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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

The Board of Commissioners  
Coos County

Report on Compliance for Each Major Federal Program

We have audited the compliance of Coos County with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Coos County's major federal programs for the year ended June 30, 2019. Coos County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Coos 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 (CFR) 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 Coos County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Coos County, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

Management of Coos 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 Coos 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 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 Coos County's internal control over compliance.

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

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

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

Isler CPA

A handwritten signature in black ink that reads "Paul R. Nielson". The signature is written in a cursive, flowing style.

By: Paul Nielson, CPA, a member of the firm  
Eugene, Oregon  
April 27, 2020

COOS COUNTY  
 Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2019

Section I – Summary of Auditor’s Results

Financial Statements:

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

Federal Awards:

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) that are not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major programs?	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 516(a) of the Uniform Guidance?	No

Identification of Major Federal Award Programs:

Name of Federal Program or Cluster	CFDA Number
Federal in Lieu of Taxes (PILT)	15.226

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

Section IV – Summary Schedule of Prior Audit Findings

None

**COOS COUNTY**

Schedule of Expenditures of Federal Awards

For the Year Ended

June 30, 2019

Federal Grantor / Pass-Through Grantor / Program Title	CFDA Number	Expenditures	Amounts Provided to subrecipients
<b>U.S. Department of Agriculture</b>			
<i>Passed through Oregon Health Authority</i>			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	\$ 271,063	\$ -
<b>U.S. Department of Commerce</b>			
<i>Passed through Department of Land Conservation and Development</i>			
Coastal Zone Management Administration Awards	11.419	19,194	-
<b>U.S. Department of Housing and Urban Development</b>			
<i>Passed through Oregon Housing &amp; Community Services Department</i>			
Community Development Block Grants/States Programs Non-Entitlements Grants in Hawaii	14.228	57,086	-
<b>U.S. Department of Interior</b>			
Payments in Lieu of Taxes (PILT)	15.226	642,788	-
<i>Passed through State of Oregon Department of Fish and Wildlife</i>			
Clean Vessel Act	15.616	14,000	-
National Wildlife Refuge Fund	15.659	23,228	-
Total U.S. Department of Interior		680,016	-
<b>U.S. Department of Justice</b>			
<i>Passed through Oregon Department of Justice</i>			
Crime Victim Assistance	16.575	138,104	-
State Criminal Alien Assistance Program	16.606	2,397	-
<i>Passed through Coquille Indian Tribe</i>			
Public Safety Partnership & Community Policing Grants	16.710	46,618	-
Total U.S. Department of Justice		187,119	-
<b>U.S. Department of Transportation</b>			
<i>Passed through Oregon Department of Transportation</i>			
Highway Planning and Construction	20.205	15,875	-
<i>Passed through Oregon Parks and Recreation</i>			
Recreational Trails Program	20.219	80,652	-
Total Highway Planning and Construction Cluster		96,527	-
<i>Passed through Oregon Department of Transportation</i>			
Formula Grants for Rural Areas	20.509	397,093	397,093
Enhanced Mobility of Seniors & Individuals with Disabilities	20.513	313,135	313,135
National Priority Safety Programs	20.616	714	-
Total U.S. Department of Transportation		807,469	710,228
<b>U.S. General Services Administration</b>			
<i>Passed through Oregon Department of Administrative Services</i>			
GSA Surplus Real Property	39.002	681	-

<u>Federal Grantor / Pass-Through Grantor / Program Title</u>	<u>CFDA Number</u>	<u>Expenditures</u>	<u>Amounts Provided to subrecipients</u>
<b>Environmental Protection Agency</b>			
<i>Passed through Oregon Health Authority</i>			
EPA Water System Supervision	66.432	8,408	-
Capitalization Grants for Drinking Water State Revolving Funds	66.468	<u>7,474</u>	-
Total U.S. Environmental Protection Agency		<u>15,882</u>	-
<b>U.S. Department of Health and Human Services</b>			
<i>Passed through Oregon Health Authority</i>			
Public Health Emergency Preparedness	93.069	95,596	-
Family Planning Services	93.217	17,904	-
Block Grants for Community Mental Health Services	93.958	71,950	-
Block Grants for Prevention & Treatment of Substance Abuse	93.959	169,369	169,369
Maternal and Child Health Services Block Grant to the States	93.994	69,825	-
<i>Passed through Oregon Department of Justice</i>			
Child Support Enforcement	93.563	139,539	-
<i>Passed through Oregon Health &amp; Science University:</i>			
Maternal and Child Health Services Block Grant to the States	93.994	<u>53,843</u>	-
Total U.S. Department of Health and Human Services		<u>618,026</u>	<u>169,369</u>
<b>U.S. Department of Homeland Security</b>			
<i>Passed through Oregon Military Department:</i>			
Emergency Management Performance Grants	97.042	76,522	-
Homeland Security Grant Programs	97.067	<u>132,750</u>	-
Total U.S. Department of Homeland Security		<u>209,272</u>	-
<b>Total Expenditures of Federal Awards</b>		<u>\$ 2,865,808</u>	<u>\$ 879,597</u>

## COOS COUNTY

### Notes to Schedule of Expenditures of Federal Awards

For the Year Ended

June 30, 2019

#### **1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Coos County under programs of the federal government for the year ended June 30, 2019. The information in this schedule is presented in accordance with the requirements of Title 2 US Code of Federal Regulations (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the schedule presents only a selected portion of the operation of the County, it is not intended to and does not present the financial position, changes in financial position, or cash flow for the County.

#### **2. Summary of Significant Accounting Policies**

The accompanying Schedule of Expenditures of Federal Awards is presented on the modified accrual basis of accounting in accordance with generally accepted accounting principles. Expenditures reported on this schedule are recognized following the cost principles in Title 2 US Code of Federal Regulations (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, where certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

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