

COUNTY OF SAN JOAQUIN, CALIFORNIA

**SINGLE AUDIT REPORT
(UNIFORM GUIDANCE)**

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

COUNTY OF SAN JOAQUIN, CALIFORNIA
SINGLE AUDIT REPORT
(UNIFORM GUIDANCE)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

TABLE OF CONTENTS

| | PAGE |
|---|-------------|
| 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 <i>Government Auditing Standards</i> | 1 |
| Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance; and Supplemental Schedules of Office of California State Department of Aging Grants and California Department of Community Services and Development | 3 |
| Schedule of Expenditures of Federal Awards | 6 |
| Notes to Schedule of Expenditures of Federal Awards | 11 |
| Schedule of Findings and Questioned Costs | |
| I. Summary of Auditors' Results | 13 |
| II. Financial Statement Findings | 14 |
| III. Federal Award Findings and Questioned Costs | 17 |
| Summary Schedule of Prior Year Findings | 23 |
| Supplemental Schedule of the Office of the California State Department of Aging Grants | 26 |
| Supplemental Schedule of California Department of Community Services and Development | 27 |



VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

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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**

To the Honorable Board of Supervisors
County of San Joaquin, California

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 the County of San Joaquin, California (County) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 10, 2018. Our report includes an emphasis of matter regarding prior period adjustments for the correction of errors in the prior year financial statements. Our report also includes a reference to other auditors who audited the financial statements of the Health Plan of San Joaquin as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by the other auditors.

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) to determine the 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 weakness or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2017-001 through 2017-003 that we consider to be significant deficiencies.

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 determination of financial statement amounts. 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*.

County's Response to Findings

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs and separate corrective action plan. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results 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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Vavrinik, Trine, Day & Co. LLP

Sacramento, California
January 10, 2018



VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; REPORT ON SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE;
AND SUPPLEMENTAL SCHEDULES OF OFFICE OF CALIFORNIA STATE DEPARTMENT
OF AGING GRANTS AND CALIFORNIA DEPARTMENT OF
COMMUNITY SERVICES AND DEVELOPMENT**

To the Honorable Board of Supervisors
County of San Joaquin
Stockton, California

Report on Compliance for Each Major Federal Program

We have audited the County of San Joaquin, California's (County) 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 County's major federal programs for the year ended June 30, 2017. The County's major federal programs are identified in the summary of auditors' 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.

Auditors' Responsibility

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

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

Basis for Qualified Opinion on the Adoption Assistance Program

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding CFDA 93.659 Adoption Assistance Program as described in finding number 2017-008 for Eligibility. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

Qualified Opinion on Adoption Assistance Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Adoption Assistance Program for the year ended June 30, 2017.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the 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 June 30, 2017.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2017-006 and 2017-007. Our opinion on each major federal program is not modified with respect to these matters.

The County's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and separate corrective action plan. The County's responses were not subject to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of the 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 the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified 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 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 deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2017-008 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 2017-004 through 2017-007 to be significant deficiencies.

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and Supplemental Schedule of the Office of California State Department of Aging Grants and Supplemental Schedule of the California Department of Community Services and Development

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 June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated January 10, 2018, which contained unmodified opinions on those financial statements. Our report includes an emphasis of matter regarding prior period adjustments for the correction of errors in the prior year financial statements. Our report also includes a reference to other auditors who audited the financial statements of the Health Plan of San Joaquin as described in our report on the County's financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic 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 basic financial statements. The Supplemental Schedules of Office of California State Department of Aging Grants and Department of Community Services and Development are presented for purposes of additional analysis and are 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 and the supplemental schedules of the Office of California State Department of Aging Grants and Department of Community Services and Development are fairly stated in all material respects in relation to the financial statements as a whole.

Vavrinick, Trine, Day & Co. LLP

Sacramento, California
March 29, 2018

COUNTY OF SAN JOAQUIN, CALIFORNIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Pass-Through Entity Identifying Number or Grant Number | Federal Expenditures | Passed Through to Subrecipients |
|--|---------------------------|---|-------------------------|------------------------------------|
| United States Department of Agriculture | | | | |
| Direct Programs: | | | | |
| Plant and Animal Disease, Pest Control, and Animal Care - Light Brown Apple Moth - Regulatory (LBAM-R) | 10.025 | 15-8506-1164-CA | \$ 658 | |
| Plant and Animal Disease, Pest Control, and Animal Care - Light Brown Apple Moth (LBAM) Detection | 10.025 | 15-8506-1164-CA | 6,273 | |
| Plant and Animal Disease, Pest Control, and Animal Care - Light Brown Apple Moth (LBAM) Trapping | 10.025 | 16-8506-1164-CA | 5,057 | |
| Plant and Animal Disease, Pest Control, and Animal Care - Light Brown Apple Moth - Regulatory | 10.025 | 16-8506-1164-CA | 3,098 | |
| Plant and Animal Disease, Pest Control, and Animal Care - Asian Citrus Psyllid (ACP-T) | 10.025 | 16-8506-1211-CA | 76,429 | |
| Plant and Animal Disease, Pest Control, and Animal Care - Asian Citrus Psyllid-T | 10.025 | 17-8506-1211-CA | 200,729 | |
| Plant and Animal Disease, Pest Control, and Animal Care - European Grape Vine Moth-T (EGVM-T) | 10.025 | 16-8506-1317-CA | 80,812 | |
| Plant and Animal Disease, Pest Control, and Animal Care - European Grape Vine Moth (EGVM-T) | 10.025 | 16-8506-1317-CA | 212,821 | |
| Plant and Animal Disease, Pest Control, and Animal Care - Exotic Fruit Fly (Pest Detection/Emergency Projects) | 10.025 | 16-8506-0934-GR | 268,590 | |
| Plant and Animal Disease, Pest Control, and Animal Care - Glassy-winged Sharpshooter (GWSS) | 10.025 | 16-8506-0484-CA | 247,836 | |
| Plant and Animal Disease, Pest Control, and Animal Care - Phytophthora Ramorum (SOD) | 10.025 | 16-8506-0572-CA | 8,035 | |
| Subtotal Plant and Animal Disease, Pest Control, and Animal Care | | | <u>1,110,338</u> | |
| Specialty Crop Block Grant Program - Farm Bill | 10.170 | SBC15028 | 69,280 | 69,280 |
| Specialty Crop Block Grant Program - Farm Bill - Egg Safety and Quality Management | 10.170 | SBC15028 | 13,933 | |
| Specialty Crop Block Grant Program - Farm Bill - High Risk Pest Exclusion | 10.170 | SBC15028 | 42,879 | |
| Specialty Crop Block Grant Program - Farm Bill - F&V Standardization Inspections | 10.170 | SBC15028 | 55,999 | |
| Specialty Crop Block Grant Program - Farm Bill - Nematode Control Program | 10.170 | SBC15028 | 799 | |
| Specialty Crop Block Grant Program - Farm Bill - Nursery Inspections | 10.170 | SBC15028 | 27,036 | |
| Specialty Crop Block Grant Program - Farm Bill - CA Organic Inspections | 10.170 | SBC15028 | 420 | |
| Subtotal Specialty Crop Block Grant Program | | | <u>210,346</u> | <u>69,280</u> |
| Passed through California Department of Education: | | | | |
| Child Nutrition Cluster: | | | | |
| School Breakfast Program (SBP) | 10.553 | 02526-SN-39-R | <u>181,830</u> | |
| Passed through California Department of Public Health: | | | | |
| Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) | 10.557 | 15-10111 | <u>2,307,650</u> | |
| Passed through California Department of Social Services: | | | | |
| Supplemental Nutrition Assistance Program (SNAP) Cluster: | | | | |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 10.561 | 13-20531 A 16-351 | 1,167,968 | 349,072 |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 10.561 | CFL 15/16-26 | <u>11,810,384</u> | <u>111,157</u> |
| Subtotal SNAP Cluster | | | <u>12,978,352</u> | <u>460,229</u> |
| Passed through California Department of Social Services: | | | | |
| Food Distribution Cluster: | | | | |
| Emergency Food Assistance Program | 10.568 | 15-6057 (FFY 2015-16) | 45,165 | |
| Emergency Food Assistance Program | 10.568 | 15-MOU-00139 (FFY 2016-17) | 104,242 | |
| Emergency Food Assistance Program - Commodities EFAP In-Kind Food | 10.568 | 10-6057 (FFY 15-16) | <u>1,891,512</u> | |
| Subtotal Food Distribution Cluster | | | <u>2,040,919</u> | |
| Passed through California Department of Aging: | | | | |
| Senior Farmers Market Nutrition Program | 10.576 | 2016 | 6,720 | |
| Senior Farmers Market Nutrition Program | 10.576 | 2017 | <u>11,980</u> | |
| Subtotal Senior Farmers Market Nutrition Program | | | <u>18,700</u> | |
| Total United States Department of Agriculture | | | <u>18,848,135</u> | <u>529,509</u> |
| United States Department of Commerce | | | | |
| Direct Programs: | | | | |
| Economic Development Cluster: | | | | |
| Economic Adjustment Assistance - Revolving Loan Fund - Bank of Stockton | 11.307 | 07-19-01936 | <u>6,833,009</u> | |
| Total United States Department of Commerce | | | <u>6,833,009</u> | - |
| United States Department of Housing and Urban Development | | | | |
| Direct Programs: | | | | |
| Community Development Block Grants/Entitlement Grants Cluster: | | | | |
| Community Development Block Grants/Entitlement Grants - City of Escalon | 14.218 | ESC-15-04 | 4,000 | |
| Community Development Block Grants/Entitlement Grants - City of Lathrop | 14.218 | LAT-15-04 | 1,681 | |
| Community Development Block Grants/Entitlement Grants - City of Manteca | 14.218 | MAN-15-02 | 4,836 | |
| Community Development Block Grants/Entitlement Grants - City of Ripon | 14.218 | RIP-15-07 | 1,400 | |
| Community Development Block Grants/Entitlement Grants - County of San Joaquin | 14.218 | SJC-15-06 | 9,000 | |
| Community Development Block Grants/Entitlement Grants - City of Stockton | 14.218 | 195919 / 2015-05-O-1601-14 | 7,500 | |
| Community Development Block Grants/Entitlement Grants - City of Stockton | 14.218 | OB 1945869 / 2016-04-26-1601-01-12 | 7,500 | |
| Community Development Block Grants/Entitlement Grants - City of Tracy | 14.218 | TRA-15-10 | 8,693 | |
| Community Development Block Grants/Entitlement Grants | 14.218 | B-12-UC-06-0009 | 277,180 | 277,180 |
| Community Development Block Grants/Entitlement Grants | 14.218 | B-13-UC-06-0009 | 486,136 | 486,136 |
| Community Development Block Grants/Entitlement Grants | 14.218 | B-14-UC-06-0009 | 397,012 | 376,092 |
| Community Development Block Grants/Entitlement Grants | 14.218 | B-15-UC-06-0009 | 1,018,044 | 536,930 |
| Community Development Block Grants/Entitlement Grants | 14.218 | B-16-UC-06-0009 | 912,890 | 418,709 |
| Community Development Block Grants/Entitlement Grants - Loans | 14.218 | Loans | 8,931,518 | |
| Community Development Block Grants/Entitlement Grants - Program Income | 14.218 | Program Income | <u>654,516</u> | |
| Subtotal Community Development Block Grants/Entitlement Grants Cluster | | | <u>12,721,906</u> | <u>2,095,047</u> |

See accompanying notes to the Schedule of Expenditures of Federal Awards

COUNTY OF SAN JOAQUIN, CALIFORNIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Pass-Through Entity Identifying Number or Grant Number | Federal Expenditures | Passed Through to Subrecipients |
|---|---------------------|--|----------------------|---------------------------------|
| United States Department of Housing and Urban Development (Continued) | | | | |
| Emergency Solutions Grant Program | 14.231 | S-15-UC-06-0009 | \$ 39,143 | 39,143 |
| Emergency Solutions Grant Program | 14.231 | S-16-UC-06-0009 | 141,966 | 123,353 |
| Subtotal Emergency Solutions Grants Program | | | 181,109 | 162,496 |
| Continuum of Care Program | 14.267 | CA0902L9T111405 | 42,663 | 42,663 |
| Continuum of Care Program | 14.267 | CA0902L9T111506 | 262,300 | 262,300 |
| Continuum of Care Program | 14.267 | CA0248L9T111405 | 26,197 | 26,197 |
| Continuum of Care Program | 14.267 | CA0248L9T111506 | 71,303 | 71,303 |
| Continuum of Care Program | 14.267 | CA0249L9T111406 | 28,175 | 28,175 |
| Continuum of Care Program | 14.267 | CA0250L9T111406 | 15,550 | 15,550 |
| Continuum of Care Program | 14.267 | CA0250L9T111507 | 239,348 | 239,348 |
| Continuum of Care Program | 14.267 | CA0251L9T111405 | 26,159 | 26,159 |
| Continuum of Care Program | 14.267 | CA0825L9T111506 | 115,803 | 115,803 |
| Continuum of Care Program | 14.267 | CA0761L9T111404 | 72,819 | 72,819 |
| Continuum of Care Program | 14.267 | CA0761L9T111505 | 59,981 | 59,981 |
| Continuum of Care Program | 14.267 | CA0252L9T111406 | 77,763 | 77,763 |
| Continuum of Care Program | 14.267 | CA0252L9T111507 | 313,635 | 313,635 |
| Continuum of Care Program | 14.267 | CA0762L9T111506 | 149,974 | 149,974 |
| Continuum of Care Program | 14.267 | CA0763L9T111404 | 19,800 | 19,800 |
| Continuum of Care Program | 14.267 | CA0763L9T111505 | 146,205 | 146,205 |
| Continuum of Care Program | 14.267 | CA0247L9T111406 | 36,985 | 36,985 |
| Continuum of Care Program | 14.267 | CA1083B9T111100 | 24,172 | 24,172 |
| Subtotal Supportive Housing Program | | | 1,728,832 | 1,728,832 |
| Shelter Plus Care 2014 SPC-C R8 | 14.238 | CA0253L9T111407 | 293,956 | 293,956 |
| Shelter Plus Care 2015 SPC-C R9 | 14.238 | CA0253L9T111508 | 1,595,622 | 1,595,622 |
| Shelter Plus Care 2015 SPC-05R | 14.238 | CA0835L9T111501 | 111,336 | 111,336 |
| Shelter Plus Care 2010 SPC-6 | 14.238 | CA0967C9T111000 | 80,277 | 80,277 |
| Subtotal Shelter Plus Care | | | 2,081,191 | 2,081,191 |
| HOME Investment Partnerships Program | 14.239 | M09-UC-06-0009 | 68,068 | 68,068 |
| HOME Investment Partnerships Program | 14.239 | M10-UC-06-0009 | 985,296 | 985,296 |
| HOME Investment Partnerships Program | 14.239 | M11-UC-06-0009 | 816,403 | 801,755 |
| HOME Investment Partnerships Program | 14.239 | M16-UC-06-0009 | 299,423 | 299,423 |
| HOME Investment Partnerships Program - Loan | 14.239 | Loans | 4,974,921 | |
| HOME Investment Partnerships Program - Loan | 14.239 | Loans | 4,119,854 | |
| Subtotal HOME Investment Partnerships Program | | | 11,263,965 | 2,154,542 |
| Passed through California Department of Health Care Services: Housing Opportunities for People with AIDS - HOPWA | 14.241 | 16-10307 | 283,861 | 156,893 |
| Total United States Department of Housing and Urban Development | | | 28,260,864 | 8,379,001 |
| United States Department of Justice | | | | |
| Direct Programs: | | | | |
| State Criminal Alien Assistance Program (SCAAP) | 16.606 | N/A | 50,563 | |
| Second Chance Act Reentry Initiative - ARCCS-Assisting Reentry for Co-occurring Adults through Collective Supp | 16.812 | 2015-RW-BX-0008 (Year 1) | 255,840 | |
| Edward Byrne Memorial Justice Assistance Grant (JAG) | 16.738 | 2015-DJ-BX-0679 | 153,111 | |
| Edward Byrne Memorial Justice Assistance Grant (JAG) | 16.738 | 2014-DJ-BX-1110 | 23,764 | |
| Edward Byrne Memorial Justice Assistance Grant (JAG) | 16.738 | 2016-DJ-BX-1007 | 188,083 | |
| Subtotal Edward Byrne Memorial Justice Assistance Grant | | | 364,958 | |
| Direct Programs: | | | | |
| ARRA - Edward Byrne Competitive Grant Program - Drug Enforcement Admin Domestic Cannabis Eradication | 16.808 | 2016-44 | 29,006 | |
| ARRA - Edward Byrne Competitive Grant Program - Drug Enforcement Admin Domestic Cannabis Eradication | 16.808 | 2017-42 | 4,278 | |
| Subtotal ARRA - Edward Byrne Memorial Competitive Grant Program | | | 33,284 | |
| Passed through Board of State and Community Corrections: | | | | |
| Juvenile Accountability Block Grants - Peacekeeper Enhancement | 16.523 | BSCC #179-15 | 393 | |
| Juvenile Justice and Delinquency Prevention - RRED - Reducing Racial & Ethnic Disparities | 16.540 | BSCC #395-16 - Year 1 | 102,490 | |
| Juvenile Justice and Delinquency Prevention - RRED - Reducing Racial & Ethnic Disparities | 16.540 | BSCC #395-15 - Year 2 | 81,323 | |
| Subtotal Reducing Racial & Ethnic Disparities (RRED) | | | 183,813 | |
| Passed through California Governors Office of Emergency Services: | | | | |
| Crime Victim Assistance | 16.575 | VCGC-2057 | 725,458 | |
| Crime Victim Assistance - Victim Witness Assistance | 16.575 | VW15340390 | 635,470 | |
| Subtotal Crime Victim Assistance | | | 1,360,928 | |
| Violence Against Women Formula Grants - DOJ-OVW STOP VAWA | 16.588 | PU16070390 (YEAR 1) | 77,843 | |
| Violence Against Women Formula Grants - DOJ-OVW STOP VAWA | 16.588 | PU15060390 (YEAR 2) | 27,573 | |
| Subtotal Violence Against Women Formula Grants | | | 105,416 | |
| Edward Byrne Memorial Justice Assistance Grant (JAG) | 16.738 | BSCC 604-15 | 630,768 | |
| Edward Byrne Memorial Justice Assistance Grant (JAG) | 16.738 | BSCC 604-17 | 332,015 | |
| Subtotal Edward Byrne Memorial Justice Assistance Grant | | | 962,783 | |
| Grants for Outreach and Services to Underserved Populations (Unservd/Underserved Advocacy Outreach Program) | 16.889 | UV14050390 | 175,000 | |
| Total United States Department of Justice | | | 3,492,978 | - |

See accompanying notes to the Schedule of Expenditures of Federal Awards

COUNTY OF SAN JOAQUIN, CALIFORNIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2017

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Pass-Through Entity Identifying Number or Grant Number | Federal Expenditures | Passed Through to Subrecipients |
|---|---------------------|--|----------------------|---------------------------------|
| United States Department of Labor | | | | |
| Passed through California Department of Aging: | | | | |
| Senior Community Service Employment Program | 17.235 | TV-1617-11 | \$ 127,781 | |
| Passed through California Employment Development Department: | | | | |
| WIOA National Dislocated Worker Grants - Job-Driven NEG | 17.277 | N/A | 109,331 | |
| Workforce Investment Act / Workforce Innovation and Opportunity Act (WIA/WIOA) Cluster: | | | | |
| WIA/WIOA Adult Program | 17.258 | K7102071 | 335,624 | |
| WIA/WIOA Adult Program | 17.258 | K698393 | 594,830 | |
| WIA/WIOA Adult Program | 17.258 | K7102071 | 1,703,553 | |
| Subtotal WIA/WIOA Adult Program | | | 2,634,007 | |
| WIA/WIOA Youth Activities | 17.259 | K7102071 | 2,185,233 | 1,098,714 |
| WIA/WIOA Youth Activities | 17.259 | K698393 | 802,444 | |
| Subtotal WIA/WIOA Youth Activities | | | 2,987,677 | 1,098,714 |
| WIA/WIOA Dislocated Worker Formula Grants - Rapid Response Layoff Aversion | 17.278 | K7102071 | 12,364 | |
| WIA/WIOA Dislocated Worker Formula Grants - Rapid Response Layoff Aversion | 17.278 | K7102071 | 65,530 | |
| WIA/WIOA Dislocated Worker Formula Grants | 17.278 | K7102071 | 424,791 | |
| WIA/WIOA Dislocated Worker Formula Grants | 17.278 | K7102071 | 1,353,694 | |
| WIA/WIOA Dislocated Worker Formula Grants | 17.278 | K698393 | 841,645 | |
| WIA/WIOA Dislocated Worker Formula Grants - Rapid Response | 17.278 | K7102071 | 43,651 | |
| WIA/WIOA Dislocated Worker Formula Grants - Rapid Response | 17.278 | K7102071 | 229,184 | |
| WIA/WIOA Dislocated Worker Formula Grants - Rapid Response | 17.278 | K698393 | 29,906 | |
| WIA/WIOA Dislocated Worker Formula Grants - Merced Training Reimbursement | 17.278 | K698371 | 7,828 | |
| Subtotal WIA/WIOA Dislocated Worker Formula Grants | | | 3,008,593 | - |
| Subtotal WIA/WIOA Cluster | | | 8,630,277 | 1,098,714 |
| Total United States Department of Labor | | | 8,867,389 | 1,098,714 |
| United States Department of Transportation | | | | |
| Direct Programs: | | | | |
| Airport Improvement Program - 32 Wildlife Hazard Assessment Study | 20.106 | 3-06-0250-32-2013 | 5,403 | |
| Airport Improvement Program - 33 Rehabilitate Runway and Taxiway Lighting and Signage | 20.106 | 3-06-0250-33 | 31,191 | |
| Airport Improvement Program - 34 Pavement Maintenance and Management Program | 20.106 | 3-06-0250-34 | 36,264 | |
| Airport Improvement Program - Airport Layout Plan | 20.106 | 3-06-0250-35 | 130,188 | |
| Airport Improvement Program - 36 | 20.106 | 3-06-0250-035-2016 | 2,618,303 | |
| Subtotal Airport Improvement Program | | | 2,821,349 | |
| Passed through California Department of Transportation (CALTRANS): | | | | |
| Highway Planning and Construction Cluster: | | | | |
| Highway Planning & Construction - Wildwood Road over Temple Creek | 20.205 | BRLO-5929 (217) | 149,083 | |
| Highway Planning & Construction - Victory Road over Lone Tree Creek | 20.205 | BRLO-5929 (216) | 93,724 | |
| Highway Planning & Construction - Modesto, McHenry Ave from Jones Rd to Stanislaus Cty Line Widen Road | 20.205 | STPL-5929 (196) | 59,873 | |
| Highway Planning & Construction - Stanley Road over Little Johns Creek | 20.205 | BPMP-5929(224) | 431,349 | |
| Highway Planning & Construction - Van Allen Road over S. Little Johns Creek | 20.205 | BPMP-5929(226) | 358,187 | |
| Highway Planning & Construction - Mariposa Road over S. Little Johns Creek | 20.205 | BPMP-5929(227) | 46,695 | |
| Highway Planning & Construction - Austin Rd over N. Fork of Little Johns Creek | 20.205 | BPMP-5929(223) | 445,529 | |
| Highway Planning & Construction - McHenry Ave. Bridge Replacement | 20.205 | BRLS-5929 (166) | 327,236 | |
| Highway Planning & Construction - McHenry Ave. Bridge Replacement | 20.205 | BRLS-5929 (167) | 34,402 | |
| Highway Planning & Construction - Escalon Bellota Rd over Mormon Slough | 20.205 | BRLS-5929(191) | 158,613 | |
| Highway Planning & Construction - Pelletier Road Bridge No. 29C-037 Rehabilitation | 20.205 | BRLS-5929(237) | 58,492 | |
| Highway Planning & Construction - Bollea Road over Bear Creek Bridge #29C0113 | 20.205 | BRLO-5929(236) | 102,117 | |
| Highway Planning & Construction - Buckman Road Bridge No. 29C-307 Rehabilitation | 20.205 | BRLO-5929(241) | 42,101 | |
| Highway Planning & Construction - Eight Mile Road Bridge No. 29C-219 Rehabilitation | 20.205 | BRLS-5929(233) | 100,051 | |
| Highway Planning & Construction - Escalon Bellota Road Bridge No. 29C-038 Replacement | 20.205 | BRLS-5929(238) | 75,394 | |
| Highway Planning & Construction - Escalon Bellota Rd 29C-051 Replacement | 20.205 | BRLS-5929(276) | 75,334 | |
| Highway Planning & Construction - Pezzi Road Bridge No. 29C-199 Rehabilitation | 20.205 | BRLO-5929(240) | 82,005 | |
| Highway Planning & Construction - Sexton Road Bridge No. 29C-319 Replacement | 20.205 | BRLO-5929(242) | 92,090 | |
| Highway Planning & Construction - Walnut Grove Road Bridge No. 29C-131 Replacement | 20.205 | BRLS-5929(239) | 437,011 | |
| Highway Planning & Construction - Wimer Road Bridge No. 29C-303 Rehabilitation | 20.205 | BRLO-5929(235) | 86,354 | |
| Highway Planning & Construction - Costa Road over Upland Canal, Bridge #29C0292 | 20.205 | BRLO-5929(234) | 64,240 | |
| Highway Planning & Construction - Buckman Rd over Duck Creek #29C-0227 | 20.205 | BRLO-5929(245) | 58,207 | |
| Highway Planning & Construction - Intersection of Wilson Way and MacAllen Road | 20.205 | HSIPL-5929 (232) | (11,170) | |
| Highway Planning & Construction - Cherokee Rd & Newton Rd Intrstn Impr - HSIP | 20.205 | HSIPL-5929 (266) | 429,937 | |
| Highway Planning & Construction - Thornton Road Resurfacing - STP | 20.205 | STPL-5929(268) | 490,764 | |
| Highway Planning & Construction - Walnut Grove Road Resurfacing - STP | 20.205 | STPL-5929(269) | 578,869 | |
| Highway Planning & Construction - Escalon-Bellota Resurfacing CL to Mariposa | 20.205 | STPL-5929(270) | 717,173 | |
| Highway Planning & Construction - Jack Tone Rd (Harney Loe to Jack Tone Rd) | 20.205 | STPL-5929(271) | 116,171 | |
| Highway Planning & Construction - Corral Hollow - High Friction Surface Treatment | 20.205 | HSIPL-5929(273) | 5,444 | |
| Highway Planning & Construction - Movable Span Bridges - Inspection | 20.205 | BRLS-5929(229) | 24,875 | |
| Highway Planning & Construction - McHenry Ave. and River Rd. Traffic Signal | 20.205 | CML-5929 (247) | 121,644 | |
| Highway Planning & Construction - Ninth St (B to D St), Tenth St (B to D St), and Thirteenth St (B to D St) | 20.205 | CML-5929 (249) | 112,053 | |
| Highway Planning & Construction - Pelletier Road Improvements | 20.205 | HSIPL-5929(253) | 70,443 | |
| Highway Planning & Construction - Messick Rd Bridge # 29C-274 Replacement | 20.205 | BRLO-5929(254) | 45,734 | |
| Highway Planning & Construction - Cherokee Rd (Sanguinetti Lane to Diverting Canal) | 20.205 | STPCML-5929 (256) | 65,123 | |
| Highway Planning & Construction - Bridge Joint Seal Replacement | 20.205 | BPMP-5929 (257) | 65,701 | |
| Highway Planning & Construction - Concrete Bridge Deck Seal Program 2014 | 20.205 | BPMP-5929 (258) | 2,572 | |
| Highway Planning & Construction - Bridge Barrier Rail Replacement Program | 20.205 | BPMP-5929 (259) | 71,213 | |
| Highway Planning & Construction - Delta Mendota Bridge Railing Replacement | 20.205 | BPMP-5929 (260) | 84,312 | |
| Highway Planning & Construction - Fine Road Bridge (29C-228) | 20.205 | BPMP-5929 (261) | 6,448 | |
| Highway Planning & Construction - Harney Lane Bridge (29C-341) | 20.205 | BPMP-5929 (262) | 7,423 | |
| Highway Planning & Construction - Concrete Bridge Deck Seal Program 2015 | 20.205 | BPMP-5929 (263) | 1,841 | |
| Highway Planning & Construction - Ash St & Mathews Road Resurfacing | 20.205 | STPL-5929(277) | 156,207 | |
| Highway Planning & Construction - West Lane Resurfacing (West Side Only) | 20.205 | STPL-5929(278) | 64,828 | |
| Highway Planning & Construction - Eight Mile Road Resurfacing | 20.205 | STPL-5929(279) | 57,795 | |
| Highway Planning & Construction - Washington Street Resurfacing | 20.205 | STPL-5929(280) | 36,838 | |
| Highway Planning & Construction - Union Road Safety Improvements | 20.205 | HRRRL-5929(283) | 19,000 | |
| Highway Planning & Construction - Bird Road Safety Improvements | 20.205 | HRRRL-5929(284) | 39,924 | |

See accompanying notes to the Schedule of Expenditures of Federal Awards

COUNTY OF SAN JOAQUIN, CALIFORNIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2017

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Pass-Through Entity Identifying Number or Grant Number | Federal Expenditures | Passed Through to Subrecipients |
|--|---------------------|--|----------------------|---------------------------------|
| United States Department of Transportation (Continued) | | | | |
| Passed through California Department of Transportation (CALTRANS) (Continued): | | | | |
| Highway Planning & Construction - Austin Road Safety Improvements | 20.205 | HRRRL-5929(285) | \$ 143,100 | |
| Highway Planning & Construction - French Camp Road Safety Improvements | 20.205 | HRRRL-5929(286) | 41,248 | |
| Highway Planning & Construction - Byron Rd/Grant Line Rd Roundabout | 20.205 | HRRRL-5929(288) | 10,359 | |
| Highway Planning & Construction - Duncan/Comstock Rd Roundabout | 20.205 | HRRRL-5929(289) | 1,881 | |
| Highway Planning & Construction - Liberty/Dustin Rd Roundabout | 20.205 | HRRRL-5929(290) | 1,206 | |
| Highway Planning & Construction - Woodward Island Ferry Replacement with a Bridge | 20.205 | BRNBIF 5929 (154) | 758,233 | |
| Subtotal Highway Planning and Construction Cluster | | | 7,715,276 | |
| Passed through California Office of Traffic Safety: | | | | |
| State and Community Highway Safety - DOT-NHTSA-Minimum Penalties for Repeat Offenders for DWI | 20.608 | AL1710 - YEAR 1 | 115,405 | |
| State and Community Highway Safety - DOT-NHTSA-Minimum Penalties for Repeat Offenders for DWI | 20.608 | AL1652 - YEAR 2 | 43,277 | |
| Subtotal Minimum Penalties for Repeat Offenders for Driving While Intoxicated | | | 158,682 | |
| Total United States Department of Transportation | | | 10,695,307 | - |
| United States Department of Energy | | | | |
| Passed through California Department of Community Services and Development: | | | | |
| Weatherization Assistance for Low-Income Persons | 81.042 | 16C-6031 | 126,926 | |
| Total United States Department of Energy | | | 126,926 | - |
| United States Department of Health and Human Services | | | | |
| Aging Cluster: | | | | |
| Passed through California Department of Aging: | | | | |
| Special Programs for Aging-Title VII- Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation | 93.041 | AP-1617-11 | 8,508 | |
| Special Programs for Aging-Title VII- Chapter 2, Long Term Care Ombudsman Services for Older Individuals | 93.042 | AP-1617-11 | 33,640 | |
| Special programs for Aging-Title III- Part D-Disease Prevention And Health Promotion Services | 93.043 | AP-1617-11 | 29,998 | 29,998 |
| Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers | 93.044 | AP-1617-11 | 707,205 | 253,049 |
| Special Programs for the Aging, Title III, Part C, Nutrition Services | 93.045 | AP-1617-11 | 1,077,613 | 140,621 |
| National Family Caregiver Support, Title III - Part E (Special Programs for Aging-Title III E, incl admin) | 93.052 | AP-1617-11 | 278,076 | 52,343 |
| Nutrition Services Incentive Program | 93.053 | AP-1617-11 | 151,297 | 23,543 |
| Subtotal Aging Cluster | | | 2,286,337 | 499,754 |
| Passed through California Department of Health Care Services: | | | | |
| Public Health Emergency Preparedness | 93.069 | 14-10537 | 1,282,362 | |
| Hospital Preparedness Program | 93.074 | 14-10538 | 274,556 | |
| Special International Postdoctoral Research Program in Acquired Immunodeficiency Syndrome - Chlamydia/STD - CAPPS/CTSP, STD - CORE | 93.154 | 15-10265 | 2,925 | |
| Substance Abuse and Mental Health Services Projects of Regional and National Significance - San Joaquin Adult Reentry Drug Court Project | 93.243 | 1H79T1024205-01 | 39,910 | |
| Medicare Transitional Drug Assistance Program for States - AIDS Drug Assistance Program | 93.783 | 15-10499 | 2,081 | |
| HIV Care Formula Grants - Comprehensive AIDS Resources Emergency | 93.917 | 15-11074 | 378,802 | |
| HIV Care Formula Grants - HIV Prevention | 93.917 | 15-10948 | 140,639 | |
| HIV Care Formula Grants - Minority AIDS Initiative | 93.917 | 15-11074 | 19,573 | |
| Subtotal HIV Care Formula Grants | | | 539,014 | |
| HIV Demonstration, Research, Public and Professional Education Projects - AIDS Surveillance Program - ASP | 93.941 | 16-10799 | 8,478 | |
| Assistance Programs for Chronic Disease - CDC Lifetime of Wellness | 93.945 | 14-10716A01 | 639,375 | 38,597 |
| Assistance Programs for Chronic Disease - NEOP: Prevention First | 93.945 | A 16-351 | 5,938 | 2,598 |
| Subtotal Assistance Programs for Chronic Disease | | | 645,313 | 41,195 |
| Medicaid Cluster: | | | | |
| Medical Assistance Program - Title XIX Grant - Local Dental Pilot Project | 93.778 | 16-93568, 1705CA5MAP | 16,112 | |
| Medical Assistance Program - Child Lead Poisoning Prevention Program | 93.778 | 14-0032 | 100,773 | |
| Medical Assistance Program - Child Health Disability Prevention | 93.778 | CHDP Admin | 522,064 | |
| Medical Assistance Program - Children's Medical Services | 93.778 | DHCS ALLOCATION | 2,773,447 | |
| Subtotal Medicaid Cluster | | | 3,412,396 | |
| Block Grants for Prevention and Treatment of Substance Abuse - Discretionary | 93.959 | 2016 Award | 2,225,025 | |
| Block Grants for Prevention and Treatment of Substance Abuse - Discretionary | 93.959 | 2017 Award | 227,710 | |
| Block Grants for Prevention and Treatment of Substance Abuse - HIV Set Aside | 93.959 | 2015 Award | 778 | |
| Block Grants for Prevention and Treatment of Substance Abuse - HIV Set Aside | 93.959 | 2016 Award | 91,639 | |
| Block Grants for Prevention and Treatment of Substance Abuse - Perinatal Set-Aside | 93.959 | 2016 Award | 191,893 | |
| Block Grants for Prevention and Treatment of Substance Abuse - Prevention | 93.959 | 2016 Award | 317,554 | |
| Block Grants for Prevention and Treatment of Substance Abuse - Prevention | 93.959 | 2017 Award | 354,231 | |
| Block Grants for Prevention and Treatment of Substance Abuse - Friday Night Live-Club Live | 93.959 | 2016 Award | 9,248 | |
| Block Grants for Prevention and Treatment of Substance Abuse - Friday Night Live-Club Live | 93.959 | 2017 Award | 22,500 | |
| Block Grants for Prevention and Treatment of Substance Abuse - Adolescent/Youth Treatment Program | 93.959 | 2015 Award | (15,745) | |
| Block Grants for Prevention and Treatment of Substance Abuse - Adolescent/Youth Treatment Program | 93.959 | 2016 Award | 1,677 | |
| Subtotal Block Grants for Prevention and Treatment of Substance Abuse (SAPT) | | | 3,426,510 | |
| Maternal and Child Health Services Block Grant - Black Infant Health Program | 93.994 | Allocation No. 201639 | 543,198 | |
| Maternal and Child Health Services Block Grant | 93.994 | Allocation No. 201639 | 740,103 | |
| Subtotal Maternal and Child Health Services Block Grant | | | 1,283,301 | |
| Passed through California Department of Community Services & Development: | | | | |
| Low-Income Home Energy Assistance - HEAP/ECIP | 93.568 | 15B-3035 | 14,296 | |
| Low-Income Home Energy Assistance - Weatherization | 93.568 | 15B-3035 | 92,356 | |
| Low-Income Home Energy Assistance - Weatherization | 93.568 | 16B-4034 | 990,258 | |
| Low-Income Home Energy Assistance - HEAP/ECIP | 93.568 | 16B-4034 | 460,395 | |
| Low-Income Home Energy Assistance - HEAP/ECIP | 93.568 | 17B-3034 | 314,694 | |
| Low-Income Home Energy Assistance - Weatherization | 93.568 | 17B-3034 | 760,861 | |
| Subtotal Low-Income Home Energy Assistance Program | | | 2,632,860 | |

See accompanying notes to the Schedule of Expenditures of Federal Awards

COUNTY OF SAN JOAQUIN, CALIFORNIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Pass-Through Entity Identifying Number or Grant Number | Federal Expenditures | Passed Through to Subrecipients |
|---|---------------------------|---|-------------------------|------------------------------------|
| United States Department of Health and Human Services (Continued) | | | | |
| Passed through California Department of Community Services & Development (Continued): | | | | |
| Community Services Block Grant (CSBG) | 93.569 | 16F-5553 | \$ 32,078 | |
| Community Services Block Grant (CSBG) | 93.569 | 16F-5038 | 485,170 | |
| Community Services Block Grant (CSBG) | 93.569 | 17F-2038 | 481,109 | |
| Subtotal Community Services Block Grant (CSBG) | | | <u>998,357</u> | |
| Adolescent Family Life Program Demonstration Projects | 93.995 | Allocation No. 201639 | <u>171,657</u> | |
| Passed through California Department of Mental Health: | | | | |
| Projects for Assistance in Transition from Homelessness | 93.150 | N/A | <u>240,581</u> | |
| Block Grants for Community Mental Health Services | 93.958 | N/A | <u>1,584,713</u> | \$ 363,867 |
| Passed through California Department of Social Services: | | | | |
| Child Support Enforcement Research - Behavioral Interventions for Child Support Services (BICS) | 93.564 | 10-0673-18 | <u>161,590</u> | |
| Stephanie Tubbs Jones Child Welfare Services Program IV - B | 93.645 | N/A | <u>644,401</u> | 189,200 |
| Temporary Child Care and Crisis Nurseries - Probation IV - E (HSA Admin) | 93.656 | N/A | <u>892,050</u> | |
| Foster Care Title IV-E | 93.658 | N/A | <u>20,324,133</u> | 1,016,464 |
| Adoption Assistance | 93.659 | N/A | <u>10,219,429</u> | |
| Social Services Block Grant - CWS Title XX | 93.667 | N/A | <u>1,125,495</u> | |
| Social Services Block Grant - Title XX | 93.667 | N/A | <u>1,048,484</u> | |
| Social Services Block Grant - CalWorks CEC Single Allocation | 93.667 | N/A | <u>2,615,816</u> | 2,419,753 |
| Subtotal Social Services Block Grant | | | <u>4,789,795</u> | 2,419,753 |
| Chafee Foster Care Independence Program - ILP | 93.674 | N/A | <u>238,941</u> | |
| Guardianship Assistance | 93.090 | N/A | <u>666,922</u> | |
| Promoting Safe and Stable Families | 93.556 | N/A | <u>582,398</u> | 517,805 |
| Temporary Assistance for Needy Families (TANF) Cluster: | | | | |
| Temporary Assistance for Needy Families - CalWorks Asst | 93.558 | N/A | <u>14,422,088</u> | |
| Temporary Assistance for Needy Families - CalWorks ARC | 93.558 | N/A | <u>331,738</u> | |
| Temporary Assistance for Needy Families - CalWORKS CEC Programs | 93.558 | N/A | <u>29,164,217</u> | 8,223,930 |
| Temporary Assistance for Needy Families - CWS TANF | 93.558 | N/A | <u>5,062,305</u> | |
| Subtotal TANF Cluster | | | <u>48,920,348</u> | 8,223,930 |
| Refugee and Entrant Assistance State/Replacement Designee Administered Programs | 93.566 | N/A | <u>50,442</u> | |
| Passed through California Department of Child Support Services | | | | |
| Child Support Enforcement | 93.563 | N/A | <u>9,859,838</u> | |
| Total United States Department of Health and Human Services | | | <u>115,183,281</u> | 13,271,968 |
| Corporation for National and Community Service | | | | |
| Direct Programs: | | | | |
| Retired & Senior Volunteer Program (RSVP) | 94.002 | 15SRPCA006 (4/1/16 - 3/31/17) | <u>43,203</u> | |
| Retired & Senior Volunteer Program (RSVP) | 94.002 | 15SRPCA006 (4/1/17 - 3/31/18) | <u>9,235</u> | |
| Subtotal Retired & Senior Volunteer Program | | | <u>52,438</u> | |
| Total Corporation for National and Community Service | | | <u>52,438</u> | - |
| Executive Office of the President | | | | |
| Direct Programs: | | | | |
| High Intensity Drug Trafficking Area Program - Central Valley | 95.001 | G15CV00002A | <u>9,815</u> | |
| Total Executive Office of the President | | | <u>9,815</u> | - |
| United States Department of Homeland Security | | | | |
| Passed through California Office of Emergency Services: | | | | |
| Emergency Management Performance Grants | 97.042 | 2015-0049 | <u>52,234</u> | |
| Emergency Management Performance Grants | 97.042 | 2016-0010 | <u>274,262</u> | |
| Emergency Management Performance Grants | 97.042 | 2016-0108 | <u>100,000</u> | |
| Subtotal Emergency Management Performance Grants | | | <u>426,496</u> | |
| Homeland Security Grant - FY 2015 | 97.067 | 2015-00078 ID #077-00000 | <u>187,127</u> | |
| Total United States Department of Homeland Security | | | <u>1,611,980</u> | - |
| Total Expenditures of Federal Awards | | | <u>\$ 193,982,122</u> | \$ 23,279,192 |

See accompanying notes to the Schedule of Expenditures of Federal Awards

COUNTY OF SAN JOAQUIN, CALIFORNIA

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 – GENERAL

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of the County of San Joaquin, California (County) under programs of the federal government for the year ended June 30, 2017. The information in this 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* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for the governmental funds and the accrual basis of accounting for the proprietary funds. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in the prior year.

NOTE 3 – INDIRECT COST RATE

The County has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 – PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

When federal awards were received from a pass-through entity, the Schedule shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the County has determined that no identifying number is assigned for the program or the County was unable to obtain an identifying number from the pass-through entity.

NOTE 5 – CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS

The CFDA numbers included in this report were determined based on the program name, review of grant contract information, and the Office of Management and Budget's Catalog of Federal Domestic Assistance.

NOTE 6 – AGING CLUSTER

The California Department of Aging considers other closely-related pass through programs by the State to be included with the Aging Cluster, in accordance with 2 *CFR* 200.12.

COUNTY OF SAN JOAQUIN, CALIFORNIA

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 7 – MEDICAID CLUSTER

Except for Medi-Cal administrative expenditures, Medicaid (Medi-Cal) and Medicare program expenditures are excluded from the Schedule. These expenditures represent fees for services; therefore, neither is considered a federal award program of the County for purposes of the Schedule or in determining major programs. The County assists the State of California (the State) in determining eligibility and provides Medi-Cal and Medicare services through County-owned health facilities.

Medi-Cal administrative expenditures are included in the Schedule as they do not represent fees for services.

NOTE 8 – OUTSTANDING LOANS OF FEDERAL FUNDS

The following schedule presents the amount of outstanding loans receivable by CFDA number. All loans with continuing compliance requirements are included on the accompanying Schedule. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented on the Schedule.

The balance of loans outstanding at June 30, 2017, consists of:

| CFDA No. | Federal Program | Outstanding Loans at June 30, 2017 |
|---------------------|---|---|
| 14.218 | Community Development Block Grants/Entitlement Grants | \$ 8,277,002 |
| 14.239 | HOME Investment Partnerships Program | 9,094,775 |
| | | <u>\$ 17,371,777</u> |

COUNTY OF SAN JOAQUIN, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

I. SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

| | |
|--|-------------------|
| Type of report auditor issued on whether the financial statements audited were prepared in accordance with GAAP: | <u>Unmodified</u> |
| Internal control over financial reporting: | |
| Material weakness(es) identified? | <u>No</u> |
| Significant deficiency(ies) identified? | <u>Yes</u> |
| Noncompliance material to financial statements noted? | <u>No</u> |

FEDERAL AWARDS

| | |
|---|------------|
| Internal control over major federal programs: | |
| Material weakness(es) identified? | <u>Yes</u> |
| Significant deficiency(ies) identified? | <u>Yes</u> |

Type of auditors' report issued on compliance for major federal programs:

Unmodified for all major programs except for Department of Health and Human Services - Adoption Assistance Program, which was qualified for Eligibility

| | |
|--|------------|
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | <u>Yes</u> |
|--|------------|

Identification of major federal programs:

| <u>CFDA Numbers</u> | <u>Name of Federal Programs or Clusters</u> |
|------------------------------------|--|
| <u>17.258, 17.259 & 17.278</u> | <u>WIA/WIOA Cluster</u> |
| <u>20.205</u> | <u>Highway, Planning & Construction Cluster</u> |
| <u>93.959</u> | <u>Block Grant for Prevention and Treatment of Substance Abuse</u> |
| <u>93.658</u> | <u>Foster Care Title IV-E</u> |
| <u>93.659</u> | <u>Adoption Assistance</u> |
| <u>93.667</u> | <u>Social Services Block Grant</u> |
| <u>93.558</u> | <u>TANF Cluster</u> |

| | |
|--|---------------------|
| Dollar threshold used to distinguish between Type A and Type B programs: | <u>\$ 3,000,000</u> |
|--|---------------------|

| | |
|--|-----------|
| Auditee qualified as low-risk auditee? | <u>No</u> |
|--|-----------|

COUNTY OF SAN JOAQUIN, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

II. FINANCIAL STATEMENT FINDINGS

FINDING 2017-001

PROPERTY TAX APPRAISALS

Criteria:

Government Auditing Standards note that management is responsible for implementing systems designed to achieve compliance with applicable laws and regulations; and for establishing and maintaining internal control to help ensure that appropriate goals and objectives are met; using resources efficiently, economically, effectively, and equitably, and safeguarding resources; following laws and regulations; and ensuring that management and financial information is reliable and properly reported.

Condition:

Significant Deficiency – During our testwork over the County’s property tax appraisal process, we noted there is not a formal documented review process by the supervising appraiser for property appraisals prepared by appraisers.

Context:

The condition identified was noted during review of the County’s property appraisal processes and procedures.

Cause:

The County’s current policies and procedures did not require the documented review and approval of the property appraisals; hence, no evidence of supervising appraiser’s review was identified during our testwork

Effect:

The risk associated with the lack of formal review is that significant errors could persist and may not be detected or corrected on a timely basis.

Recommendation:

We recommend that the County implement policies and procedures to ensure that the property appraisals are reviewed and the review is documented.

View of Responsible Officials and Planned Corrective Action:

See separate corrective action plan.

COUNTY OF SAN JOAQUIN, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

II. FINANCIAL STATEMENT FINDINGS

FINDING 2017-002

WORKERS' COMPENSATION CLAIMS

Criteria:

Government Auditing Standards note that management is responsible for implementing systems designed to achieve compliance with applicable laws and regulations; and for establishing and maintaining internal control to help ensure that appropriate goals and objectives are met; using resources efficiently, economically, effectively, and equitably, and safeguarding resources; following laws and regulations; and ensuring that management and financial information is reliable and properly reported.

Condition:

Significant Deficiency – During the review and understanding of the County's risk management process, we identified that temporary disability payments to employees through payroll did not include evidence of review or approval by management. Additionally, there were no management review or approval over the reimbursement of compensated absences hours (sick, vacation, etc.) used during workers' compensation temporary disability period.

Context:

The conditions noted above were noted during review of the County's risk management processes and procedures.

Cause:

The County did not have a policy in place that requires management review and approval for payments to employees via payroll and the reimbursement of compensated absences hours.

Effect:

Without appropriation review, there is a higher risk that an unauthorized temporary disability payment is made or inaccurate compensated absences hours are reimbursed.

Recommendation:

We recommend that management implement policies and procedures that would require management to review and approve the Workers Compensation temporary disability payment forms for payments to employees made via payroll. Additionally, policies and procedures should be implemented requiring the review and approval of the reimbursement of compensated absences hours prior to submission for processing.

View of Responsible Officials and Planned Corrective Action:

See separate corrective action plan.

COUNTY OF SAN JOAQUIN, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

II. FINANCIAL STATEMENT FINDINGS

FINDING 2017-003

GENERAL HOSPITAL - THIRD PARTY SETTLEMENTS

Criteria:

Health care entities need to estimate third party settlement amounts that ultimately will be realizable in order for net patient revenues to be fairly stated in accordance with generally accepted accounting principles. In addition, preparation of third-party cost reports should be reviewed for accuracy and completeness prior to filing to intermediary agencies.

Condition:

Significant Deficiency - During our audit, we noted that the Hospital proposed a significant accounting adjustment to restate beginning net position to correct accounting errors related to third party settlements. These adjustments were related to the cost reports prepared in prior periods for the Hospital's outpatient clinics and Medi-Cal funding.

Context:

The accounting errors in the cost reports prepared for the Hospital's clinics and Medi-Cal funding resulted in an increase in estimate third party settlement liabilities, which resulted in a \$15,083,115 restatement

Effect:

The condition identified may increase the likelihood of other material errors in the financial statements.

Cause:

The Hospital's internal controls did not detect the errors with the prior year cost reports.

Recommendation:

We recommend that the Hospital establish procedures to ensure the accuracy and completeness of each of the elements of the cost reports prior to filing to intermediary agencies.

Views of Responsible Officials and Planned Corrective Action:

See separate corrective action plan.

COUNTY OF SAN JOAQUIN, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

FINDING 2017-004

Program: WIA/WIOA Cluster

CFDA No.: 17.258, 17.259 and 17.278

Federal Agency: U.S. Department of Labor

Passed-through: California Employment Development Department

Award Year: 2016-2017

Compliance Requirement: Earmarking

Criteria:

Per the 2 CFR 200.303(a), *Internal Controls*, the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Condition Found:

Significant Deficiency – As a result of our audit procedures over earmarking, we noted no evidence of management review of the underlying documentation that supports the earmarking requirement.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

During our testing over earmarking, we did not identify procedures that require documented supervisory review of reports to assure accuracy and completeness of data and information included in the reports.

Effect:

The County has not established a procedure documenting the review and approval of the program earmarking requirements which increased the risk of non-compliance with federal regulations. The documented review and approval would demonstrate that the County is in compliance with the program earmarking requirements.

Cause:

The County did not establish a procedure documenting the review and approval of the program earmarking requirements.

Recommendation:

It is recommended that the County implements written policies and procedures to ensure the underlying documentation supporting the earmarking requirement is reviewed by management.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

COUNTY OF SAN JOAQUIN, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

FINDING 2017-005

Program: WIA/WIOA Cluster

CFDA No.: 17.258, 17.259 and 17.278

Federal Agency: U.S. Department of Labor

Passed-through: California Employment Development Department

Award Year: 2016-2017

Compliance Requirement: Reporting

Criteria:

Per the 2 CFR 200.303(a), *Internal Controls*, the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Condition Found:

Significant Deficiency – As a result of our audit procedures over reporting, we noted no evidence of management review of the financial reports required to be submitted to the California Employment Development Department.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

During our testing over reporting, we did not identify procedures that require documented supervisory review of reports to assure accuracy and completeness of data and information included in the reports.

Effect:

The County has not established a procedure documenting the review and approval of the program reporting requirements which increased the risk of non-compliance with federal regulations. The documented review and approval would demonstrate that the County is in compliance with the program reporting requirements.

Cause:

The County has not established a procedure documenting the review and approval of the financial reports required to be submitted to the California Employment Development Department.

Recommendation:

It is recommended that the County implements written policies and procedures to ensure the required financial reports are reviewed by management.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

COUNTY OF SAN JOAQUIN, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

FINDING 2017-006

Program: WIA/WIOA Cluster

CFDA No.: 17.258, 17.259 and 17.278

Federal Agency: U.S. Department of Labor

Passed-through: California Employment Development Department

Award Year: 2016-2017

Compliance Requirement: Subrecipient Monitoring

Criteria:

Per the *2017 OMB Compliance Supplement* and Title 2 CFR Section 200.331(a) of the Uniform Guidance, the pass-through entity must identify the award and applicable requirements to the subrecipient with certain information as well as all the requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations, and the terms and conditions of the award.

Condition Found:

Significant Deficiency, Instance of Non-Compliance – Of the one subaward tested, we noted the County did not identify all of the required elements of the subaward in accordance with 2 CFR 200.331(a) of the *Uniform Grant Guidance*, including the subrecipient's Data Universal Numbering System (DUNS) number and the Federal Award Identification Number (FAIN).

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our testing over subrecipient monitoring requirements of the program. The amount passed-through to the subaward tested was \$220,000.

Effect:

The County did not identify the required elements of the subaward to the subrecipient which may increase the likelihood of noncompliance in relation to the program.

Cause:

The County's procedures did not ensure that the subawards contained all the required elements pursuant to 2 CFR 200.331(a)(1).

Recommendation:

It is recommended that the County prepares subaward agreements that contain all of the required elements as specified in 2 CFR 200.331(a)(1).

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

COUNTY OF SAN JOAQUIN, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

FINDING 2017-007

Program: Temporary Assistance for Needy Families (TANF Cluster)

CFDA No.: 93.558

Federal Agency: U.S. Department of Health and Human Services

Passed-through: California Department of Social Services

Award Year: 2016-2017

Compliance Requirement: Subrecipient Monitoring

Criteria:

Per the *2017 OMB Compliance Supplement* and Title 2 CFR Section 200.331(a) of the *Uniform Guidance* states that the pass-through entity must identify the award and applicable requirements to the subrecipient with certain information as well as all the requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations, and the terms and conditions of the award.

Condition Found:

Significant Deficiency, Instance of Non-Compliance –We noted four of the four subawards tested where the County did not identify all of the required elements of the subaward in accordance with 2 CFR 200.331(a) of the *Uniform Grant Guidance*.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our testing over subrecipient monitoring requirements of the program. The amounts passed-through to the four subawards tested were \$6,632,462.

Effect:

The County did not identify the required elements of the subaward to the subrecipient which increases the likelihood of noncompliance in relation to the program. Moreover, the risk of pass-through recipients not complying with the grant requirements is also increased.

Cause:

The County's procedures did not ensure that the subawards contain the required elements pursuant to 2 CFR 200.331(a)(1).

Recommendation:

It is recommended that the County prepare subawards agreements that contain all of the required elements as specified in 2 CFR 200.331(a)(1).

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

COUNTY OF SAN JOAQUIN, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

FINDING 2017-008

Program: Adoption Assistance

CFDA No.: 93.659

Federal Agency: U.S. Department of Health and Human Services

Passed-through: California Department of Social Services

Award Year: 2016-2017

Compliance Requirement: Eligibility

Criteria:

The *2017 OMB Compliance Supplement* requires that the County determine eligibility in accordance with the specific eligibility requirements defined in the approved State plan. These requirements include the maintenance of documentation necessary to support eligibility determinations and re-determinations.

Condition Found:

Material Weakness, Material Instance of Non-Compliance – During our eligibility testing of 40 Adoption Assistance case files, we noted that:

- 19 case files were missing FC8 form and eligibility workers approval. All 19 case files pertained to adoption dates prior to FY 2010-2011.
- 2 case files were missing the AAP3 form.
- 3 case files were missing the FC10 form.
- 2 case files where the AD4320 were not signed prior to the adoption decree.

Questioned Costs:

Of the 19 case files in question, the total grant amount issued to the grant recipients was \$27,697 per month. The annualized questioned costs were \$332,364.

Context:

Through inquiry and testwork of specific requirements related to eligibility, it was noted that the Adoption Assistance program's files were not properly maintained in accordance with the *OMB Compliance Supplement*.

Effect:

Case data may not accurately reflect the eligibility status of Adoption Assistance recipients thus increasing the risk of noncompliance with the requirements of the State plan.

Cause:

The condition is primarily caused by the County not following its policies and procedures to ensure the eligibility case files contain documentation to support eligibility.

COUNTY OF SAN JOAQUIN, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Recommendation:

We recommend that the County strengthen their procedures to ensure that documentation required to support eligibility is properly maintained in the files, judicial determination is properly documented, and rates paid agree to the state rates.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

COUNTY OF SAN JOAQUIN, CALIFORNIA

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Summarized below is the current status of all audit findings reported in the prior year audit's schedule of audit findings and questioned costs.

| Finding No. | Program Name/Description | CFDA No. | Compliance Requirement | Status of Corrective Action |
|--------------------|---|-----------------|-------------------------------|---|
| 2016-001 | Bank Reconciliations | N/A | N/A | Implemented |
| 2016-002 | Segregation of Duties over Investments | N/A | N/A | Implemented |
| 2016-003 | Department Bank Accounts | N/A | N/A | Implemented |
| 2016-004 | General Hospital - Financial Reporting and General Ledger | N/A | N/A | Implemented |
| 2016-005 | General Hospital - Capital Assets Management | N/A | N/A | Implemented |
| 2016-006 | General Hospital - Lease Accounting | N/A | N/A | Implemented |
| 2016-007 | General Hospital – Procurement | N/A | N/A | Implemented |
| 2016-008 | Supplemental Nutrition Assistance Program (SNAP) Cluster | 10.561 | Subrecipient Monitoring | Implemented |
| 2016-009 | CDBG - Entitlement Grants Cluster | 14.218 | Reporting | Partially Implemented – The County submitted the HUD 60002, <i>Section 3 Summary Report</i> , in FY 2016-2017; however, the Federal Financial Reports, <i>SF-425</i> , for FY 2016-2017 were not submitted until FY 2017-2018. See County's Separate Summary Schedule of Prior Audit Findings for Status of Corrective Action (Finding 2016-009). |

COUNTY OF SAN JOAQUIN, CALIFORNIA

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

| Finding No. | Program Name/Description | CFDA No. | Compliance Requirement | Status of Corrective Action |
|--------------------|--------------------------------------|-----------------|---|--|
| 2016-010 | CDBG - Entitlement Grants Cluster | 14.218 | Subrecipient Monitoring | Not Implemented – The County incorporated the federal required elements to FY 2017/2018 agreements but not the FY 2016/17 agreements. In addition, the subrecipient risk assessments will be conducted in May 2018 by a third party consultant. See County's Separate Summary Schedule of Prior Audit Findings for Status of Corrective Action (Finding 2016-010). |
| 2016-011 | CDBG - Entitlement Grants Cluster | 14.218 | Special Tests & Provisions - Affordability Requirements | Implemented |
| 2016-012 | CDBG - Entitlement Grants Cluster | 14.218 | Cash Management | Not Implemented – The County had not formalized written procedures related to cash management requirements within 2 CFR Section 200.305. See County's Separate Summary Schedule of Prior Audit Findings for Status of Corrective Action (Finding 2016-012). |
| 2016-013 | HOME Investment Partnerships Program | 14.239 | Reporting | Implemented |
| 2016-014 | HOME Investment Partnerships Program | 14.239 | Special Tests & Provisions - Housing Quality Standards | Implemented |
| 2016-015 | HOME Investment Partnerships Program | 14.239 | Special Tests & Provisions - Affordability Requirements | Implemented |

COUNTY OF SAN JOAQUIN, CALIFORNIA

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

| Finding No. | Program Name/Description | CFDA No. | Compliance Requirement | Status of Corrective Action |
|--------------------|--------------------------------------|-----------------|---|---|
| 2016-016 | HOME Investment Partnerships Program | 14.239 | Cash Management | Not Implemented – The County had not formalized written procedures related to cash management requirements within 2 CFR Section 200.305. See County's Separate Summary Schedule of Prior Audit Findings for Status of Corrective Action (Finding 2016-016). |
| 2016-017 | Child Support Enforcement | 93.563 | Procurement | Implemented |
| 2016-018 | Child Support Enforcement | 93.563 | Activities Allowed/Unallowed, Allowable Costs/Cost Principles | Implemented |

COUNTY OF SAN JOAQUIN, CALIFORNIA

**SUPPLEMENTAL SCHEDULE OF OFFICE OF CALIFORNIA
STATE DEPARTMENT OF AGING
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

| Federal Program Title | CFDA | Contract No. | Federal Expenditures | State Expenditures |
|---|-------------|---------------------|-----------------------------|---------------------------|
| Senior Farmers Market Nutrition Program | 10.576 | 2016 | \$ 18,700 | \$ - |
| Senior Community Service Employment Program | 17.235 | TV-1617-11 | 127,781 | - |
| Special Programs for the Aging Title VII, Chapter 3 Programs for Prevention of Elder Abuse, Neglect, and Exploitation | 93.041 | AP-1617-11 | 8,508 | - |
| Special Programs for the Aging Title VII, Chapter 2 Long Term Care | | | | |
| Ombudsman Services for Older Individuals | 93.042 | AP-1617-11 | 33,640 | - |
| Special Programs for the Aging Title III, Part D Disease Prevention and | | | | |
| Health Promotion Services | 93.043 | AP-1617-11 | 29,998 | - |
| Special Programs for the Aging Title III, Part B Grants for Supportive | | | | |
| Services and Senior Centers | 93.044 | AP-1617-11 | 707,205 | 15,483 |
| Special Programs for the Aging Title III, Part C Nutrition Services | 93.045 | AP-1617-11 | 1,077,613 | 155,300 |
| Special Programs for the Aging Title III, Part E National Family Caregiver Support | 93.052 | AP-1617-11 | 278,076 | - |
| Nutrition Services Incentive Program | 93.053 | AP-1617-11 | 151,297 | - |
| Public Health L&C Program Fund | | | - | 6,071 |
| State Health Facilities Citation Account | | | - | 47,093 |
| Community-Based Services | | | | |
| Program / SNF Quality & Accountability | | | - | 28,836 |
| | | | <u>\$ 2,432,818</u> | <u>\$ 252,783</u> |

COUNTY OF SAN JOAQUIN, CALIFORNIA

**SUPPLEMENTAL SCHEDULE OF CALIFORNIA DEPARTMENT
OF COMMUNITY SERVICES AND DEVELOPMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

SAN JOAQUIN COUNTY DEPARTMENT OF AGING AND COMMUNITY SERVICES
SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES (SSRE)
CSD CONTRACT NO. 16F-5038 (CSBG)
CONTRACT PERIOD JANUARY 1, 2016 THROUGH DECEMBER 31, 2016

| | January 1, 2016 through June 30, 2016 | July 1, 2016 through December 31, 2016 | Total Audited Costs | Total Reported Expenses | Total Budget |
|--|---|--|---------------------------|-------------------------------|-------------------|
| REVENUE | | | | | |
| Grant Revenue | \$ 485,171 | \$ 485,170 | \$ 970,341 | | \$ 970,341 |
| Interest Income | - | - | - | | |
| Other Income | - | - | - | | |
| Other Income-County General Fund Support | 218,650 | 204,664 | 423,314 | | |
| Total Revenue: | \$ 703,821 | \$ 689,834 | \$ 1,393,655 | | \$ 970,341 |
| EXPENDITURES | | | | | |
| Administrative Costs | | | | | |
| Salaries & Wages | \$ 24,433 | \$ 23,959 | \$ 48,392 | \$ 32,189 | \$ 32,189 |
| Fringe Benefits | 16,400 | 17,959 | 34,359 | 26,816 | 25,724 |
| Operating Expenses | 23,329 | 2,460 | 25,789 | 25,559 | 26,651 |
| Equipment | - | - | - | - | - |
| Out-of-State Travel | - | - | - | - | - |
| Contract/Consultant Services | - | - | - | - | - |
| Other Costs | 21,175 | 15,082 | 36,257 | 31,876 | 31,876 |
| Total Administrative Costs: | \$ 85,337 | \$ 59,460 | \$ 144,797 | \$ 116,440 | \$ 116,440 |
| Program Costs | | | | | |
| Salaries & Wages | \$ 309,105 | \$ 287,429 | \$ 596,534 | \$ 444,240 | \$ 444,240 |
| Fringe Benefits | 173,593 | 158,592 | 332,185 | 278,242 | 278,242 |
| Operating Expenses | 110,006 | 184,353 | 294,359 | 107,048 | 107,048 |
| Equipment | - | - | - | - | - |
| Out-of-State Travel | - | - | - | - | - |
| Subcontractor/Consultant Services | - | - | - | - | - |
| Other Costs | 25,780 | - | 25,780 | 24,371 | 24,371 |
| Total Program Costs: | \$ 618,484 | \$ 630,374 | \$ 1,248,858 | \$ 853,901 | \$ 853,901 |
| Total Expenses: | \$ 703,821 | \$ 689,834 | \$ 1,393,655 | \$ 970,341 | \$ 970,341 |

COUNTY OF SAN JOAQUIN, CALIFORNIA

**SUPPLEMENTAL SCHEDULE OF CALIFORNIA DEPARTMENT
OF COMMUNITY SERVICES AND DEVELOPMENT (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

SAN JOAQUIN COUNTY DEPARTMENT OF AGING AND COMMUNITY SERVICES
SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES (SSRE)
CSD CONTRACT NO. 16F-5333 (CSBG Discretionary)
CONTRACT PERIOD JUNE 15, 2016 THROUGH MAY 31, 2017

| | June 15, 2016 through June 30, 2016 | July 1, 2016 through May 31, 2017 | Total Audited Costs | Total Reported Expenses | Total Budget |
|--|---|---|---------------------------|-------------------------------|------------------|
| REVENUE | | | | | |
| Grant Revenue | \$ - | \$ 32,078 | \$ 32,078 | | \$ 32,078 |
| Accrued Grant Revenue | - | - | - | | |
| Interest Income | - | - | - | | |
| Other Income | - | - | - | | |
| Other Income-County General Fund Support | - | 11,170 | 11,170 | | |
| Total Revenue: | \$ - | \$ 43,248 | \$ 43,248 | | \$ 32,078 |
| EXPENDITURES | | | | | |
| Administrative Costs | | | | | |
| Salaries & Wages | \$ - | \$ 902 | \$ 902 | \$ 672 | \$ 670 |
| Fringe Benefits | - | 622 | 622 | 431 | 431 |
| Operating Expenses | - | 11 | 11 | 9 | 9 |
| Equipment | - | - | - | - | - |
| Out-of-State Travel | - | - | - | - | - |
| Contract/Consultant Services | - | - | - | - | - |
| Other Costs | - | 76 | 76 | 76 | 78 |
| Total Administrative Costs: | \$ - | \$ 1,611 | \$ 1,611 | \$ 1,188 | \$ 1,188 |
| Program Costs | | | | | |
| Salaries & Wages | \$ - | \$ 9,468 | \$ 9,468 | \$ 3,516 | \$ 3,516 |
| Fringe Benefits | - | 6,595 | 6,595 | 2,325 | 2,325 |
| Operating Expenses | - | 129 | 129 | 11 | 11 |
| Equipment | - | - | - | - | - |
| Out-of-State Travel | - | - | - | - | - |
| Subcontractor/Consultant Services | - | 25,057 | 25,057 | 25,000 | 25,000 |
| Other Costs | - | 388 | 388 | 38 | 38 |
| Total Program Costs: | \$ - | \$ 41,637 | \$ 41,637 | \$ 30,890 | \$ 30,890 |
| Total Expenses: | \$ - | \$ 43,248 | \$ 43,248 | \$ 32,078 | \$ 32,078 |

COUNTY OF SAN JOAQUIN, CALIFORNIA

**SUPPLEMENTAL SCHEDULE OF CALIFORNIA DEPARTMENT
OF COMMUNITY SERVICES AND DEVELOPMENT (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

SAN JOAQUIN COUNTY DEPARTMENT OF AGING AND COMMUNITY SERVICES
SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES (SSRE)
CSD CONTRACT NO. 15B-3035 (EHA16)
CONTRACT PERIOD JANUARY 1, 2015 THROUGH JUNE 30, 2017

| | January 1, 2015 through June 30, 2015 | Adjustment to Prior Period | 1-Jul-15 through June 30, 2016 | July 1, 2016 through June 30, 2017 | Total Audited Costs | Total Reported Expenses | Total Budget |
|--|---|-------------------------------|--------------------------------------|--|---------------------------|-------------------------------|-------------------|
| REVENUE | | | | | | | |
| Grant Revenue | \$ 169,612 | \$ - | \$ 515,007 | \$ 74,203 | \$ 758,822 | | \$ 758,822 |
| Interest Income | - | - | - | - | - | | |
| Other Income | - | - | - | - | - | | |
| Other Income-County General Fund Support | 42,377 | - | 76,884 | 28,782 | 148,043 | | |
| Accrued Grant Revenue | 82,554 | - | (22,355) | (60,199) | - | | |
| Deferred Revenue Earned | - | - | - | - | - | | |
| Deferred Grant Revenue | - | - | (292) | 292 | - | | |
| Total Revenue: | \$ 294,543 | \$ - | \$ 569,244 | \$ 43,078 | \$ 906,865 | | \$ 758,822 |
| EXPENDITURES | | | | | | | |
| Assurance 16 Costs | | | | | | | |
| Assurance 16 Costs | \$ 88,047 | \$ (12,952) | \$ 109,611 | \$ 559 | \$ 185,265 | \$ 180,917 | \$ 182,521 |
| Administrative Costs | | | | | | | |
| Administrative Costs | 75,095 | 12,952 | 256,630 | 31,201 | 375,878 | 241,909 | 245,139 |
| Administrative Equipment (More Than \$5,000) | | | | | | | |
| Total A-16/Administration Costs: | \$ 163,142 | \$ - | \$ 366,241 | \$ 31,760 | \$ 561,143 | \$ 422,826 | \$ 427,660 |
| ECIP HEAP Program Costs | | | | | | | |
| Intake | \$ 62,392 | \$ - | \$ 97,303 | \$ 337 | \$ 160,032 | \$ 155,461 | \$ 156,116 |
| Outreach | 33,327 | - | 43,232 | 5 | 76,564 | 76,233 | 76,558 |
| Training & Technical Assistance | - | - | 1,068 | 8 | 1,076 | 1,068 | 1,068 |
| ECIP EHCS Diagnostics | - | - | - | - | - | 633 | - |
| ECIP EHCS Cooling Service Repair/Replacement | - | - | 3,355 | 338 | 3,693 | 3,693 | 3,693 |
| ECIP EHCS Heating Service Repair/Replacement | - | - | 4,498 | - | 4,498 | 4,498 | 4,498 |
| ECIP Water Heater Repair/Replacement | - | - | - | - | - | - | - |
| ECIP EHCS Other Program Costs | - | - | 633 | - | 633 | - | 633 |
| ECIP Wood, Propane, and Oil Payments | 4,500 | - | 3,239 | - | 7,739 | 7,739 | 7,739 |
| Severe Weather Energy Assist. & Trans. Svcs (SWEATS) | - | - | - | - | - | - | - |
| SWEATS Drought 2015 | - | - | - | - | - | - | - |
| HEAP Wood, Propane, and Oil Payments | 4,500 | - | 3,500 | - | 8,000 | 8,000 | 8,000 |
| Liability Insurance | - | - | 1,507 | 1,302 | 2,809 | 1,507 | 1,507 |
| Major Vehicle & Equipment (More than \$5,000) | - | - | - | - | - | - | - |
| Minor Vehicle & Equipment (Less than \$5,000) | - | - | - | - | - | - | - |
| Workers' Compensation | - | - | 8,191 | 3,351 | 11,542 | 8,855 | 8,191 |
| General Operating Expenditures | 16,837 | - | 22,065 | 5,866 | 44,768 | 44,014 | 38,902 |
| Automation Supplemental | 9,845 | - | 14,412 | 111 | 24,368 | 24,295 | 24,257 |
| Total Program Costs: | \$ 131,401 | \$ - | \$ 203,003 | \$ 11,318 | \$ 345,722 | \$ 335,996 | \$ 331,162 |
| Total Expenses: | \$ 294,543 | \$ - | \$ 569,244 | \$ 43,078 | \$ 906,865 | \$ 758,822 | \$ 758,822 |

COUNTY OF SAN JOAQUIN, CALIFORNIA

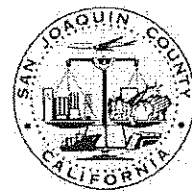
**SUPPLEMENTAL SCHEDULE OF CALIFORNIA DEPARTMENT
OF COMMUNITY SERVICES AND DEVELOPMENT (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

SAN JOAQUIN COUNTY DEPARTMENT OF AGING AND COMMUNITY SERVICES
SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES (SSRE)
CSD CONTRACT NO. 15B-3035 (WX)
CONTRACT PERIOD JANUARY 1, 2015 THROUGH JUNE 30, 2017

| REVENUE | January 1, 2015 through June 30, 2015 | Adjustment to Prior Period TR-15-025 | July 1, 2015 through June 30, 2016 | Adjustment to Prior Period | July 1, 2016 through June 30, 2017 | Total Audited Costs | Total Reported Expenses | Total Budget |
|---|---|--|--|-------------------------------|--|---------------------------|-------------------------------|---------------------|
| Grant Revenue - Federal | \$ 106,201 | \$ - | \$ 840,388 | \$ - | \$ 241,914 | \$ 1,188,503 | | \$ 1,188,503 |
| Grant Revenue - State | - | - | 4,861 | - | 19,164 | 24,025 | | |
| Interest Income | - | - | 2,579 | - | 1,037 | 3,616 | | |
| Other Income | - | - | - | - | - | - | | |
| Other Income-County General Fund Support | 14,381 | 585 | 57,938 | 4,975 | 17,217 | 95,096 | | |
| Accrued Grant Revenue | 98,596 | - | 55,937 | (4,975) | (149,558) | - | | |
| Deferred Revenue Earned | - | - | - | - | - | - | | |
| Deferred Grant Revenue | - | - | - | - | - | - | | |
| Grant Revenues Rolled over from Prior Contract | 585 | (585) | - | - | - | - | | |
| Grant Revenues Rolled to Future Contract | - | - | - | - | - | - | | |
| Total Revenue: | \$ 219,763 | \$ - | \$ 961,703 | \$ - | \$ 129,774 | \$ 1,311,240 | | \$ 1,188,503 |
| EXPENDITURES | | | | | | | | |
| Weatherization Program Costs | | | | | | | | |
| Intake | \$ 6,437 | \$ - | \$ 31,129 | \$ - | \$ 350 | \$ 37,916 | \$ 37,916 | \$ 95,080 |
| Outreach | 12,797 | - | 56,945 | - | 2,706 | 72,448 | 59,425 | 59,425 |
| Training & Technical Assistance | 4,078 | - | 8,582 | - | 778 | 13,438 | 13,358 | 59,425 |
| Direct Program Activities | 179,327 | - | 791,370 | - | 56,334 | 1,027,031 | 966,287 | 859,455 |
| Liability Insurance | - | - | 1,172 | - | 1,850 | 3,022 | 1,172 | 3,000 |
| Major Vehicle and Equipment (More than \$5,000) | - | - | - | - | - | - | - | - |
| Minor Vehicle and Equipment (Less than \$5,000) | 5,295 | - | - | - | - | 5,295 | 5,295 | - |
| Workers' Compensation | - | - | 6,183 | - | 4,764 | 10,947 | 10,947 | 10,600 |
| General Operating Expenditures | 11,829 | - | 52,095 | - | 34,638 | 98,562 | 93,717 | 101,518 |
| Training & Technical Assistance-Solar Water Heater | - | - | 386 | - | - | 386 | 386 | - |
| Toilet Retrofit Program - Administration Costs | - | - | 2,239 | - | 4,858 | 7,097 | 1,050 | 1,346 |
| Toilet Retrofit Program - Program Support Costs | - | - | 4,230 | - | 8,112 | 12,342 | 2,692 | 2,692 |
| Toilet Retrofit Program - Direct Program Activities | - | - | 7,372 | - | 15,384 | 22,756 | 21,810 | 26,923 |
| Total Expenses: | \$ 219,763 | \$ - | \$ 961,703 | \$ - | \$ 129,774 | \$ 1,311,240 | \$ 1,214,055 | \$ 1,219,464 |



JEROME C. WILVERDING
AUDITOR-CONTROLLER
SAN JOAQUIN COUNTY



ASSISTANT AUDITOR-CONTROLLER
Jeffery M. Woltkamp, CPA

CHIEF DEPUTIES
Tod Hill – Accounting
Janice McCutcheon, CPA – Internal Audit
Stanley Lawrence – Property Tax

PAYROLL ADMINISTRATOR
Lori Roller

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2017

Compiled by: Jeffery Woltkamp, Assistant Auditor-Controller

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2017

I. FINANCIAL STATEMENT FINDINGS

Finding Number 2017-001

PROPERTY APPRAISALS

Management's or Departments Response:

We concur.

Views of Responsible Officials and Corrective Action:

We concur. Our department is currently in the process of replacing our property tax system and will implement an electronic process that will provide an audit trail of supervisor review.

Name of Responsible Person: Karyn Johnson, Assistant Assessor-Recorder-County Clerk

Name of Department Contact: Karyn Johnson, Assistant Assessor-Recorder-County Clerk

Projected Implementation Date: December 2017

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2017

Finding Number 2017-002

WORKERS' COMPENSATION CLAIMS

Management's or Departments Response:

We concur.

Views of Responsible Officials and Corrective Action:

We agree with the audit finding in that there are different procedures to 1) process Workers Compensation temporary disability payments, and 2) to reimburse compensated absences hours prior to submission for processing. The Correction Action is that Risk Management will modify procedures so that all benefit payments and reimbursements will be reviewed and approved by the Risk Manager prior to being sent to the Auditor's Office.

Name of Responsible Person: Tanya Moreno, County Safety & Risk Manager

Name of Department Contact: Tanya Moreno, County Safety & Risk Manager

Projected Implementation Date: December 2017

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2017

Finding Number 2017-003

THIRD PARTY SETTLEMENTS

Management's or Departments Response:

We concur.

Views of Responsible Officials and Corrective Action:

The referenced adjustments were related to the three fiscal years (FY) 2015, 2016, and 2017 and were primarily due to continuing to treat the capitation payments from the Health Plan of San Joaquin (HPSJ), a Medi-Cal Managed Care plan, as supplemental physician revenue rather than applying the payment as a credit towards the Medi-Cal program. This change is related to the new entity, San Joaquin Community Clinics (SJCC), a Federally Qualified Health Care Look Alike Center, which started on July 1, 2014, and which requires more complex accounting. This error resulted in understating contractual allowances and the amount owed to the Medi-Cal program in each of those fiscal years.

During FY 2017, estimating contractual allowances and the amount due to Government was improved with the use of a new net patient revenue model, which was implemented in the June 2017 financial statements.

Name of Responsible Person: Ronald K. Kreutner, Chief Financial Officer

Name of Department Contact: Ronald K. Kreutner, Chief Financial Officer

Projected Implementation Date: September 2017

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2017

II. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Finding Number 2017-004

Program: WIA/WIOA Cluster
CFDA No.: 17.258, 17.259 and 17.278
Federal Agency: U.S. Department of Labor
Passed-through: California Employment Development Department
Award Year: 2016-2017
Compliance Requirement: Earmarking

Management's or Department's Response:

We agree with this finding. In order to provide evidence of the established internal controls the Employment and Economic Development Department (EEDD) has in place, a signature or initials will be placed on the supporting documentation by the Executive Director or his designee as recommended.

Views of Responsible Officials and Corrective Action:

Per the 2 CFR 200.303(a), *Internal Controls*, the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Monthly status reports are generated by fiscal staff and reviewed for accuracy and compliance by the Fiscal Officer. Finalized reports are reviewed by the Executive Director with the Fiscal Officer at their weekly Tuesday meeting. Reports are then presented to the Management Team for discussion. Management Reports contain reporting for each Grant including WIOA Title I Adult, Dislocated Worker and Youth and others and performance measurements include, but are not limited to the following: SB 734 training expenditure requirements, WIOA Youth Out-of-School vs. In-School expenditure requirements, total expenditure requirements, and cash draw criteria. The Employment and Economic Development Department (EEDD) has never failed to meet earmarking and reporting requirements. However, the auditors noted no "evidence" the review of these reports takes place and have recommended a signature on the documentation to produce the evidence.

In addition, monthly and quarterly WIOA Grants Expenditure Reports are electronically submitted to the State following a review by both the Fiscal Officer and the Executive Director. These progress reports do not require a hard-copy signature by the State. Only closeout reports for each Grant require a signature by an authorized San Joaquin County Representative, which is the Executive Director. Copies of these signed documents were provided to the auditors.

Although previous monitorings and audits have not required proof of review via signature, EEDD has implemented the recommendation and procedures have been modified to ensure that underlying documentation supporting the earmarking and reporting requirements are signed by the Executive Director or his designee.

Name of Responsible Person: John Solis, Executive Director

Name of Department Contact: John Solis, Executive Director

Projected Implementation Date: February 1, 2018

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2017

Finding Number 2017-005

Program: WIA/WIOA Cluster
CFDA No.: 17.258, 17.259 and 17.278
Federal Agency: U.S. Department of Labor
Passed-through: California Employment Development Department
Award Year: 2016-2017
Compliance Requirement: Reporting

Management's or Department's Response:

We agree with this finding. In order to provide evidence of the established internal controls the Employment and Economic Development Department (EEDD) has in place, a signature or initials will be placed on the supporting documentation by the Executive Director or his designee as recommended.

Views of Responsible Officials and Corrective Action:

Per the 2 CFR 200.303(a), *Internal Controls*, the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Monthly status reports are generated by fiscal staff and reviewed for accuracy and compliance by the Fiscal Officer. Finalized reports are reviewed by the Executive Director with the Fiscal Officer at their weekly Tuesday meeting. Reports are then presented to the Management Team for discussion. Management Reports contain reporting for each Grant including WIOA Title I Adult, Dislocated Worker, Youth and others and performance measurements include, but are not limited to the following: SB 734 training expenditure requirements, WIOA Youth Out-of-School vs. In-School expenditure requirements, total expenditure requirements, and cash draw criteria. The Employment and Economic Development Department (EEDD) has never failed to meet earmarking and reporting requirements. However, the auditors noted no "evidence" the review of these reports takes place and have recommended a signature on the documentation to produce the evidence.

In addition, monthly and quarterly WIOA Grants Expenditure Reports are electronically submitted to the State following a review by both the Fiscal Officer and the Executive Director. These progress reports do not require a hard-copy signature by the State. Only closeout reports for each Grant require a signature by an authorized San Joaquin County Representative, which is the Executive Director. Copies of these signed documents were provided to the auditors.

Although previous monitorings and audits have not required proof of review via signature, EEDD has implemented the recommendation and procedures have been modified to ensure that underlying documentation supporting the earmarking and reporting requirements are signed by the Executive Director or his designee.

| | |
|---------------------------------------|--------------------------------|
| Name of Responsible Person: | John Solis, Executive Director |
| Name of Department Contact: | John Solis, Executive Director |
| Projected Implementation Date: | February 1, 2018 |

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2017

Finding Number 2017-006

Program: WIA/WIOA Cluster
CFDA No.: 17.258, 17.259 and 17.278
Federal Agency: U.S. Department of Labor
Passed-through: California Employment Development Department
Award Year: 2016-2017
Compliance Requirement: Subrecipient Monitoring

Management's or Department's Response:

We agree with this finding. The County did not identify three (3) of the 13 required elements of the subaward to the subrecipient;

- 1) Providing the subrecipient with their own DUNS Number
- 2) Listing the Federal Award Identification Number (FAIN)
- 3) Specifically stating that the award was not a Research & Development award.

Views of Responsible Officials and Corrective Action:

Per the 2017 OMB Compliance Supplement and Title 2 CFR Section 200.331(a) of the Uniform Guidance, the pass-through entity must identify the award and applicable requirements to the subrecipient with certain information as well as all the requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations, and the terms and conditions of the award.

"Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the following information at the time of the subaward and if any of these data elements change, include the changes in subsequent subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward.

Required information includes:

- (1) Federal Award Identification.*
 - (i) Subrecipient name (which must match registered name in DUNS);*
 - (ii) Subrecipient's DUNS number (see §200.32 Data Universal Numbering System (DUNS) number);*
 - (iii) Federal Award Identification Number (FAIN);*
 - (iv) Federal Award Date (see §200.39 Federal award date);*
 - (v) Subaward Period of Performance Start and End Date;*
 - (vi) Amount of Federal Funds Obligated by this action;*
 - (vii) Total Amount of Federal Funds Obligated to the subrecipient;*
 - (viii) Total Amount of the Federal Award;*
 - (ix) Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);*
 - (x) Name of Federal awarding agency, pass-through entity, and contact information for awarding official;*
 - (xi) CFDA Number and Name; the pass-through entity must identify the dollar amount made available under each Federal award and the CFDA number at time of disbursement;*
 - (xii) Identification of whether the award is R&D; and*
 - (xiii) Indirect cost rate for the Federal award (including if the de minimis rate is charged per §200.414 Indirect (F&A) costs)."*

The EEDD has implemented the recommendation that the County prepares subaward agreements that contain all of the required elements as specified in 2 CFR 200.331(a)(1).

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2017

The EEDD has added the DUNS number, the FAIN number and the identification that the award is not R&D to the following document templates: All Requests for Proposals solicitations, all original Subrecipient Contract Agreements and Modifications, Letters of Conditional Approval and Letters of Final Award.

Name of Responsible Person: John Solis, Executive Director

Name of Department Contact: John Solis, Executive Director

Projected Implementation Date: February 1, 2018

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2017

Finding Number 2017-007

Program: Temporary Assistance for Needy Families (TANF Cluster)

CFDA No.: 93.558

Federal Agency: U.S. Department of Health and Human Services

Passed-through: California Department Social Services

Award Year: 2016-2017

Compliance Requirement: Subrecipient Monitoring

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

The County concurs with this recommendation and has implemented a plan of action to ensure that the County will identify all of the required elements of the subaward in accordance with 2 CFR 200.331(a) of the Uniform Grant Guidance with new and reoccurring contract awards. With current contracts, an audit finding letter will be issued to subrecipients requiring the additional information be supplied in compliance with 2 CFR 200.331(a) of the Uniform Grant Guidance. Records regarding the receipt and implementation of the letters will be retained.

Name of Responsible Person: Sam Kaisch, Deputy Director of Human Services Agency

Name of Department Contact: Sam Kaisch, Deputy Director of Human Services Agency

Projected Implementation Date: March 1, 2018

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2017

Finding Number 2017-008

Program: Adoption Assistance

CFDA No.: 93.659

Federal Agency: U.S. Department of Health and Human Services

Passed-through: California Department of Social Services

Award Year: 2016 - 2017

Compliance Requirement: Eligibility

Management's or Department's Response:

We concur.

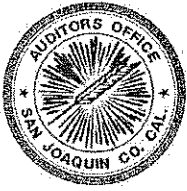
Views of Responsible Officials and Corrective Action:

The County concurs with this recommendation and will make an effort to correct the remaining active files.

Name of Responsible Person: Sam Kaisch, Deputy Director of Human Services Agency

Name of Department Contact: Sam Kaisch, Deputy Director of Human Services Agency

Projected Implementation Date: N/A



JEROME C. WILVERDING
AUDITOR-CONTROLLER
SAN JOAQUIN COUNTY



ASSISTANT AUDITOR-CONTROLLER
Jeffery M. Woltkamp, CPA

CHIEF DEPUTIES
Tod Hill – Accounting
Janice McCutcheon, CPA – Internal Audit
Stanley Lawrence – Property Tax

PAYROLL ADMINISTRATOR
Lori Roller

COUNTY OF SAN JOAQUIN, CALIFORNIA

Summary Schedule of Prior Audit Findings

Year ended June 30, 2017

Compiled by: Jeffery Woltkamp, Assistant Auditor-Controller

COUNTY OF SAN JOAQUIN, CALIFORNIA

**Summary Schedule of Prior Audit Findings
Year ended June 30, 2017**

I. FINANCIAL STATEMENT FINDINGS

FINDING 2016-001

BANK RECONCILIATIONS

Status:

Implemented

FINDING 2016-002

SEGREGATION OF DUTIES OVER INVESTMENTS

Status:

Implemented

FINDING 2016-003

DEPARTMENT BANK ACCOUNTS

Status:

Implemented

FINDING 2016-004

GENERAL HOSPITAL – FINANCIAL REPORTING AND GENERAL LEDGER

Status:

Implemented

FINDING 2016-005

GENERAL HOSPITAL – CAPITAL ASSETS MANAGEMENT

Status:

Implemented

COUNTY OF SAN JOAQUIN, CALIFORNIA

**Summary Schedule of Prior Audit Findings
Year ended June 30, 2017**

I. FINANCIAL STATEMENT FINDINGS (CONTINUED)

FINDING 2016-006

GENERAL HOSPITAL – LEASE ACCOUNTING

Status:

Implemented

FINDING 2016-007

GENERAL HOSPITAL – PROCUREMENT

Status:

Implemented

COUNTY OF SAN JOAQUIN, CALIFORNIA

Summary Schedule of Prior Audit Findings
Year ended June 30, 2017

II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

FINDING 2016-008

Program: Supplemental Nutrition Assistance Program (SNAP) Cluster

CFDA No.: 10.561

Federal Agency: U.S. Department of Agriculture

Passed-through: California Department of Social Services

Award Year: 2015-2016

Compliance Requirement: Subrecipient Monitoring

Status:

Implemented

FINDING 2016-009

Program: Community Development Block Grants/Entitlement Grants Cluster

CFDA No.: 14.218

Federal Agency: U.S. Department of Housing and Urban Development

Award Year: 2015-2016

Compliance Requirement: Reporting

Status:

Partially Implemented

As of March 12, 2018, procedures have been put in place by the Department of Community Development to ensure the SF-425 is being submitted on time and in the future.

Name of Responsible Person: Chris Becerra, Management Analyst III

Name of Department Contact: Chris Becerra, Management Analyst III

Projected Implementation Date: March 2018

FINDING 2016-010

Program: Community Development Block Grants/Entitlement Grants Cluster

CFDA No.: 14.218

Federal Agency: U.S. Department of Housing and Urban Development

Award Year: 2015-2016

Compliance Requirement: Subrecipient Monitoring

Status:

Not Implemented

COUNTY OF SAN JOAQUIN, CALIFORNIA

**Summary Schedule of Prior Audit Findings
Year ended June 30, 2017**

II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

As of March 12, 2018, the coversheet with federal required elements have been implemented. The Department of Community Development incorporated them in their 2017/18 agreements but not the 2016/17 agreements since those were already executed. Due to being understaffed, the annual reviews were not completed. The risk assessments will be conducted in May 2018 by a third party consultant.

Name of Responsible Person: Chris Becerra, Management Analyst III
Name of Department Contact: Chris Becerra, Management Analyst III
Projected Implementation Date: May 2018

FINDING 2016-011

Program: Community Development Block Grants/Entitlement Grants Cluster
CFDA No.: 14.218
Federal Agency: U.S. Department of Housing and Urban Development
Award Year: 2015-2016
Compliance Requirement: Special Tests and Provisions – Affordability Requirements

Status:

Implemented

FINDING 2016-012

Program: Community Development Block Grants/Entitlement Grants Cluster
CFDA No.: 14.218
Federal Agency: U.S. Department of Housing and Urban Development
Award Year: 2015-2016
Compliance Requirement: Cash Management

Status:

Not Implemented

The Department of Community Development is in the process of drafting the written policies and procedures for cash management.

Name of Responsible Person: Chris Becerra, Management Analyst III
Name of Department Contact: Chris Becerra, Management Analyst III
Projected Implementation Date: March 2018

COUNTY OF SAN JOAQUIN, CALIFORNIA

Summary Schedule of Prior Audit Findings
Year ended June 30, 2017

II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

FINDING 2016-013

Program: Home Investment Partnerships Program (HOME)
CFDA No.: 14.239
Federal Agency: U.S. Department of Housing and Urban Development
Award Year: 2015-2016
Compliance Requirement: Reporting

Status:

Implemented

FINDING 2016-014

Program: Home Investment Partnerships Program (HOME)
CFDA No.: 14.239
Federal Agency: U.S. Department of Housing and Urban Development
Award Year: 2015-2016
Compliance Requirement: Special Tests and Provisions – Housing Quality Standards

Status:

Implemented

FINDING 2016-015

Program: Home Investment Partnerships Program (HOME)
CFDA No.: 14.239
Federal Agency: U.S. Department of Housing and Urban Development
Award Year: 2015-2016
Compliance Requirement: Special Tests and Provisions – Affordability Requirements

Status:

Implemented

COUNTY OF SAN JOAQUIN, CALIFORNIA

Summary Schedule of Prior Audit Findings
Year ended June 30, 2017

II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

FINDING 2016-016

Program: Home Investment Partnerships Program (HOME)

CFDA No.: 14.239

Federal Agency: U.S. Department of Housing and Urban Development

Award Year: 2015-2016

Compliance Requirement: Cash Management

Status:

Not Implemented

The Department of Community Development is in the process of drafting the written policies and procedures for cash management.

Name of Responsible Person: Chris Becerra, Management Analyst III

Name of Department Contact: Chris Becerra, Management Analyst III

Projected Implementation Date: March 2018

COUNTY OF SAN JOAQUIN, CALIFORNIA

Summary Schedule of Prior Audit Findings
Year ended June 30, 2017

II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

FINDING 2016-017

Program: Child Support Enforcement

CFDA No.: 93.563

Federal Agency: U.S. Department of Health and Human Services

Passed-through: California Department of Child Support Services

Award Year: 2015-2016

Compliance Requirement: Procurement

Status:

Implemented

FINDING 2016-018

Program: Child Support Enforcement

CFDA No.: 93.563

Federal Agency: U.S. Department of Health and Human Services

Passed-through: California Department of Social Services

Award Year: 2015-2016

Compliance Requirement: Activities Allowed or Unallowed, Allowable Costs/Cost Principles

Status:

Implemented