community Services Block Grant	93.569	G-18-B1NVCOSR	43,055	-
Community Services Block Grant	93.569	G-19-01NVCOSR G-20-01NVCOSR	79,503	-
Total Community Service Block Grants			122,558	-
Preventative Health and Health Services Block Grant	93.991	1 NB01OT009309-01	3,492	-
Preventative Health and Health Services Block Grant	93.991	1 NB01OT009235-01	6,470	-
Total Preventative Health and Health Services Block Grants			9,962	-
Public Health Preparedness - Assistant Secretary for Preparedness and Response -Ebola	93.817	1U3REP150510.01-00	2,082	-
National Bioterrorism Hospital Preparedness Program	93.889	6U3REP190613-01-02	550	-
National Bioterrorism Hospital Preparedness Program	93.889	1U3REP190613-01-00	184,669	-
National Bioterrorism Hospital Preparedness Program	93.889	6NU90TP921907-01-09	71,711	-
Total National Bioterrorism Hospital Preparedness Programs			256,930	-
HIV Care Formula Grants - Ryan White Title II	93.917	X07HA00001-30 X07HA00001-29	96,429	-
HIV Prevention Activities - Health Department Based	93.940	NU62PS924579 NU62PS924579-02	29,087	-
HIV Surveillance Program	93.940	5NU62PS924579-03 5NU62PS924579-02	5,267	-
Block Grants for Prevention and Treatment of Substance Abuse Tobacco	93.959	TI010039-18 & -19	13,471	-

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020
(PAGE 3 OF 6)

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>AWARD NUMBER</u>	<u>FEDERAL EXPENSES/ EXPENDITURES</u>	<u>PAYMENTS TO SUBRECIPIENTS</u>
<u>U.S. Department of Health and Human Services (Continued):</u>				
Preventive Health Services-Sexually Transmitted Diseases Control Grants-STD Prevention and Control	93.977	1NH25PS005179-01 5NH25PS005179-02 B04MC32556	\$ 15,355	\$ -
Maternal and Child Health Services Block Grant to the States	93.994	B04MC31501	57,186	-
Passed through Oregon Social Learning Center: Drug Abuse and Addiction Research Program	93.279	5R01DA041434	1,370	-
Total U.S. Department of Health and Human Services			2,213,778	95,595
<u>U.S. Department of Housing and Urban Development:</u>				
Passed through Nevada Governor's Office of Economic Development Community Development Block Grants/ Entitlement Grants Cluster	14.218	B-18-MC-32-0006 B-19-DC-32-0001	345,154	33,475
Direct program:				
Shelter Plus Care	14.238	NV0067L9T021706	5,457	-
Shelter Plus Care	14.238	NV0067L9T021807	14,000	-
Shelter Plus Care	14.238	NV0067L9T021808	14,289	-
Total Shelter Plus Care Programs			33,746	-
Passed through Nevada Housing Division:				
Emergency Solutions Grant Program	14.231	E18-DC-32-0001	42,274	-
Emergency Solutions Grant Program	14.231	E19-DC-32-0001	13,869	-
Total Emergency Solutions Grant Program			56,143	-
Total U.S. Department of Housing and Urban Development			435,043	33,475
<u>U.S. Department of the Interior:</u>				
Direct programs:				
Southern Nevada Public Land Management	15.235	2710 (NVS00550)	447,361	-
Southern Nevada Public Land Management	15.235	L17AS00009	25,511	-
Southern Nevada Public Land Management	15.235	L17AS00048	281,912	-
Total Southern Nevada Public Land Management Grants			754,784	-
Passed through Nevada Department of Wildlife Wildlife Restoration & Hunter Education Carson City Rifle & Pistol Range	15.611 & 15.626	F19AF00384	143,227	-
Total U.S. Department of the Interior			898,011	-
<u>National Parks Service:</u>				
Passed through Division of State Parks: Land and Water Conservation Fund Grants	15.916	P17AP00160	31,435	-
<u>U.S. Department of Justice:</u>				
Passed through Nevada Office of the Attorney General: Services-Training-Officers-Prosecutors (STOP) Grant				
FFY2019 Violence Against Women Act (VAWA)	16.588	2019-WF-AX	7,646	-
Victims Advocate Law Enforcement (VALE) Program	16.588	2019-WF-AX	18,929	-
Total Services-Training-Officers-Prosecutors (STOP) Grant			26,575	-

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020
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FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES	PAYMENTS TO SUBRECIPIENTS
<u>U.S. Department of Justice (Continued):</u>				
Direct Programs:				
State Criminal Alien Assistance Program	16.606	N/A	\$ 6,865	-
Safe Streets Program	16.Unknown	281D-LV-C37135	4,200	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0336	9,929	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-DJ-BX-0030	1,026	-
Passed through Douglas County Sheriff's Office & Nevada DPS				
Regional Gang Task Force	16.738	19-JAG-06	19,500	-
Passed through Nevada Department of Public Safety:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	18-JAG-01	15,995	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	18-JAG-03	13,946	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	18-JAG-02	8,008	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	19-JAG-03	93,480	-
Edward Byrne Memorial Justice Assistance Grant Program - Tri-Net	16.738	18-JAG-04	12,757	-
Tri-Net	16.738	19-JAG-04	88,611	-
Office of Criminal Justice Assistance				-
Court Technology for Judicial Efficiency	16.738	19-JAG-02	22,200	-
Victims Advocate Law Enforcement (VALE) Program	16.738	19-JAG-05	28,359	-
Total Edward Byrne Memorial Justice Assistance Grant Program			313,811	-
Total U.S. Department of Justice			351,451	-
<u>U.S. Department of Transportation:</u>				
Passed through Nevada State Emergency Response Commission:				
Interagency Hazardous Materials Public Sector Training and Planning Grants - HMEP Training Attendance -Hazardous Materials Track - Fire Shows West Conference	20.703	19-HMEP-01-02	780	-
Highway Safety Cluster:				
Passed through Nevada Department of Public Safety:				
National Priority Safety Programs:				
Felony DUI Court	20.616	TS-2019-CCDC-00016	19,561	-
National Priority Safety Programs	20.616	JF-2020-CCSO-00025	3,757	-
Total National Priority Safety Programs			23,318	-
Passed through Nevada Department of Public Safety:				
State and Community Highway Safety-				
Joining Forces	20.600	JF-2019-CCSO-00019	6,645	-
Joining Forces	20.600	JF-2020-CCSO-00025	6,282	-
Traffic Safety	20.600	TS-2020-CCSO-00054	20,000	-
Total State and Community Highway Safety Grants			32,927	-
Total Highway Safety Cluster			56,245	-

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020
(PAGE 5 OF 6)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES	PAYMENTS TO SUBRECIPIENTS
<u>U.S. Department of Transportation (Continued):</u>				
Federal Transit Cluster:				
Direct programs:				
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	NV-2017-002-00	\$ 33,890	\$ -
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	NV-2018-007-00	340,558	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	NV-2020-007-00	<u>767,273</u>	<u>-</u>
Total Federal Transit Cluster			<u>1,141,721</u>	<u>-</u>
Transit Services Programs Cluster:				
Direct programs:				
Enhanced Mobility for Seniors and Individuals with Disabilities - Enhance Mobility	20.513	NV-2019-008-00	<u>83,963</u>	<u>-</u>
Total Transit Services Programs Cluster			<u>83,963</u>	<u>-</u>
Federal Highway Administration FY 2019 TIGER Grant				
Direct Programs:				
Carson City Gateway: South Carson Street Complete Streets	20.933	693JJ32040002	<u>998,820</u>	<u>-</u>
Highway Planning and Construction Cluster:				
Passed through Nevada Department of Transportation:				
Highway Planning and Construction - Unified Planning Work Program	20.205	PR186-19-804	287,205	-
Highway Planning and Construction - Safe Routes to School - Public Works	20.205	PR062-17-063	272,649	-
Highway Planning and Construction - Transportation System Management Plan	20.205	PR-060-19-804	2,756	-
Highway Planning and Construction - Federal Transportation Alternatives Program - I-580 Path To Colorado Street Project	20.205	P502-17-063	145,223	-
Highway Planning and Construction - Edmonds Sports Complex Multi Use Path	20.205	P279-19-063	<u>22,645</u>	<u>-</u>
Total Highway and Planning Programs			<u>730,478</u>	<u>-</u>
Passed through Nevada State Division of State Parks Recreational Trails Program				
	20.219	Z940	<u>104,236</u>	<u>-</u>
Total Highway Planning and Construction Cluster			<u>834,714</u>	<u>-</u>
Total U.S. Department of Transportation			<u>3,116,243</u>	<u>-</u>
<u>U.S. Department of Treasury:</u>				
Passed through State of Nevada Coronavirus Relief Fund (CRF)				
	21.019	Unknown	<u>1,988,955</u>	<u>-</u>
<u>U.S. Election Assistance Commission:</u>				
Passed Through Secretary of State 2018 HAVA Election Security Grants CARES Act HAVA Election Support				
	90.404	Unknown	<u>17,972</u>	<u>-</u>

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020
(PAGE 6 OF 6)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES	PAYMENTS TO SUBRECIPIENTS
<u>U.S. Department of Homeland Security:</u>				
Passed through Nevada Division of Emergency Management:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)				
2017 Nevada Flood	97.036	FEMA-4303-DR	\$ 47,432	\$ -
Hazard Mitigation Grant Program				
Carson City Emergency Generators	97.039	HMGP 4307-03-03R	10,032	-
Hazard Mitigation Grant Program				
Carson City Well 51 Generator Program	97.039	HMGP 4303-05-06R	159,295	-
Hazard Mitigation Grant Program				
Carson City Well 11 Generator Program	97.039	HMGP 4303-02-04P	159,295	-
Hazard Mitigation Grant Program				
Carson City Well 40 Generator Program	97.039	HMGP 4303-04-05R	159,295	-
Hazard Mitigation Grant Program				
Carson City Well 10B Generator Program	97.039	HMGP 4303-02-03R	159,295	-
Total Hazard Mitigation Programs			647,212	-
Emergency Management Performance Grant	97.042	EMF-2019-EP-00009-S01	15,148	-
Homeland Security Grant Program - CCTA Silver Crucible Exercise	97.067	EMW-2017-SS-00006	1,525	-
Total U.S. Department of Homeland Security			711,317	-
Total Expenditures of Federal Awards			\$ 10,005,333	\$ 129,070

NOTES TO THE SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “SEFA”) includes the federal award activity of Carson City, Nevada (the “City”) under programs of the federal government for the year ended June 30, 2020. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 22, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Because the SEFA presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in financial position, or cash flows of the City.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the modified accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the SEFA represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3 – De Minimis Cost Rate

The City has not elected to use the 10% de minimis cost rate.

CARSON CITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified __ Yes X No
Significant deficiency(ies) identified? __ Yes X No
Noncompliance material to financial statements noted? __ Yes X No
Federal Awards __ Yes X No
Internal control over major federal programs:
Material weakness(es) identified? __ Yes X No
Significant deficiency(ies) identified? __ Yes X (none reported)

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

X Yes __ No

Identification of major federal programs:

Table with 3 columns: CFDA Number, Name of Federal Program or Cluster, Agency. Rows include 20.933 Federal Highway Administration TIGER Grant, 15.235 Southern Nevada Public Land Management, and 21.019 Coronavirus Relief Fund.

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? __ Yes X No

Section II - Financial Statement Findings Required to be Reported in Accordance with Government Auditing Standards

There were no financial statement findings required to be reported in accordance with Government Auditing Standards.

CARSON CITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued) FOR THE YEAR ENDED JUNE 30, 2020

Section III - Federal Award Findings and Questioned Costs

Finding 2020-001	Annual Report Submission
<i>Federal program</i>	Southern Nevada Public Land Management (CFDA #15.235)
<i>Criteria</i>	Annual financial reports are due by 90 calendar days after the end of the reporting period.
<i>Condition/Context</i>	The City did not submit the annual report with the allotted 90-day time period.
<i>A statistically valid sample was used</i>	No
<i>Questioned costs</i>	None
<i>Effect</i>	The annual report was not submitted timely.
<i>Cause</i>	Management was unaware they were required to submit an annual report.
<i>Recommendation</i>	We recommend management more closely monitor reporting requirements.
<i>View of Responsible Officials</i>	Management concurs with the auditor's finding and recommendation.



CARSON CITY, NEVADA
CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

Section III – Findings and questioned costs for federal awards, including audit findings required by 2 CFR 200.516(a)

2019 - 001

Federal program

Federal Transit Cluster (CFDA #20.507, 20.526)

Criteria or specific requirement

§ 200.502 Basis for determining Federal awards expended. (a) Determining Federal awards expended. The determination of when a Federal award is expended must be based on when the activity related to the Federal award occurs. Generally, the activity pertains to events that require the non-Federal entity to comply with Federal statutes, regulations, and the terms and conditions of Federal awards, such as: expenditure/expense transactions associated with awards including grants, cost-reimbursement contracts under the FAR, compacts with Indian Tribes, cooperative agreements, and direct appropriations; the disbursement of funds to subrecipients; the use of loan proceeds under loan and loan guarantee programs; the receipt of property; the receipt of surplus property; the receipt or use of program income; the distribution or use of food commodities; the disbursement of amounts entitling the non-Federal entity to an interest subsidy; and the period when insurance is in force.

Condition and context

The 2018 Schedule of Federal Awards (SEFA) was understated by \$215,000. The expenditures were incurred in fiscal year 2018 and a public works employee considered them non-reimbursable and therefore they were excluded from the SEFA. We noted that the expenditures were included on a reimbursement request in Fiscal year 2019.

A statistically valid sample was used

Yes

Questioned costs

None

Effect

The fiscal year 2018 SEFA was understated by \$215,000. The inclusion of the \$215,000 would not have affected our determination of major programs in 2018 and did not affect our 2019 determination of major programs.

Cause

A Public works employee incorrectly informed Finance that they were not going to be able to be reimbursed by the grantor for certain expenditures.

Repeat finding

No

Recommendation

Department Level Program Managers should receive additional training on how to evaluate award terms and determine more precisely what costs are allowed under each program to ensure that reimbursable costs are captured completely and timely.

Management's response

Management informed us that additional training will be provided to the Transit Coordinator to improve understanding and awareness of what is and is not reimbursable, and associated timelines. Communication and coordination with finance will also be improved between Public Works and Finance, especially with regard to expenses and projects that overlap fiscal years.



CARSON CITY, NEVADA

CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

Management's Response to Auditor's Findings: Summary Schedule of Prior Audit Findings and Corrective Action Plan June 30, 2020

Prepared by Management of: **Carson City, Nevada**

The following is a discussion of our corrective action plan in response to the findings noted by BDO, LLC, in the Schedule of Findings and Questioned Costs for the year ended June 30, 2020.

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION II – FINANCIAL STATEMENT FINDINGS – PRIOR YEAR

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONS COSTS – CURRENT YEAR

Finding 2020-001

Federal Agency Name: U.S. Department of Interior

Program Name: Southern Nevada Public Land Management
CFDA # 15.235

Findings Summary: The City did not submit the annual report with the allotted 90-day time period.

Responsible Individual: Dave Aurand, Department Business Manager and Lyndsey Boyer, Open Space Manager

Status: The City has three SNPLMA grants, two in Fire Department and one in Parks Department. Neither department was aware that they needed to submit the annual report. Once made aware of the oversight each department immediately submitted for Fiscal Year 2020. Program managers will familiarize themselves with the reporting requirements on all grants to ensure compliance in the future.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONS COSTS – PRIOR YEAR

Finding 2019-001: Federal Transit Cluster (CFDA #20.507, 20.526)

Finding Summary: The 2018 Schedule of Federal Awards (SEFA) was understated by \$215,000. The expenditures were incurred in fiscal year 2018 and a public works employee considered them non-reimbursable and therefore they were excluded from the SEFA. We noted that the expenditures were included on a reimbursement request in Fiscal Year 2019.

Status: Corrected