
EL PASO COUNTY, COLORADO
SINGLE AUDIT REPORT
DECEMBER 31, 2021

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**Independent Auditors' 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 County Commissioners
El Paso County
Colorado Springs, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of El Paso County, Colorado (the County), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 17, 2022. Our report includes a reference to other auditors who audited the financial statements of the El Paso County Retirement Plan and the El Paso County Housing Authority, as described in our report on the County's financial statements. This report does not include the results of the El Paso County Housing Authority auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the El Paso County Retirement Plan were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the El Paso County Retirement Plan.

Report On Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) 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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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

Report On Compliance And Other Matters

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

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.

RubinBrown LLP

June 17, 2022

**Independent Auditors' 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 County Commissioners
El Paso County
Colorado Springs, Colorado

Report On Compliance For Each Major Federal Program

Opinion On Each Major Federal Program

We have audited El Paso County, Colorado's (the County) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget's *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2021. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of El Paso County Public Health, a discretely presented component unit, which received \$23,514,075 in federal awards and which is not included in the County's schedule of expenditures of federal awards for the year ended December 31, 2021. Our audit, as described below, did not include the operations of El Paso County Public Health because we performed the audit in accordance with Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance) and issued separate reports regarding those operations.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis For Opinion On Each Major Federal Program

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; and the audit requirements of the Uniform Guidance. Our responsibility under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities For The Audit Of Compliance section of our report.

We are required to be independent of the County and to meet our 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 the County's compliance with the compliance requirements referred to above.

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 the County's federal programs.

Auditors' 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 the 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 the 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 the 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 the 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 the 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

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 Auditors' 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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 the County as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 17, 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. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

RubinBrown LLP

June 17, 2022

EL PASO COUNTY, COLORADO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended December 31, 2021

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Federal Grantor/Pass-Through Grantor/ Program Or Cluster Title	Grantor's Identification Number	Federal Assistance Listing	Federal Expenditures	Expenditures To Sub-Recipients
U.S. Department Of Agriculture				
Passed through Colorado Department of Human Services:				
SNAP Cluster:				
State Administrative Matching Grants for the Supplemental Nutrition Program (FFA Incentives Only)	12-3505-0-1-605	10.551	\$ 90,504	\$ —
State Administrative Matching Grants for the Supplemental Nutrition Program	12-3505-0-1-605	10.561	5,544,114	—
Subtotal - SNAP Cluster			5,634,618	—
Supplement Nutrition Assistance Program, Process, and Technology Improvement Grants				
	SNAP-PTI-FY17-CO-01	10.580	88,500	—
Total U.S. Department Of Agriculture			5,723,118	—
U.S. Department Of Housing And Urban Development				
CDBG - Entitlement Grants Cluster				
Community Development Block Grant	B17UC080005	14.218	15,000	15,000
Community Development Block Grant	B18UC080005	14.218	91,871	195
Community Development Block Grant	B19UC080005	14.218	192,446	27,941
Community Development Block Grant	B20UC080005	14.218	364,205	332,674
Community Development Block Grant	B20UW080005	14.218	567,632	556,618
Community Development Block Grant	B21UC080005	14.218	107,750	14,454
Subtotal - CDBG - Entitlement Grants Cluster			1,338,904	946,882
Total U.S. Department Of Housing And Urban Development			1,338,904	946,882
U.S. Department Of Justice				
Internet Crimes Against Children Grant				
	2018-MC-FX-K027	16.543	3,334	—
Passed through Colorado Department of Public Safety:				
Victims of Crime Assistance Program				
	2018-V2-GX-0050	16.575	125,652	—
Passed through Colorado Department of Public Safety:				
Victims of Crime Assistance Program				
	2020-VA-21-554-04	16.575	296,650	—
Subtotal - Assistance Listing 16.575			422,302	—
Passed through the Colorado Springs Police Department:				
Improving Criminal Justice Responses				
	2017-WE-AX-0031	16.590	127,860	—
	2019-AP-BX-1153	16.606	155,407	—
	2020-AP-BX-0898	16.606	42,271	—
Subtotal - Assistance Listing 16.606			197,678	—
2019 Bureau of Justice Assistance Grant	2019-DJ-BX-0751	16.738	701	—
2020 Bureau of Justice Assistance Grant	2020-DJ-BX-0304	16.738	31,570	—
2020 Bureau of Justice Assistance Grant	2020-VD-BX-0209	16.738	450,363	—
Subtotal - Assistance Listing 16.738			482,634	—
Equitable Sharing - Federal Asset Forfeitures				
	Annual Certification	16.922	30	—
Total U.S. Department Of Justice			1,233,838	—

See the notes to schedule of expenditures of federal awards.

EL PASO COUNTY, COLORADO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended December 31, 2021

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Federal Grantor/Pass-Through Grantor/ Program Or Cluster Title	Grantor's Identification Number	Federal Assistance Listing	Federal Expenditures	Expenditures To Sub-Recipients
U.S. Department Of Labor				
Passed through Colorado Department of Labor and Employment:				
Employment Service Cluster				
Wagner-Peyser - Employment Services	ES274781555A8/ES-29401-196-55-A-8	17.207	2,174,809	\$ —
Wagner-Peyser - Summer Job Hunt	ES274781555A8	17.207	45,000	—
Wagner-Peyser - Disability Employment Initiative	SLFRP0126	17.207	179,106	—
Subtotal - Assistance Listing 17.207			2,398,915	—
Disabled Veterans' Outreach Program	DV26573155558	17.801	45,116	—
Local Veterans' Employment Representative Program	DV26573155558	17.804	22,558	—
Subtotal - Employment Service Cluster			2,466,589	—
WIOA Cluster				
Workforce Innovation and Opportunity Act Adult Program	AA-26769-15-55-A-8/AA-28306-16-55-A-8	17.258	1,643,441	—
Workforce Innovation and Opportunity Act Youth Activities	AA-26769-15-55-A-8/AA-28306-16-55-A-8	17.259	1,118,722	—
Performance Incentive	AA-30734-17-55-A-8	17.278	24,966	—
Workforce Innovation and Opportunity Act Enhanced Dislocated Worker Program	AA-26769-15-55-A-8/AA-28306-16-55-A-8	17.278	243,983	—
Workforce Innovation and Opportunity Act Dislocated Worker Program	AA-26769-15-55-A-8	17.278	194,772	—
Subtotal - Assistance Listing 17.278			463,721	—
Subtotal - WIOA Cluster			3,225,884	—
Reemployment Services Assistance Program	UI281211660A8	17.225	34,782	—
Trade Adjustment Assistance	TA257161555A8	17.245	233,661	—
Pathways Home	PE-35033-20-60-A-8	17.270	319,601	—
CO Responds	DW-34692-60-60-A-8	17.277	642,412	—
Recover CO	DW-34692-20-60-A-8	17.277	602,770	—
Subtotal - Assistance Listing 17.277			1,245,182	—
Total U.S. Department Of Labor			7,525,699	—
U.S. Department Of Transportation				
Passed through Colorado Department of Transportation:				
Highway Planning and Construction Cluster				
Fed Aid Hwy - Falcon Park & Ride	AQC C040-025	20.205	2,330,018	—
Calhan Highway Bridge	BRO C040-055	20.205	256,028	—
Local Road Safety Plan	SHO P2CO-013	20.205	197,526	—
Ute Pass Trail	TAP C040-054	20.205	63,606	—
Subtotal - Assistance Listing 20.205			2,847,178	—
National Priority Safety Programs - 2021 Click It or Ticket	PO#411025997	20.616	16,063	—
Enhance Impaired Driving Enforcement	21-HTS-ZL-00111	20.616	202,115	—
Enhance Impaired Driving Enforcement	21-HTS-ZL-00388/491002700	20.616	28,021	—
Speed & Distracted Enforcement (Traffic Safety Program)	21-HTS-ZL-00387/491002699	20.616	16,915	—
Subtotal - Assistance Listing 20.616			263,114	—
Total U.S. Department Of Transportation			3,110,292	—

EL PASO COUNTY, COLORADO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended December 31, 2021

Page 3 Of 3

Federal Grantor/Pass-Through Grantor/ Program Or Cluster Title	Grantor's Identification Number	Federal Assistance Listing	Federal Expenditures	Expenditures To Sub-Recipients
Department of the Treasury				
COVID 19 - Coronavirus Relief Funds (CARES ACT)	N/A	21.019	10,217,807	—
COVID 19 - Coronavirus State and Local Fiscal Relief Fund	N/A	21.027	24,209,067	5,186,674
Total Department of the Treasury			34,426,874	5,186,674
Small Business Development Centers				
Small Business Development Centers (Core Grant)	73-0400-0-1-376	59.037	110,000	—
COVID 19 - Small Business Development Centers (SBA CARES)	73-0400-0-1-376	59.037	175,988	—
Total Small Business Development Centers			285,988	—
U.S. Department Of Health And Human Services				
Passed through Colorado Department of Human Services				
CCDF Cluster				
Child Care and Development Block Grant - Discretionary Fund	75-1515-0-1-609	93.575	6,393,658	—
Child Care Mandatory and Matching Funds of the Child Care Development Fund	75-1536-0-1-506	93.596	7,047,014	—
Subtotal CCDF Cluster			13,440,672	—
Guardianship Assistance	75-1545-0-10609	93.090	84,736	—
Title IV-E Prevention Program (FFA)	OM-CFO-2021-0001	93.472	(16)	—
Promoting Safe, Stable Families-Family Preservation Services	75-1512-0-1-506	93.556	535,648	—
Temporary Assistance for Needy Families (TANF) Cluster	75-1552-0-1-609	93.558	18,381,438	—
Child Support Title IV-D Administration	75-1501-0-1-609	93.563	3,984,718	—
Low-Income Home Energy Assistance (LEAP)	75-1503-0-1-609	93.566	1,244	—
Low-Income Home Energy Assistance - LEAP (FFA - Non CW)	75-1503-0-1-609	93.568	579,796	—
Title IV-B	75-1536-0-1-506	93.645	803,120	—
Foster Care - Title IV-E	75-1545-0-1-609	93.658	9,525,450	—
Adoption Assistance	75-1536-0-1-506	93.659	2,943,972	—
Social Services Block Grant Title XX	75-1534-0-1-506	93.667	2,803,939	—
Independent Living Program - Chafee	75-1545-0-1-609	93.674	528,489	—
Elder Abuse Prevention Interventions Program (FFA - Non CW)	OM-AAS-2021-0001	93.747	62,689	—
Passed through Colorado Department of Health Care Policy and Financing:				
Medical Assistance Program - Title XIX Cluster	75-0512-0-1-551	93.778	6,220,570	—
Passed through Colorado Department of Local Affairs:				
Community Service Block Grant	75-1536-0-1-506	93.569	943,856	—
Small Business Development Center Early Childhood LEAD Program	75-1819-0-1-536-PDG B-5	93.434	7,162	—
Total U.S. Department Of Health And Human Services			60,847,483	—
U.S. Department Of Homeland Security				
Disaster Grants-Public Assistance:				
FEMA DR 4229-Hanson Trail Head (S. Smith)	15-D4229-021	97.036	883,162	—
COVID 19-FEMA DR 4498 (S. Smith)	DR-4498 COVID19 Pandemic	97.036	168,395	—
Total U.S. Department of Homeland Security			1,051,557	—
White House Office Of National Drug Control Policy (ONDCP)				
Rocky Mountain High Intensity Drug Trafficking Area - HIDTA	G20RM0049A	95.001	9,098	—
Rocky Mountain High Intensity Drug Trafficking Area - HIDTA	G21RM0049A	95.001	98,491	—
Total Executive Office of the President			107,589	—
Total Of Federal Awards			\$ 115,651,342	\$ 6,133,556

EL PASO COUNTY, COLORADO

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended December 31, 2021

1. **Organization**

The accompanying schedule of expenditures of federal awards presents the activity of all federal award programs of El Paso County, Colorado (the County), for the year ended December 31, 2021. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included on the schedule.

2. **Basis Of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County and is presented on the modified accrual basis of accounting. The information in the accompanying schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Therefore, some amounts presented in the schedule may differ from the amounts presented in, or used in, the preparation of the basic financial statements.

3. **Indirect Costs**

The County has not elected to use the 10% de minimis indirect cost rate as allowed in the Uniform Guidance, Section 414.

EL PASO COUNTY, COLORADO

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended December 31, 2021**

Section I - Summary Of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America		Unmodified
Internal control over financial reporting:		
Material weakness(es) identified?	___ yes	✓ no
Significant deficiency(ies) identified?	___ yes	✓ none reported
Noncompliance material to financial statements noted?	___ yes	✓ no

Federal Awards

Internal control over major federal programs:		
Material weakness(es) identified?	___ yes	✓ no
Significant deficiency(ies) identified?	___ yes	✓ none reported
Type of auditors' report issued on compliance for major programs		Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	___ yes	✓ no

Identification of major federal programs:

CFDA No.	Name Of Federal Program Or Cluster
17.258, 17.259, 17.278	WIOA Cluster
21.019	Coronavirus Relief Fund
21.027	Coronavirus State And Local Fiscal Recovery Funds
93.563	Child Support Title IV-D
93.575, 93.596	CCDF Cluster
93.659	Adoption Assistance

Dollar threshold used to distinguish between Type A and Type B programs:		\$3,000,000
Auditee qualified as low-risk auditee?	___ yes	✓ no

EL PASO COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)*
For The Year Ended December 31, 2021

Section II - Financial Statement Findings

None

Section III - Federal Award Findings And Questioned Costs

None



Financial Services Department
Finance Division

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Board of County Commissioners
Holly Williams, District 1
Carrie Geitner, District 2
Stan VanderWerf, District 3
Longinos Gonzalez, Jr., District 4
Cami Bremer, District 5

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For The Year Ended December 31, 2020

Finding 2020-001 Recognition of Unexpended Coronavirus Relief Funds

Material Weakness

Governmental Accounting Standards Board (GASB) Statement 33 – Nonexchange Transactions
GASB Technical Bulletin 2020-1 – Language on Coronavirus Relief Fund Proceeds

Summary Of Prior Audit Finding: The County is responsible to ensure that voluntary and government-mandated nonexchange transactions not be recognized as revenue until all eligibility requirements have been met. Grant proceeds received in advance of the eligibility requirements having been met should be recognized as a liability. Additionally, proceeds received from the Coronavirus Relief Fund (CRF) should be recognized as a liability until all eligibility requirements have been met, including the incurrence of eligible expenditures.

Views Of Responsible Officials And Planned Corrective Action: In 2020, El Paso County received over \$125.7 million in Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. All but \$9.9 million was expended in 2020. Management agrees the remaining \$9.9 million CARES funding was not recorded properly as deferred revenue.

Status: Resolved. As soon as the unexpended funds were brought to Management’s attention, Management immediately recorded the \$9.9 million as deferred revenue. Additional training to the Accounting employees regarding the correct classification of unused grant funding at year end was provided. Management reviewed and strengthened the processes to detect both deferred revenue and accounts receivable.