



Federal Awards Reports in Accordance
with the Uniform Guidance
June 30, 2020

County of San Joaquin, California

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**Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance
with *Government Auditing Standards***

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of San Joaquin, California (County), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 2, 2021. Our report includes an emphasis of matter related to the correction of errors and a change in the reporting entity. 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2020-004 and 2020-006 to be material weaknesses.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2020-001 through 2020-003, 2020-005, 2020-007 through 2020-012 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

County's Responses to Findings

The County's responses 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Sacramento, California
June 2, 2021



Independent Auditor’s 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

To the Honorable Board of Supervisors
County of San Joaquin, 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 direct and material effect on each of the County’s major federal programs for the year ended June 30, 2020. The County’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

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

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the 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 major federal programs. However, our audit does not provide a legal determination of the County’s compliance.

Basis for Qualified Opinion on Adoption Assistance Program, Medicaid Cluster Program and Continuum of Care 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 2020-014 for Activities Allowed or Unallowed, Allowable Costs/Cost Principles and Eligibility, CFDA 93.778 Medicaid Cluster Program as described in finding number 2020-013 for Eligibility, and CFDA 14.267 Continuum of Care Program as described in finding number 2020-018 and 2020-019 for Matching & Earmarking and Special Tests & Provisions respectively. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to the programs.

Qualified Opinion on Adoption Assistance Program, Medicaid Cluster Program and Continuum of Care 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, Medicaid Cluster Program and Continuum of Care Program for the year ended June 30, 2020.

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, 2020.

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 2020-015 through 2020-017, and 2020-020 through 2020-022. 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 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 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 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 have not been 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2020-013, 2020-014, 2020-016, 2020-018, and 2020-019 to be material weaknesses.

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 item 2020-015, 2020-017 and 2020-020 through 2020-022 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 response.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance, 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, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 2, 2021, which contained unmodified opinions on those financial statements. Our report includes an emphasis of matter related to the correction of errors and a change in the reporting entity. 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.

A handwritten signature in cursive script that reads "Eide Sully LLP".

Sacramento, California
June 30, 2021

County of San Joaquin, California
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing 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 Trapping Program	10.025	19-0268-040-SF	\$ 8,150	\$ -
Plant and Animal Disease, Pest Control, and Animal Care - Light Brown Apple Moth Regulatory	10.025	18-0268-012-SF	992	-
Plant and Animal Disease, Pest Control, and Animal Care - Light Brown Apple Moth Regulatory	10.025	18-0299-039-SF	5,621	-
Plant and Animal Disease, Pest Control, and Animal Care - Light Brown Apple Moth Detection Trapping	10.025	18-0299-019-SF	1,680	-
Plant and Animal Disease, Pest Control, and Animal Care - Asian Citrus Psyllid (ACP) Trapping	10.025	18-0293-010-SF	50,391	-
Plant and Animal Disease, Pest Control, and Animal Care - Asian Citrus Psyllid (ACP) Trapping	10.025	19-0737-023-SF	70,640	-
Plant and Animal Disease, Pest Control, and Animal Care - European Grape Vine Moth Trapping	10.025	18-0619-022-SF	304,128	-
Plant and Animal Disease, Pest Control, and Animal Care - European Grape Vine Moth Trapping	10.025	19-0994-021-SF	101,741	-
Plant and Animal Disease, Pest Control, and Animal Care - Detection	10.025	18-0221	38,181	-
Plant and Animal Disease, Pest Control, and Animal Care - Detection	10.025	19-0238	275,470	-
Plant and Animal Disease, Pest Control, and Animal Care - Pierce's Disease Control Program	10.025	17-0453-014-SF	80,339	-
Plant and Animal Disease, Pest Control, and Animal Care - Pierce's Disease Control Program	10.025	17-0453-014-SF	216,781	-
Plant and Animal Disease, Pest Control, and Animal Care - Phytophthora Ramorum Program	10.025	18-0295-014-SF	3,483	-
Plant and Animal Disease, Pest Control, and Animal Care - Phytophthora Ramorum Program	10.025	19-0267-010-SF	32,222	-
Subtotal Plant and Animal Disease, Pest Control, and Animal Care			<u>1,189,819</u>	<u>-</u>
Specialty Crop Block Grant Program - Farm Bill - FY 18-19	10.170	18-0001-048-SC	<u>79,399</u>	<u>-</u>
Passed through California Department of Social Services:				
Trade Mitigation Program Eligible Recipient Agency Operational Funds - Food Purchase Distribution Program	10.178	PCA 21405 (FFY 2019)	38,416	-
Trade Mitigation Program Eligible Recipient Agency Operational Funds - Food Purchase Distribution Program	10.178	PCA 21405 (FFY 2020)	<u>35,404</u>	<u>-</u>
Subtotal Trade Mitigation Program Eligible Recipient Agency Operational Funds			<u>73,820</u>	<u>-</u>
Supplemental Nutrition Assistance Program (SNAP) Cluster:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	19-10346	499,161	33,428
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	16-10176	212,331	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - CalFresh (Food Stamps), CSET and CSET Enhanced	10.561	187CACA4s2514 / 39-2018-SNAP ADMIN	10,853,651	281,310
Passed through California Department of Aging:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - CalFresh Expansion	10.561	CF-1920-11	<u>21,276</u>	<u>-</u>
Subtotal SNAP Cluster			<u>11,586,419</u>	<u>314,738</u>

County of San Joaquin, California
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing Federal CFDA Number	Pass-Through Entity Identifying Number or Grant Number	Federal Expenditures	Passed Through to Subrecipients
United States Department of Agriculture (Cont'd)				
Passed through California Department of Education:				
Child Nutrition Cluster:				
School Breakfast Program - School Lunch, School Breakfast, and Special Milk Programs	10.553	02526-SN-39-R	\$ 135,540	\$ -
Passed through California Department of Health Services:				
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	15-10111 A03	477,214	-
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	19-10183	1,606,142	-
Subtotal WIC Special Supplemental Nutrition Program for Women, Infants, and Children			2,083,356	-
Food Distribution Cluster:				
COVID 19 - Emergency Food Assistance Program (Administrative Costs)	10.568	15-MOU-00139 (CARES)	135,025	-
Emergency Food Assistance Program (Administrative Costs)	10.568	15-MOU-139 (FFY 2018-19)	342,110	-
Emergency Food Assistance Program (Administrative Costs)	10.568	15-MOU-139 (FFY 2019-20)	227,474	-
Emergency Food Assistance Program (Food Commodities) - Commodities EFAP In-Kind Food	10.569	15-6057 (FFY 2019-2020)	2,929,746	-
Subtotal Food Distribution Cluster			3,634,355	-
Passed through California Department of Food and Agriculture:				
Senior Farmers Market Nutrition Program	10.576	2019	6,560	-
Total United States Department of Agriculture			18,789,268	314,738
United States Department of Commerce				
Direct Programs:				
Economic Development Cluster:				
Economic Adjustment Assistance - Revolving Loan Fund - Bank of Stockton	11.307	07-19-01936	5,407,570	-
Total United States Department of Commerce			5,407,570	-
United States Department of Housing and Urban Development				
Direct Programs:				
Community Development Block Grants/Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	B-16-UC-06-0009	92,434	92,434
Community Development Block Grants/Entitlement Grants	14.218	B-17-UC-06-0009	145,053	145,053
Community Development Block Grants/Entitlement Grants	14.218	B-18-UC-06-0009	1,171,020	566,915
Community Development Block Grants/Entitlement Grants	14.218	B-19-UC-06-0009	816,052	263,750
Community Development Block Grants/Entitlement Grants	14.218	18-1501-16 NP	12,000	-
Community Development Block Grants/Entitlement Grants - County of San Joaquin	14.218	B-18-UC-06-0009 San Joaquin County Aquatics (HUD #2634)	27,940	-
Community Development Block Grants/Entitlement Grants - County of San Joaquin	14.218	B-19-UC-06-0009 San Joaquin County Aquatics (HUD #2694)	13,940	-
Community Development Block Grants/Entitlement Grants - County of San Joaquin	14.218	B-19-UC-06-0009 Escalon Meals on Wheels Program (HUD #2688)	4,247	-
Community Development Block Grants/Entitlement Grants - City of Escalon	14.218	B-19-UC-06-0009 Lathrop Meals on Wheels Program (HUD #2688)	1,000	-
Community Development Block Grants/Entitlement Grants - City of Lathrop	14.218	B-19-UC-06-0009 Manteca Meals on Wheels Program (HUD #2688)	8,000	-
Community Development Block Grants/Entitlement Grants - City of Manteca	14.218	B-19-UC-06-0009 Ripon Meals on Wheels Program (HUD #2688)	2,000	-
Community Development Block Grants/Entitlement Grants - City of Ripon	14.218	B-19-UC-06-0009 San Joaquin County Meals on Wheels Program	10,000	-
Community Development Block Grants/Entitlement Grants - City of Tracy	14.218	B-19-UC-06-0009 Tracy Meals on Wheels Program (HUD #2688)	1,667	-
Subtotal Community Development Block Grants/Entitlement Grants Cluster			2,305,353	1,068,152

County of San Joaquin, California
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing 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 (Cont'd)				
Direct Programs:				
Emergency Solutions Grant Program	14.231	S-18-UC-06-0009	\$ 24,196	\$ 24,196
Emergency Solutions Grant Program	14.231	S-19-UC-06-0009	203,133	186,529
Subtotal Emergency Solutions Grants Program			227,329	210,725
HOME Investment Partnerships Program	14.239	M-17-UC-06-0009	208,659	158,152
HOME Investment Partnerships Program	14.239	M-18-UC-06-0009	661,524	630,168
HOME Investment Partnerships Program	14.239	M-19-UC-06-0009	222,852	222,852
Subtotal HOME Investment Partnerships Program			1,093,035	1,011,172
Continuum of Care Program - CARE	14.267	CA0902L9T111708	115,068	115,068
Continuum of Care Program - CARE	14.267	CA0902L9T111809	364,054	356,963
Continuum of Care Program - CHARM	14.267	CA0248L9T111708	19,248	19,248
Continuum of Care Program - CHARM	14.267	CA0248L9T111809	83,385	80,162
Continuum of Care Program - Hermanas I	14.267	CA0251L9T111708	1,334	1,334
Continuum of Care Program - Hermanas I	14.267	CA0251L9T111809	153,214	148,505
Continuum of Care Program - Hermanas II	14.267	CA0761L9T111707	74,650	74,650
Continuum of Care Program - Hermanas II	14.267	CA0761L9T111808	91,903	88,269
Continuum of Care Program - Homelessness to Homes II	14.267	CA0250I9T111709	4,452	4,452
Continuum of Care Program - Homelessness to Homes II	14.267	CA0250I9T111911	23,910	23,910
Continuum of Care Program - Homelessness to Homes II	14.267	CA0250I9T111810	280,443	270,603
Continuum of Care Program - HOPE	14.267	CA0252L9T111709	82,190	82,190
Continuum of Care Program - HOPE	14.267	CA0252L9T111810	281,458	274,376
Continuum of Care Program - Horizons (SM)	14.267	CA0762L9T111708	2,247	2,247
Continuum of Care Program - Horizons (SM)	14.267	CA0762L9T111809	199,798	192,926
Continuum of Care Program - Planning	14.267	CA1755L9T111800	138,000	-
Continuum of Care Program - SPICE	14.267	CA0763L9T111707	7,721	7,721
Continuum of Care Program - SPICE	14.267	CA0763L9T111808	145,641	140,888
Continuum of Care Program - Shelter Plus Care 5	14.267	CA0835L9T111905	88,076	88,076
Continuum of Care Program - Shelter Plus Care 5	14.267	CA0835L9T111804	163,171	163,171
Continuum of Care Program - Shelter Plus Care Combined	14.267	CA0253L9T111710	367,072	367,072
Continuum of Care Program - Shelter Plus Care Combined	14.267	CA0253L9T111811	2,089,109	2,058,465
Subtotal Continuum of Care Program			4,776,144	4,560,296
Passed through California Department of Public Health:				
Housing Opportunities for People with AIDS - HOPWA	14.241	19-10522	415,658	242,642
Total United States Department of Housing and Urban Development			8,817,519	7,092,987
United States Department of Justice				
Direct Programs:				
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-1697	136,732	-
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	16.525	2017-WE-AX-0006	174,937	-
Crime Victim Assistance - (XC) Program	16.575	XC 16 01 0390	133,777	-
Crime Victim Assistance - (XC) Program	16.575	XC 19 02 0390	164,696	-
Crime Victim Assistance - Family Justice Center Program	16.575	FJ 18 01 0390	14,637	-
Subtotal Crime Victim Assistance			313,110	-
Bulletproof Vest Partnership Program - FY 2018	16.607	N/A	29,130	-
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	2017-DJ-BX-0982	2,772	-
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	2018-DJ-BX-0823	82,521	-
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	2019-DJ-BX-0623	95,940	-
Subtotal Edward Byrne Memorial Justice Assistance Grant			181,233	-
Equitable Sharing Program - Metro	16.922	N/A	110,103	-

County of San Joaquin, California
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing Federal CFDA Number	Pass-Through Entity Identifying Number or Grant Number	Federal Expenditures	Passed Through to Subrecipients
United States Department of Justice (Cont'd)				
Passed through State Office of Emergency Services:				
Crime Victim Assistance	16.575	VC-8057	\$ 782,134	\$ -
Crime Victim Assistance - Victim Witness Assistance	16.575	VW 18 37 0390	1,253,518	-
Crime Victim Assistance - Unserved/Underserved				
Advocacy Outreach Program	16.575	UV 18 03 0390	137,469	-
Subtotal Crime Victim Assistance			<u>2,173,121</u>	<u>-</u>
Total United States Department of Justice			<u>3,118,366</u>	<u>-</u>
United States Department of Labor				
Passed through California Employment Development Department:				
Workforce Innovation and Opportunity Act (WIOA) Cluster:				
WIOA Adult Program - Merced Regional Planning Implementation (645) - through County of Merced				
WIOA Adult Program - Transfer Adult to Dislocated Worker (200)	17.258	N/A	12,000	-
WIOA Adult Program - WIOA ADULT (201)	17.258	AA011036	175,000	-
WIOA Adult Program - WIOA ADULT (202)	17.258	AA011036	485,421	-
WIOA Adult Program - WIOA ADULT (202)	17.258	K9110056	849,959	-
WIOA Adult Program - WIOA ADULT (202)	17.258	K9110056	1,048,711	-
Subtotal WIOA Adult Program			<u>2,571,091</u>	<u>-</u>
WIOA Youth Activities - WIOA YOUTH (301)				
WIOA Youth Activities - WIOA YOUTH (301)	17.259	K9110056	984,277	-
WIOA Youth Activities - WIOA YOUTH (301)	17.259	AA011036	1,799,043	1,096,809
WIOA Youth Activities - WIOA YOUTH (302)	17.259	K9110056	9,400	-
WIOA Youth Activities - WIOA YOUTH (302)	17.259	AA011036	9,454	-
Subtotal WIOA Youth Activities			<u>2,802,174</u>	<u>1,096,809</u>
WIOA National Dislocated Worker Grants / WIA National Emergency Grants - Trade & Economic Transition (1136)				
WIOA Dislocated Worker Formula Grants - WIOA RAPID RESPONSE LAYOFF AVERSION (292)	17.277	K9110056	766,116	-
WIOA Dislocated Worker Formula Grants - WIOA RAPID RESPONSE LAYOFF AVERSION (292)	17.278	AA011036	17,028	-
WIOA Dislocated Worker Formula Grants - WIOA RAPID RESPONSE LAYOFF AVERSION (293)	17.278	AA011036	80,793	-
WIOA Dislocated Worker Formula Grants - WIOA - Transferred Dislocated Worker to Adult (500)	17.278	K9110056	1,025,289	-
WIOA Dislocated Worker Formula Grants - WIOA DW FORMULA (501)	17.278	K9110056	41,022	-
WIOA Dislocated Worker Formula Grants - WIOA DW FORMULA (501)	17.278	AA011036	424,950	-
WIOA Dislocated Worker Formula Grants - WIOA DW FORMULA (502)	17.278	K9110056	104,673	-
WIOA Dislocated Worker Formula Grants - WIOA DW FORMULA (502)	17.278	AA011036	823,824	-
WIOA Dislocated Worker Formula Grants - WIOA RAPID RESPONSE (540)	17.278	AA011036	67,446	-
WIOA Dislocated Worker Formula Grants - WIOA RAPID RESPONSE (541)	17.278	AA011036	320,007	-
Subtotal WIOA Dislocated Worker Formula Grants			<u>2,905,032</u>	<u>-</u>
Subtotal WIOA Cluster			<u>8,278,297</u>	<u>1,096,809</u>
Total United States Department of Labor			<u>9,044,413</u>	<u>1,096,809</u>

County of San Joaquin, California
Schedule of Expenditures of Federal Awards
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Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing Federal CFDA Number	Pass-Through Entity Identifying Number or Grant Number	Federal Expenditures	Passed Through to Subrecipients
United States Department of Transportation				
Direct Programs:				
Airport Improvement Program - AIP-33 Rehabilitate Runway and Taxiway Lighting and Signage	20.106	3-06-0250-33	\$ 60,739	\$ -
Airport Improvement Program - AIP-38 Rehab Taxiways B East and West, D West,	20.106	3-06-0250-038-2017	8,159	-
Airport Improvement Program - AIP-39 Taxiway B Extension to Runway 29R End	20.106	3-06-0250-039-2018	1,870,656	-
Airport Improvement Program - AIP-40 Terminal Apron Extension	20.106	3-06-0250-040-2018	241,138	-
Airport Improvement Program - AIP-41 Rehabilitate Runway 11L-29R, (37,200 SY) and Displace Runway End 29 Threshold	20.106	3-06-0250-041-2019	160,281	-
Airport Improvement Program - AIP-42 Rehabilitate Taxiway D	20.106	3-06-0250-042-2020	324,908	-
COVID-19 - Airport Improvement Program - AIP-44 CARES ACT GRANT	20.106	3-06-0250-044-2020	174,763	-
Subtotal Airport Improvement Program			<u>2,840,644</u>	<u>-</u>
Passed through California Department of Transportation (CALTRANS):				
Highway Planning and Construction Cluster:				
Highway Planning and Construction - Develop Bridge Maintenance Plan	20.205	BPML-5929(292)	124	-
Highway Planning and Construction - Union Road Safety Improvements	20.205	HRRRL-5929(283)	276	-
Highway Planning and Construction - Bird Road Safety Improvements	20.205	HRRRL-5929(284)	384	-
Highway Planning and Construction - Cherokee Rd (Sanguinetti Lane to Diverting Canal)	20.205	STPCML-5929 (256)	600	-
Highway Planning and Construction - Pedestrian Crossing Enhancements	20.205	HSIPL-5929(310)	2,706	-
Highway Planning and Construction - River Road Safety Improvements	20.205	HSIPL-5929(308)	2,975	-
Highway Planning and Construction - State Route 26 and Jack Tone Rd Roundabout	20.205	CML-5929(307)	4,151	-
Highway Planning and Construction - State Route 26 and Jack Tone Rd Roundabout	20.205	CML-5929(306)	5,241	-
Highway Planning and Construction - DELTA MENDOTA BRIDGE RAILING REPLACEMENT	20.205	BPML-5929 (260)	6,620	-
Highway Planning and Construction - Rubberized Chip Seal 2016-2017	20.205	STPL-5929(293)	8,126	-
Highway Planning and Construction - French Camp Road Safety Improvements	20.205	HRRRL-5929(286)	8,615	-
Highway Planning and Construction - Liberty/Dustin Rd Roundabout	20.205	HRRRL-5929(290)	10,234	-
Highway Planning and Construction - Lower Sacramento Road Safety Improvements	20.205	HSIPL-5929(309)	12,818	-
Highway Planning and Construction - FINE ROAD BRIDGE (29C-228)	20.205	BPML-5929 (261)	19,013	-
Highway Planning and Construction - West Lane Resurfacing (East Side Only) - STP	20.205	STPL-5929(297)	19,120	-
Highway Planning and Construction - West Lane Resurfacing (West Side Only) - STP	20.205	STPL-5929(298)	19,128	-
Highway Planning and Construction - French Camp Road Resurfacing	20.205	STPL-5929(296)	23,634	-
Highway Planning and Construction - West Ripon Road Resurfacing	20.205	STPL-5929(300)	24,151	-
Highway Planning and Construction - Walnut Grove Road Bridge No. 29C-131 Replacement	20.205	BRLS-5929(239)	34,041	-

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Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing Federal CFDA Number	Pass-Through Entity Identifying Number or Grant Number	Federal Expenditures	Passed Through to Subrecipients
United States Department of Transportation (Cont'd)				
Highway Planning and Construction - El Dorado Street Resurfacing - STP	20.205	STPL-5929(295)	\$ 39,151	\$ -
Highway Planning and Construction - Bollea Road over Bear Creek Bridge #29C0413	20.205	BRLO-5929(236)	39,867	-
Highway Planning and Construction - Byron Rd/Grant Line Rd Roundabout	20.205	HRRRL-5929(288)	45,264	-
Highway Planning and Construction - HARNEY LANE BRIDGE (29C-341)	20.205	BPMP-5929 (262)	48,352	-
Highway Planning and Construction - Airport Way Resurfacing	20.205	STPL-5929(305)	50,049	-
Highway Planning and Construction - Escalon Bellota Rd 29C-051 Replacement	20.205	BRLO-5929(276)	61,347	-
Highway Planning and Construction - Duncan/Comstock Rd Roundabout	20.205	HRRRL-5929(289)	64,842	-
Highway Planning and Construction - Buckman Road Bridge No. 29C-307 Rehabilitation	20.205	BRLO-5929(241)	71,513	-
Highway Planning and Construction - Buckman Rd over Duck Creek #29C-0227	20.205	BRLO-5929(245)	75,873	-
Highway Planning and Construction - Escalon Bellota Rd over Mormon Slough	20.205	BRLO-5929(192)	77,508	-
Highway Planning and Construction - McHenry Ave. and River Rd. Traffic Signal	20.205	CML-5929 (247)	82,780	-
Highway Planning and Construction - Wimer Road Bridge No. 29C-303 Rehabilitation	20.205	BRLO-5929(235)	96,885	-
Highway Planning and Construction - Cotta Road over Upland Canal, Bridge #29C0292	20.205	BRLO-5929(234)	102,496	-
Highway Planning and Construction - Messick Rd Bridge # 29C-274 Replacement	20.205	BRLO-5929(254)	108,238	-
Highway Planning and Construction - Peltier Road Bridge No. 29C-037 Rehabilitation	20.205	BRLO-5929(237)	108,889	-
Highway Planning and Construction - Eight Mile Road Bridge No. 29C-219 Rehabilitation	20.205	BRLO-5929(233)	110,082	-
Highway Planning and Construction - Pezzi Road Bridge No. 29C-199 Rehabilitation	20.205	BRLO-5929(240)	111,718	-
Highway Planning and Construction - Sexton Road Bridge No. 29C-319 Replacement	20.205	BRLO-5929(242)	112,187	-
Highway Planning and Construction - McHenry Ave. Bridge Replacement	20.205	BRLO-5929 (167)	118,654	-
Highway Planning and Construction - Escalon Bellota Road Bridge No. 29C-038 Replacement	20.205	BRLO-5929(238)	148,429	-
Highway Planning and Construction - River Road Resurfacing STP	20.205	STPL-5929(304)	201,169	-
Highway Planning and Construction - Movable Span Bridges - Inspection	20.205	BRLO-5929(229)	209,663	-
Highway Planning and Construction - Modesto, McHenry Ave from Jones Rd to Stanislaus Cty Line Widen Road	20.205	STPL-5929 (196)	436,549	-
Highway Planning and Construction - Blossom Rd to Thornton Rd Resurfacing	20.205	STPL-5929(294)	460,055	-
Highway Planning and Construction - McHenry Ave. Bridge Replacement	20.205	BRLO-5929 (166)	1,925,736	-
Highway Planning and Construction - Victory Road over Lone Tree Creek	20.205	BRLO-5929 (216)	2,172,183	-
Highway Planning and Construction - Woodward Island Ferry Replacement with a Bridge	20.205	BRNIF 5929 (154)	3,740,820	-
Highway Planning and Construction - Purchase of 60 Hybrid Vehicles	20.205	CML-5929 (243)	56,613	-
Subtotal Highway Planning and Construction Cluster			11,078,869	-

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Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing Federal CFDA Number	Pass-Through Entity Identifying Number or Grant Number	Federal Expenditures	Passed Through to Subrecipients
United States Department of Transportation (Cont'd)				
Passed through California Office of Traffic Safety:				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	AL19017 (YEAR 2)	\$ 36,327	\$ -
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	AL20027 (YEAR 1)	56,207	-
Subtotal Minimum Penalties for Repeat Offenders			<u>92,534</u>	<u>-</u>
Highway Safety Cluster:				
National Priority Safety Programs - Child Passenger Safety	20.616	OP20020	53,620	-
National Priority Safety Programs - Child Passenger Safety	20.616	OP19014	16,244	-
Subtotal Highway Safety Cluster			<u>69,864</u>	<u>-</u>
Passed through California Office of Emergency Services (CalOES):				
Interagency Hazardous Materials Public Sector Training and Planning Grants - Emergency Services Grant	20.703	HM-HMP-578-16-01-00	37,710	28,800
Total United States Department of Transportation			<u>14,119,621</u>	<u>28,800</u>
United States Department of the Treasury				
Direct Programs:				
COVID-19 - Coronavirus Relief Fund	21.019	N/A	22,924,385	-
Total United States Department of the Treasury			<u>22,924,385</u>	<u>-</u>
United States Drug Enforcement Administration				
Direct Programs:				
Drug Enforcement Administration - Domestic Cannabis Eradication	16.U01	2019-41	38,965	-
Drug Enforcement Administration - Domestic Cannabis Eradication	16.U01	2020-38	41,027	-
Subtotal Drug Enforcement Administration			<u>79,992</u>	<u>-</u>
Total United States Drug Enforcement Administration			<u>79,992</u>	<u>-</u>
United States Environmental Protection Agency				
Passed through California Department of Public Health:				
Drinking Water State Revolving Fund Cluster Capitalization Grants for Drinking Water State Revolving Funds	66.468	SRFLPA69	282,377	-
Total United States Environmental Protection Agency			<u>282,377</u>	<u>-</u>
United States Department of Energy				
Passed through California Department of Community Services and Development:				
Weatherization Assistance for Low-Income Persons - State Department of Community Services - Department of Energy (DOE)	81.042	17C-4023	387,821	-
Total United States Department of Energy			<u>387,821</u>	<u>-</u>
United States Department of Education				
Passed through California Employment Training Panel:				
Rehabilitation Services Vocational Rehabilitation Grants to States - Summer Training and Employment Program for Students (634)	84.126	2019 STEPS	492,697	-
Rehabilitation Services Vocational Rehabilitation Grants to States - Summer Training and Employment Program for Students (634)	84.126	N/A	424	-
Subtotal Rehabilitation Services Vocational Rehabilitation Grants to States			<u>493,121</u>	<u>-</u>
Total United States Department of Education			<u>493,121</u>	<u>-</u>

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Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing Federal CFDA Number	Pass-Through Entity Identifying Number or Grant Number	Federal Expenditures	Passed Through to Subrecipients
United States Election Assistance Commission				
Passed through California Department of Community Services and Development:				
Help America Vote Act Requirements Payments - Section 301 Voting Systems Program and Certification of HAVA Title III Compliance	90.401	16G30119	\$ 1,346,685	\$ -
Help America Vote Act Requirements Payments - Polling Place Accessibility Training Program	90.401	18G26139	25,000	-
Help America Vote Act Requirements Payments - Cyber Security and Infrastructure related to VoteCal	90.401	18G27139	25,000	-
Total United States Election Assistance Commission			1,396,685	-
United States Department of Health and Human Services				
Passed through California Department of Aging:				
Aging Cluster:				
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	AP-1920-11 / 1901CAOAEA-01 (VII-B)	2,514	-
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	AP-1920-11 / 2001CAOAEA-00 (VII-B)	6,134	-
Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042	AP-1920-11 / 1901CAOAOA-01 (VII-A)	10,351	-
Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042	AP-1920-11 / 2001CAOAOA-00 (VII-A)	22,326	-
Special programs for the Aging, Title III, Part D, Disease Prevention And Health Promotion Services	93.043	AP-1920-11 / 1901CAOAPH-01 (III-D)	21,505	21,505
Special programs for the Aging, Title III, Part D, Disease Prevention And Health Promotion Services	93.043	AP-1920-11 / 2001CAOAPH-00 (III-D)	33,646	33,646
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	AP-1920-11 / 1901CAOASS-01 (III-B)	172,507	83,601
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	AP-1920-11 / 2001CAOASS-00 (III-B)	463,274	212,735
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	AP-1920-11 / 1901CAOACM-01 (III-C-1)	236,261	51,663
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	AP-1920-11 / 2001CAOACM-00 (III-C-1)	541,023	153,963
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	AP-1920-11 / 1901CAOAH-01 (III-C-2)	166,885	-
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	AP-1920-11 / 2001CAOAH-00 (III-C-2)	87,763	-
National Family Caregiver Support, Title III, Part E - Special Programs	93.052	AP-1920-11 / 1901CAOAF-01 (III-E)	128,539	3,880
National Family Caregiver Support, Title III, Part E - Special Programs	93.052	AP-1920-11 / 2001CAOAF-00 (III-E)	132,873	1,242
Nutrition Services Incentive Program	93.053	AP-1920-11 / 1901CAOANS-00	43,058	7,212
Nutrition Services Incentive Program	93.053	AP-1920-11 / 2001CAOANS-00	115,877	21,640
Subtotal Aging Cluster			2,184,536	591,087
Passed through California Department of Community Services & Development:				
Low-Income Home Energy Assistance - EHA 16	93.568	19B-5032	500,746	-
Low-Income Home Energy Assistance - EHA 16	93.568	20B-2032	519,128	-
Low-Income Home Energy Assistance - Weatherization	93.568	19B-5032	407,677	-
Low-Income Home Energy Assistance - Weatherization	93.568	20B-2032	708,894	-
Subtotal Low-Income Home Energy Assistance Program			2,136,445	-
Passed through California Department of Community Services & Development:				
Community Services Block Grant (CSBG) - Discretionary	93.569	19F-4440	30,000	-
Community Services Block Grant (CSBG)	93.569	19F-4038	215,010	-
Community Services Block Grant (CSBG)	93.569	20F-3038	1,005,157	-
Subtotal Community Services Block Grant (CSBG)			1,250,167	-

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Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing 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 (Cont'd)				
Passed through California Department of Alcohol and Drug Program:				
Block Grants for Prevention and Treatment of Substance Abuse - SABG - Friday Night Live-Club Live	93.959	2019 Award	\$ 15,903	\$ -
Block Grants for Prevention and Treatment of Substance Abuse - SABG - Discretionary	93.959	2019 Award	851,836	-
Block Grants for Prevention and Treatment of Substance Abuse - SABG - Perinatal Set-Aside	93.959	2019 Award	178,560	-
Block Grants for Prevention and Treatment of Substance Abuse - SABG - Perinatal Set-Aside	93.959	2020 Award	176,551	-
Block Grants for Prevention and Treatment of Substance Abuse - SABG - Prevention	93.959	2019 Award	410,504	-
Subtotal Block Grants for Prevention and Treatment of Substance Abuse			<u>1,633,354</u>	-
Passed through California Department of Health Care Services:				
Public Health Emergency Preparedness (PHEP)	93.069	17-10189	991,745	-
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	17-10190	251,687	-
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	17-10190	19,743	-
Subtotal Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements			<u>271,430</u>	-
Immunization Cooperative Agreements - Immunization Project Subvention Funds Program IAP	93.268	17-10072	218,681	-
Subtotal Immunization Cooperative Agreements			<u>218,681</u>	-
COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response - COVID-19 Crisis Response Funding	93.354	COVID-19-39 SJC	933,802	-
Medicaid Cluster:				
Medical Assistance Program - IHSS	93.778	N/A	3,406,535	-
Medical Assistance Program - Child Lead Poisoning Prevention Program	93.778	17-10241	90,026	-
Medical Assistance Program - Child Health Disability Prevention - CHDP	93.778	CHDP Admin	324,860	-
Medical Assistance Program - Children's Medical Services - CMS (PHS)	93.778	DHCS ALLOCATION	2,554,222	-
Medical Assistance Program - Title XIX Grant - Local Dental Pilot Project	93.778	16-93568, 1705CA5MAP	819,861	695,989
Medical Assistance Program - Medi-Cal	93.778	N/A	24,583,388	-
Subtotal Medicaid Cluster			<u>31,778,892</u>	<u>695,989</u>
HIV Care Formula Grants - Comprehensive AIDS Resources Emergency - CARE	93.917	18-10887	267,100	-
HIV Care Formula Grants - HIV Prevention	93.917	18-10769	130,579	-
HIV Care Formula Grants - Minority AIDS Initiative - MAI	93.917	18-10887	15,134	-
Subtotal HIV Care Formula Grants			<u>412,813</u>	-

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Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing 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 (Cont'd)				
HIV Demonstration, Research, Public and Professional Education Projects - AIDS Surveillance Program - ASP	93.941	19-10446	\$ 6,221	\$ -
Maternal and Child Health Services Block Grant - Black Infant Health Program - BIH	93.994	Allocation No. 201939	436,360	-
Maternal and Child Health Services Block Grant - Maternal Child Health - MCAH	93.994	Allocation No. 201939	575,329	-
Subtotal Maternal and Child Health Services Block Grant			1,011,689	-
Passed through California Department of Mental Health:				
Projects for Assistance in Transition from Homelessness (PATH) - Homeless Federal Block Grant	93.150	N/A	241,054	-
Block Grants for Community Mental Health Services - (SAMHSA)	93.958	N/A	2,165,367	261,067
Passed through California Department of Public Health:				
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	CDPH Allocation	168,732	-
Diabetes and Heart Disease & Stroke Prevent Programs - CDC Prevention Forward	93.426	18-10829	20,108	-
Expenditures Report - AIDS Drug Assistance Program - ADAP	93.783	16-10419	715	-
Passed through California Department of Social Services:				
Guardianship Assistance - FedGap	93.090	N/A	1,211,438	-
Guardianship Assistance - KIN-GAP IV-E Admin	93.090	N/A	19,263	-
Subtotal Guardianship Assistance			1,230,701	-
Promoting Safe and Stable Families	93.556	N/A	785,767	718,437
Temporary Assistance for Needy Families - CalWORKs Asst	93.558	N/A	15,713,925	-
Temporary Assistance for Needy Families - CalWORKs ARC	93.558	N/A	351,658	-
Temporary Assistance for Needy Families - CalWORKs CEC Programs	93.558	N/A	2,777,728	-
Temporary Assistance for Needy Families - CalWORKs Single Allocation	93.558	N/A	21,648,656	8,069,289
Temporary Assistance for Needy Families - CWS TANF	93.558	N/A	4,933,685	-
Temporary Assistance for Needy Families - Fraud Incentive	93.558	N/A	64,459	-
Subtotal TANF			45,490,111	8,069,289
Child Support Enforcement	93.563	N/A	11,389,628	-
Refugee and Entrant Assistance State/Replacement Designee Administered Programs - Refugee Cash Assistance (RCA)				
Refugee and Entrant Assistance State/Replacement Designee Administered Programs - Refugee Cash Assistance (HSA)	93.566	N/A	13,185	-
	93.566	N/A	5,820	-
Subtotal Refugee and Entrant Assistant State/Replacement Designee Administered Programs			19,005	-
Stephanie Tubbs Jones Child Welfare Services Program - CWS IV - B	93.645	N/A	778,651	-

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Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing 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 (Cont'd)				
Foster Care Title IV-E - EA Foster Care	93.658	N/A	\$ 1,762,820	\$ -
Foster Care Title IV-E - Foster Care Licensing	93.658	N/A	27,921	-
Foster Care Title IV-E - Foster Care	93.658	N/A	308,877	-
Foster Care Title IV-E - Foster Care and Extended Foster Care	93.658	N/A	10,146,945	-
Foster Care Title IV-E - Probation IV - E (HSA Admin)	93.658	N/A	648,596	-
Foster Care Title IV-E - SACWIS	93.658	N/A	8,660	-
Foster Care Title IV-E - ECCB - Emergency Child Care Bridge	93.658	N/A	54,443	-
Foster Care Title IV-E - ECCB - Emergency Child Care Bridge (Assistance)	93.658	N/A	112,258	-
Foster Care Title IV-E - CWS IV-E	93.658	N/A	6,459,794	351,670
Foster Care Title IV-E - CSEC	93.658	N/A	392,096	-
Foster Care Title IV-E - CCR and CCR CWD	93.658	N/A	801,877	-
Foster Care Title IV-E - Non CWS	93.658	N/A	422,310	-
Foster Care Title IV-E - Foster Care - HCPCFC (PHS)	93.658	CMS ALLOCATION	368,294	-
Foster Care Title IV-E - PHN Psychotropic Medication Monitoring	93.658	DHCS ALLOCATION	100,364	-
Foster Care Title IV-E - HCPCFC Caseload Relief	93.658	DHCS ALLOCATION	213,843	-
Subtotal Foster Care Title IV-E			<u>21,829,098</u>	<u>351,670</u>
Adoption Assistance - Adoptions (Assistance)	93.659	N/A	11,815,648	-
Adoption Assistance - Adoptions (Admin) (Includes Eligibility)	93.659	N/A	1,882,176	-
Subtotal Adoption Assistance			<u>13,697,824</u>	<u>-</u>
Social Services Block Grant - CWS Title XX	93.667	N/A	1,125,496	-
Social Services Block Grant - CWS Title XX (Assistance)	93.667	N/A	1,048,484	-
Subtotal Social Services Block Grant			<u>2,173,980</u>	<u>-</u>
Chafee Foster Care Independence Program - ILP	93.674	N/A	258,005	6,731
Passed through Partners in Care Foundation, Inc.: Evidence-Based Falls Prevention Program	93.761	90FPSG0005-01-01	14,149	-
Total United States Department of Health and Human Services			<u>143,092,670</u>	<u>10,694,270</u>
Corporation for National and Community Service				
Direct Programs:				
Retired & Senior Volunteer Program (RSVP)	94.002	18SRPCA003	32,939	-
Retired & Senior Volunteer Program (RSVP)	94.002	18SRPCA003	15,888	-
Subtotal Retired & Senior Volunteer Program			<u>48,827</u>	<u>-</u>
Total Corporation for National and Community Service			<u>48,827</u>	<u>-</u>
United States Department of Homeland Security				
Direct Programs:				
Port Security Grant Program	97.056	EMW-2018-PU-00449-501	325,382	-
Passed through United Way:				
Emergency Food and Shelter National Board Program	97.024	Phase 36, ID# 086000-008 (FFY 2018-19)	25,660	-
Passed through California Office of Emergency Services:				
Emergency Management Performance Grants - Year 1	97.042	2019-0003	278,111	-
Homeland Security Grant Program - FY 2016	97.067	2016-0102	178,122	-
Homeland Security Grant Program - FY 2017	97.067	2017-0083	666,279	-
Homeland Security Grant Program - FY 2018	97.067	2018-0054	343,025	-
Subtotal Homeland Security Grant Program			<u>1,187,426</u>	<u>-</u>
Total United States Department of Homeland Security			<u>1,816,579</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 229,819,214</u>	<u>\$ 19,227,604</u>

Note 1 - Basis of Presentation

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, 2020. 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 in the schedule are reported on the modified accrual basis of accounting, except for subrecipient expenditures, which are recorded on the cash basis. When applicable, 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.

Note 3 - Indirect Cost Rate

The County has not elected 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*.

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 - Provider Relief Fund

The County received amounts from the U.S. Department of Health and Human Services (HHS) through the Provider Relief Fund (PRF) program (Federal Financial Assistance Listing/CFDA #93.498) during the year ended June 30, 2020. The County did not incur eligible expenditures and, therefore, no revenues were recognized for the year ended June 30, 2020 on the financial statements. HHS currently has a deadline to incur eligible expenses of June 30, 2021. As a result, the PRF received is reported as unearned revenue on the financial statements.

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	Yes
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major program:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	Yes
Type of auditor's report issued on compliance for major programs:	Unmodified for all major programs except for Department of Health and Human Services - Adoption Assistance Program and Medicaid Cluster and Department of Housing and Urban Development - Continuum of Care, which were qualified.
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	Yes

Identification of major programs:

Name of Federal Program	CFDA Number
Supplemental Nutrition Assistance Program (SNAP) Cluster	10.561
COVID-19 - Food Distribution Cluster	10.568, 10.569
Continuum of Care Program	14.267
WIOA Cluster	17.258, 17.259, 17.278
COVID-19 - Airport Improvement Program	20.106
COVID-19 - Coronavirus Relief Fund	21.019
Help America Vote Act Requirements Payments	90.401
COVID-19 - Public Health Emergency Response:	
Cooperative Agreement for Emergency Response: Public Health Crisis Response - COVID-19 Crisis Response Funding	93.354
Medicaid Cluster	93.778
Foster Care	93.658
Adoption Assistance	93.659
Dollar threshold used to distinguish between type A and type B programs:	\$3,000,000
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

2020-001 SEGREGATION OF INITIATION AND APPROVAL OF TREASURY DEPOSIT RECEIPTS

Criteria:

Internal controls should be established to ensure segregation of duties between the initiation and approval functions over Treasury Deposit Receipts (TDR's).

Condition Found:

Significant Deficiency – We identified one instance in which the TDR's were initiated and approved by the same individuals.

Context:

Through our observation of the internal controls over the County's process for recording and approving TDR's, we identified one instance that there is no segregation of the ability to initiate and approve a TDR by the same individual in the treasury department.

Repeat Finding from Prior Year(s):

Yes, prior year finding 2019-003.

Effect:

There is an increased risk of error or fraud if the critical functions over the TDR process are not properly segregated.

Cause:

The TDR's were initiated and approved by the same individuals.

Recommendation:

We recommend that management implement policies and procedures to segregate the initiation and approval of TDR's.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

Recording of the deposit receipt entry and approval of the entry are segregated for all depositors with the exception of the Solid Waste Division due to the absence of County network connectivity and the PeopleSoft system at the landfill sites. Although the deposit entries for the Solid Waste division may be input by Treasury staff, monthly activity reports published by the Auditor-Controller's Office provide a mechanism for Solid Waste staff to verify deposit amounts. The Treasurer's office continues to explore possible solutions or workarounds to allow the Solid Waste Division to initiate their own deposit entries in PeopleSoft.

<i>Name of Responsible Person:</i>	Mandy Matta, Chief Deputy Treasurer
<i>Name of Department Contact:</i>	Mandy Matta, Chief Deputy Treasurer
<i>Projected Implementation Date:</i>	Ongoing

2020-002

POSTING OF JOURNAL ENTRIES TO FINANCIAL ACCOUNTING SYSTEM

Criteria:

Internal controls should be established to ensure segregation of duties between the initiation and approval functions over journal entries.

Condition Found:

Significant Deficiency – We identified an instance in which a journal entry was initiated and approved by the same individual.

Context:

During our audit, we identified that the individuals in the Auditor-Controller's Office (ACO) have the ability to initiate and approve journal entries that are not subject to separate review by a separate individual prior to posting to the general ledger. We noted that this is limited to four individuals in the ACO.

Repeat Finding from Prior Year(s):

Yes, prior year finding 2019-006.

Effect:

There is an increased risk of error or fraud if the journal entries are initiated and reviewed by the same individuals.

Cause:

The journal entry process did not have proper segregation of duties.

Recommendation:

We recommend that management implement policies and procedures within PeopleSoft to disallow an individual from creating, approving, and posting the same entry or implement a periodic review of these journal entries by a separate individual.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

While the County agrees that these four individuals have the ability to initiate and approve the same journal entry, the frequency of such instances is limited. All journal entries that require initiation by Auditor-Controller staff are reviewed by a separate individual.

<i>Name of Responsible Person:</i>	Jeffery Woltkamp, Assistant Auditor-Controller
<i>Name of Department Contact:</i>	Jeffery Woltkamp, Assistant Auditor-Controller
<i>Projected Implementation Date:</i>	Ongoing

2020-003 CASH DISBURSEMENT PROCESSES

Criteria:

Internal controls should be established to ensure segregation of duties between the creating/editing of vendor files, creating/posting of accounts payable, and the printing of checks.

Condition Found:

Significant Deficiency – We identified a lack of segregation of duties in the Auditor-Controller's Office (ACO) within the processes involving cash disbursements.

Context:

During our audit, we identified that the individuals in the Auditor-Controller's Office (ACO) have the ability to create/edit vendor files, create/post accounts payable, and print checks which are not subject to separate review by a separate individual. We noted that this is limited to two individuals in the ACO.

Repeat Finding from Prior Year(s):

Yes, prior year finding 2019-007.

Effect:

There is an increased risk of error or fraud if management has the ability to override controls in the cash disbursement processes.

Cause:

The cash disbursement process did not have proper segregation of duties.

Recommendation:

We recommend that management implement policies and procedures within PeopleSoft to disallow an individual from creating/editing vendor files, approving and posting accounts payable to the general ledger, and maintain proper physical controls over the safekeeping and printing of checks.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

The County allows these two individuals to have the ability to create vendors, create/post accounts payable, and print checks which are not subject to separate review by a separate individual, as a remedy for emergency payments only, referred to as "express checks". These emergency situations are infrequent. The PeopleSoft system provides identifying information for every step in the accounts payable process. These identifiers allow for independent review. The Auditor's office also keeps a detailed log all express checks issued. These logs are subject to review by staff.

<i>Name of Responsible Person:</i>	Jeffery Woltkamp, Assistant Auditor-Controller
<i>Name of Department Contact:</i>	Jeffery Woltkamp, Assistant Auditor-Controller
<i>Projected Implementation Date:</i>	Ongoing

2020-004 REVENUE RECOGNITION

Criteria:

An effective analysis over unearned revenues should be performed timely to ensure proper revenue recognition in accordance with Statement No. 33 of the Governmental Accounting Standards Board: *Accounting and Financial Reporting for Nonexchange Transactions*.

Condition Found:

Material Weakness – We identified that the County’s current process in analyzing unearned revenue at year end was not performed timely.

Context:

During our audit, we identified that adjustments were made to unearned revenues in the current audit period due to revenues that should have been recognized in the prior audit period. The correction resulted in a prior period adjustment of \$20,436,903.

Repeat Finding from Prior Year(s):

Yes, prior year finding 2019-008.

Effect:

As the analysis over unearned revenues was not performed timely, there is an increased risk of material misstatements to the financial statements.

Cause:

The County’s analysis over unearned revenues was not performed timely.

Recommendation:

We recommend that management perform a timely analysis over unearned revenues at year-end to ensure proper revenue recognition.

Views of Responsible Officials and Planned Corrective Actions:

Management’s or Department’s Responses:

Management agrees. See separate corrective action plan.

The County does perform an analysis over unearned revenues at year-end to ensure proper revenue recognition, however, amounts in prior years were improperly classified as unearned. This classification error was discovered during the current fiscal year analysis of unearned revenues, resulting in the prior period adjustment. The recording error was isolated to a particular fund and was immediately corrected for future recording and analysis. The County will continue to analyze recorded year-end balances of unearned revenues for proper recording.

<i>Name of Responsible Person:</i>	Jeffery Woltkamp, Assistant Auditor-Controller
<i>Name of Department Contact:</i>	Jeffery Woltkamp, Assistant Auditor-Controller
<i>Projected Implementation Date:</i>	June 30, 2021

2020-005 OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY

Criteria:

Reconciliation should be performed by the County to ensure OPEB census data reported by the actuaries is consistent with County records.

Condition Found:

Significant Deficiency – We identified that the County does not perform a reconciliation over the member data reported by the actuaries to the demographic data transmitted to the actuaries.

Context:

During our audit, we identified that the County only transmits active medical census information to the actuary and the inactive information is transmitted to the actuaries by San Joaquin County Employee Retirement System (SJCERA). However, the County does not perform a reconciliation to ensure the member data (active and inactive) reported by the actuaries is consistent with the demographic data transmitted to the actuaries.

Repeat Finding from Prior Year(s):

Yes, prior year finding 2019-009.

Effect:

There is an increased risk that information used by the actuaries to perform their calculations of the OPEB liability are incorrect due to inaccurate reporting.

Cause:

There was no reconciliation of member data reported by the actuary to County records.

Recommendation:

We recommend that management implement procedures to reconcile member data on the GASB 75 report to County records or those records maintained by SJCERA.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

The County will work with both San Joaquin County Employees' Retirement Association (SJCERA) and Cheiron (Actuary) to establish procedures to ensure the member data reported by the Actuary agrees to County records.

Name of Responsible Person: Jeffery Woltkamp, Assistant Auditor-Controller
Name of Department Contact: Jeffery Woltkamp, Assistant Auditor-Controller
Projected Implementation Date: June 30, 2021

2020-006 REVIEW OF CONTRACTUAL RESERVE CALCULATION - HOSPITAL

Criteria:

Health care entities need to estimate its contractual allowances and related patient receivable amounts that ultimately will be realizable in order for revenues to be fairly stated in accordance with generally accepted accounting principles. In addition, preparation of these contractual calculations should be reviewed for accuracy and completeness prior to recording the associated reserve and corresponding allowances in the entities' general ledger.

Condition Found:

Material Weakness – As a result of our audit, we noted that the Hospital's review of receivables contractual reserve related to commercial insurance at the balance sheet date did not detect a material spreadsheet error. Due to a spreadsheet formatting error, which was not identified in the review process, a subsequent adjustment of \$10,385,644 to commercial contractual reserves was needed.

Context:

The Hospital is required to estimate contractual allowances to ensure they are fairly stated in the financial statements.

Repeat Finding from Prior Year(s):

No

Effect:

An adjustment was recorded to commercial contractual reserves and allowances for FY 2020.

Cause:

The Hospital's review did not detect a spreadsheet formatting error, resulting in a material adjustment to the financial statements.

Recommendation:

We recommend that management implement internal controls to ensure that the proper analysis and review of contractual reserve calculation to ensure the estimate is recorded in accordance with generally accepted accounting principles.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

The Hospital has implemented a more streamlined process for preparation and review of the contractual allowance calculation. This will allow the preparer and reviewer to check more data points efficiently. Calculation errors within Excel can more easily be avoided.

<i>Name of Responsible Person:</i>	Chris Roberts, Chief Financial Officer – Hospital
<i>Name of Department Contact:</i>	Chris Roberts, Chief Financial Officer – Hospital
<i>Projected Implementation Date:</i>	April 2021

2020-007

COLLECTION OF PATIENT RESPONSIBILITY FORMS - HOSPITAL

Criteria:

The Hospital should maintain policies and procedures to ensure that Patient Responsibility Forms establishing a patient receivable are collected and maintained.

Condition Found:

Significant Deficiency – As a result of our audit procedures over the Hospital's patient revenue, we noted 8 patient encounters where a Patient Responsibility Form was not signed by the patient.

Context:

Patient Responsibility Forms should be signed in order to establish financial responsibility of the patient for the encounter and as such, establish the patient receivable. We noted that Patient Responsibility Forms were not present for encounters recorded in the Hospital's patient billing system.

Repeat Finding from Prior Year(s):

Yes, prior year finding 2019-012.

Effect:

There is an increased risk that receivable balances would not be enforceable if subsequently contested by the patient after their encounter.

Cause:

The Hospital did not appear to have adequate internal controls in place to obtain and safeguard patient responsibility forms as inadequate custodial practices led to the missing Patient Responsibility Forms for the encounters.

Recommendation:

We recommend that management implement policies and procedures to require the Patient Responsibility Form to be filled out by all patients and properly archived.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

Hospital management does have procedures in place to collect Patient Responsibility forms. There are situations when intake personnel are unable to obtain forms due to the medical condition or social factors of the patient. Management recognizes the need to reinforce the procedure and archiving of forms by re-educating staff, especially since this was a finding from prior year's audit.

<i>Name of Responsible Person:</i>	Chris Roberts, Chief Financial Officer – Hospital
<i>Name of Department Contact:</i>	Chris Roberts, Chief Financial Officer – Hospital
<i>Projected Implementation Date:</i>	June 30, 2021

2020-008 INTERNAL CONTROLS OVER THE CHANGES OF RATES IN THE CHARGE DESCRIPTION MASTER - HOSPITAL

Criteria:

The Hospital should maintain policies and procedures to ensure that rate changes in the Charge Description Master are identified and reviewed and approved appropriately.

Condition Found:

Significant Deficiency – As a result of our audit, we noted that the Hospital did not appear to have adequate internal controls in place to identify, review, and approve CDM rate changes. We noted that rate changes could be manually initiated by Hospital staff through Cerner support personnel without CFO approval. Further, we noted that the hospital did not utilize change logs which might identify any rate changes made.

Context:

The above condition was identified during our audit procedures over the Hospital's patient revenue cycle.

Repeat Finding from Prior Year(s):

No

Effect:

Unauthorized rate changes could lead to incorrect billings and recording of revenue.

Cause:

Rate changes were made to the CDM which were not reviewed by the CFO.

Recommendation:

We recommend that management implement internal controls to ensure that all charge rates changed are identified and reviewed by appropriate Hospital personnel.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

The Hospital acknowledges the need to maintain controls over rates changes, but also that Cerner does not have the reporting capability to help monitor such changes. The Hospital will reinforce its manual review process which entails keeping track of submitted service requests for rate changes and reviewing monthly charge reports to review for unauthorized charge changes.

Name of Responsible Person:

Chris Roberts, Chief Financial Officer – Hospital

Name of Department Contact:

Chris Roberts, Chief Financial Officer – Hospital

Projected Implementation Date:

April 2021

2020-009 TIMECARD APPROVALS - HOSPITAL

Criteria:

Internal controls should be established to ensure the approval of timecards on a timely basis.

Condition Found:

Significant Deficiency – We identified an instance in which no subsequent review of timecards was performed over timecards that were automatically approved by the payroll system.

Context:

Employee timecard sample was not signed off by employee’s manager for one work week of the biweekly pay period. During our inquires with payroll personnel and observation of the payroll process, it was identified that timecards which have not been approved by designated Department Approvers on payroll processing periods ending on holidays are automatically approved by the payroll system. We observed that there is no subsequent documented review or approval of the timecards which were automatically approved by the payroll system by the designed Department Approvers.

Repeat Finding from Prior Year(s):

No

Effect:

There is an increased risk of error or fraud if the system-approved timecards are not reviewed by management.

Cause:

The timecard that was automatically approved by the payroll system did not have evidence of review by management.

Recommendation:

We recommend that the County implement policies and procedures to perform and document the review and approval of timecards that were automatically approved by the payroll system.

Views of Responsible Officials and Planned Corrective Actions:

Management’s or Department’s Responses:

Management agrees. See separate corrective action plan.

The Hospital payroll team has a process in place to review for management approval of timecards. Before time is entered into the system, timecards will be reviewed for appropriate signatures. Management who fail to sign timecards will need to come to the payroll department to approve.

Name of Responsible Person: Chris Roberts, Chief Financial Officer – Hospital
Name of Department Contact: Chris Roberts, Chief Financial Officer – Hospital
Projected Implementation Date: June 30, 2021

2020-010 CASH HANDLING - HOSPITAL

Criteria:

Internal and physical controls should be established to ensure proper handling and safeguarding of cash.

Condition Found:

Significant *Deficiency* – We identified that the Hospital did not maintain proper physical controls over cash when dropping deposits off with the cashier.

Context:

Per inquiry with the Cashier it was noted that departments would drop off cash to her directly and in times that the cashier was unavailable, would leave the cash on her desk unattended.

Repeat Finding from Prior Year(s):

No

Effect:

There is an increased risk of fraud and asset misappropriation as the Hospital did not have proper internal controls over cash handling.

Cause:

The Hospital did not have policies and procedures to ensure proper handling of cash.

Recommendation:

We recommend that management implement policies and procedures over proper cash handling to establish a secure custodial change-over of cash deposits.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

The cashier function has been moved to the Patient Financial Services department in a more secure location. New cash handling policies have been developed based on the position move.

<i>Name of Responsible Person:</i>	Chris Roberts, Chief Financial Officer – Hospital
<i>Name of Department Contact:</i>	Chris Roberts, Chief Financial Officer – Hospital
<i>Projected Implementation Date:</i>	June 30, 2021

2020-011 CAPITAL ASSETS

Criteria:

Internal controls should be established to ensure capital assets are properly capitalized and recorded in the correct period.

Condition Found:

Significant Deficiency – We identified an instance in which capital assets were not recorded in the correct period and an instance in which expenditures were improperly capitalized as capital assets.

Context:

Based on our audit procedures performed over the County's capital assets rollforward schedule, we identified that \$210,585 of capital asset additions purchased in the prior year were recorded as current year additions for the Solid Waste fund. We also identified \$1,683,589 of expenditures that were not construction-in-progress (CIP) related to be recorded as CIP additions in the CY.

Repeat Finding from Prior Year(s):

No

Effect:

The capital assets rollforward and the financial statements were misstated.

Cause:

The County's current review process was not effective in preventing misstatements in capital assets.

Recommendation:

We recommend that management implement policies and procedures over proper cash handling to establish a secure custodial change-over of cash deposits.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Response:

Management agrees. See separate corrective action plan.

The County Auditor-Controller's Office reviews and verified information received from County departments as it pertains to the processing of capital assets. The County will work to establish additional procedures to provide further analysis of Solid Waste CIP expenditures

<i>Name of Responsible Person:</i>	Jeff Woltkamp, Assistant Auditor-Controller
<i>Name of Department Contact:</i>	Jeff Woltkamp, Assistant Auditor-Controller
<i>Projected Implementation Date:</i>	June 30, 2021

2020-012

LANDFILL LIABILITY

Criteria:

Internal controls should be established to ensure landfill liability is properly recorded.

Condition Found:

Significant Deficiency – Landfill liabilities recorded was not properly supported.

Context:

Based on our audit procedures performed over the County's landfill closure liability for the Solid Waste fund, we identified that the landfill liability recorded by the County did not agree to underlying supporting documents as a result of subsequent changes to the landfill liability calculation made by the Public Works department.

Repeat Finding from Prior Year(s):

No

Effect:

Landfill liability was understated by \$554,269.

Cause:

The County's current review process was not effective in preventing misstatements in landfill liabilities.

Recommendation:

We recommend that County improve its current review process of landfill liabilities to mitigate the risk of financial statements misstatements.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Response:

Management agrees. See separate corrective action plan.

This finding was primarily due to regulatory estimate changes made after the completion of the landfill liability calculation. Estimates initially submitted to the County Auditor-Controller's Office for review and processing were later changed without informing the County Auditor-Controller. Solid Waste staff believes these process errors have been mitigated and will ensure the County Auditor-Controller is promptly informed of any changes made to landfill estimates.

<i>Name of Responsible Person:</i>	Jeff Woltkamp, Assistant Auditor Controller
<i>Name of Department Contact:</i>	Jeff Woltkamp, Assistant Auditor-Controller
<i>Projected Implementation Date:</i>	June 30, 2021

Section III – Federal Award Findings and Questioned Costs

2020-013 **Program:** Medicaid Cluster – In-Home Supportive Services (IHSS)
CFDA No.: 93.778
Federal Agency: U.S. Department of Health and Human Services
Passed-through: California Department of Health Care Services
Award Year: 2019-2020
Compliance Requirement: Eligibility
Grant Award Number: N/A

Criteria:

Per the *2020 OMB Compliance Supplement*, agencies are required to maintain documentation to support the agency’s eligibility determination, and to redetermine eligibility at least every 12 months to determine if individuals continue to be eligible in accordance with the compliance requirements of the program. In addition, the State of California Department of Social Services (CDSS) regulations also state that County’s social services staff are to have a face-to-face contact at least once every 12 months, except as provided in MPP section 30-761.215 through 30-761.217, to adequately determine that the recipient continues to reside safely in their home with the IHSS services provided (MPP Section 30-761.13).

Condition Found:

Material Weakness, Material Instance of Non-Compliance – Of the 60 case files sampled for each of the Medicaid Cluster Programs, we noted the following:

Medicaid Cluster – In-Home Supportive Services (IHSS)

- 22 of 60 cases where the recipient eligibility redetermination was not performed timely (Exceeded the 12-month requirement).
- 1 of 60 cases where the initial application was not signed by the social worker.
- 1 of 60 cases where the health care certification form was not in the case file.

Questioned Costs:

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

Context/Sampling:

Medicaid Cluster – In-Home Supportive Services (IHSS)

A nonstatistical sample of 60 case files out of 8,542 case files were selected for eligibility testing.

Through testwork of specific requirements related to eligibility, it was noted that redeterminations were not performed on a timely basis and files were not properly maintained in the case file.

Repeat Finding from Prior Year(s):

Yes, prior year finding 2019-015.

Effect:

Lack of timely eligibility redeterminations and proper support documentation in case file resulted in noncompliance with the requirements of the federal program.

Cause:

The County did not ensure that the eligibility redeterminations were performed on a timely basis and that the eligibility case files contained documentation to support eligibility.

Recommendation:

We recommend that County implement policies and procedures to ensure eligibility redeterminations are performed on a timely basis and that proper documentations are maintained in case files.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

Medical Cluster – In-Home Supportive Services (IHSS)

The County has recently implemented a new “floater” position to assist in maintaining compliance when social workers are out on extended medical leaves. Overtime is currently being used to improve redetermination backlog and seven additional Social Worker positions are requested in the 2021-2022 budget. The County may also utilize part time Social Workers to ensure compliance with the 12-month requirement.

<i>Name of Responsible Person:</i>	Medical Cluster – In-Home Supportive Services (IHSS): Renee Smith, IHSS Program Manager
<i>Name of Department Contact:</i>	Medical Cluster – In-Home Supportive Services (IHSS): Renee Smith, IHSS Program Manager
<i>Projected Implementation Date:</i>	Medical Cluster – In-Home Supportive Services (IHSS): Continue floater position/Hiring Additional Social Workers – August 2021

2020-014 **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: 2019-2020
Compliance Requirement: Activities Allowed or Unallowed, Allowable Costs/Cost Principles and Eligibility
Grant Award Number: N/A

Criteria:

The *2020 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 Instances of Non-Compliance – During our eligibility testing of 60 Adoption Assistance case files, we noted that:

- 12 case files were missing the FC8 form that documents federal eligibility. This primarily pertains to case files that predate FY 2014.
- 2 case files received federal assistance payments for the entire fiscal year 2019/2020 but were deemed ineligible.

Questioned Costs:

We noted known question costs of \$17,988.

Context/Sampling:

A nonstatistical sample of 60 case files out of 1,979 case files were selected for eligibility testing.

Through 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*.

Repeat Finding from Prior Year(s):

Yes, prior year finding 2019-016.

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

Recommendation:

We recommend that County implement policies and procedures to ensure that documentation required to support eligibility is properly maintained in the files. We also recommend that County ensure eligibility files that predate FY 2014 to include all required documentation to support the federal eligibility determination.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

Beginning in 2014, all new Adoption Assistance (AAP) cases are reviewed to ensure the FC8 is included in the case record. Beginning late 2018, all AAP cases are reviewed at reassessment to ensure the FC8 is included in the case record. Additionally, the Eligibility Supervisor assigned to the Foster Care (FC)/AAP unit will begin reviewing 10% (approximately 330) of the active AAP cases when the annual Cost of Living Adjustment (COLA) is processed to ensure accuracy. AAP COLAs are currently processed manually – with the implementation of CalSAWS, this process will be automated and thus greatly reducing potential errors regarding COLAs and claiming codes.

<i>Name of Responsible Person:</i>	Frank Hernandez, FC and AAP Eligibility Supervisor
<i>Name of Department Contact:</i>	Frank Hernandez, FC and AAP Eligibility Supervisor
<i>Projected Implementation Date:</i>	Reviewing for FC8 at reassessment was implemented in late 2018 and has continued. FC/AAP unit will continue the 10% review process.

2020-015 **Program:** Highway Planning and Construction Cluster
CFDA No.: 20.205
Federal Agency: U.S. Department of Transportation
Passed-through: California Department of Transportation
Award Year: 2018-2019
Compliance Requirement: Activities Allowed or Unallowed and Allowable Costs/Costs Principles
Grant Award Number: Various

Criteria:

Per the *2020 OMB Compliance Supplement* and criteria contained in 2 CFR part 200, costs must not consist of improper payments including payments that should not have been made or that were made in incorrect amounts (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements.

Condition Found:

Significant Deficiency, Instance of Non-Compliance – As a result of our audit procedures, we noted that one employee had an incorrect hourly rate applied to their project labor charges.

Questioned Costs:

We noted known questioned costs of \$657.

Context/Sampling:

A nonstatistical sample of 40 timecards, out of 2,397 total timecards, were selected for testing.

During our testing of program payroll costs, we identified an instance in which an employee's hourly rate was being erroneously charged to the program at an additional \$2 per hour over the course of four pay periods. The error resulted in a total of 298.5 hours being charged at the incorrect rate of \$67.59 instead of \$65.39 per hour.

Repeat Finding from Prior Year(s):

Yes, prior year finding 2019-019.

Effect:

There is an increased risk of non-compliance as the wrong hourly rates were charged to the program.

Cause:

The review process in place did not ensure the correct hourly rates were charged to the program.

Recommendation:

We recommend that County implement policies and procedures to ensure the correct hourly rates are being used for labor charges for each employee.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

Once applied rates are entered, a report will be run displaying applied rates for each employee creating an easy matching entry with the calculated applied rates spreadsheet in excel. Every adjustment to the employee's file for rate adjustment will be followed up with an applied rate check and balance once payroll is posted. The Department Payroll processor will track these changes. Once posting for the adjusted period is made, the accountant will run a report and check that the rate is calculating in the system correctly. In the event there is a difference, the rates will be researched.

<i>Name of Responsible Person:</i>	Dionna Pancoast, Accounting Manager
<i>Name of Department Contact:</i>	Melissa Mullin, Policies & Procedures Staff Analyst
<i>Projected Implementation Date:</i>	April 2021

2020-016

Program: Airport Improvement Program
CFDA No.: 20.106
Federal Agency: U.S. Department of Transportation
Passed-through: N/A
Award Year: 2019-2020
Compliance Requirement: Special Tests & Provisions – Wage Rate Requirements
Grant Award Number: Various

Criteria:

The 2020 OMB Compliance Supplement requires that the Airport notify contractors and subcontractors of the requirements to comply with the Wage Rate Requirements and obtain copies of certified payrolls.

Condition Found:

Material Weakness, Instance of Non-Compliance – As a result of our audit procedures, we noted the following:

- The certified payroll reports for 3 of 3 contracts tested did not have evidence of review by the Airport to ensure they are prepared properly and submitted timely.

- The certified payroll reports for 1 of 3 contracts tested were not submitted timely as the reports for May and June 2020 were submitted in March 2021.

Questioned Costs:

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

Context/Sampling:

A nonstatistical sample of 3 of 3 construction contracts were selected for certified payroll report testing.

Repeat Finding from Prior Year(s):

Yes, prior year finding 2019-022.

Effect:

Contractors and subcontractors may not submit certified payroll properly or timely thus increasing the risk of Airport's noncompliance with the special test and provision wage rate requirements.

Cause:

The condition is caused by the Airport not having policies and procedures in place to comply with the wage rate requirements.

Recommendation:

We recommend that Airport implement policies and procedures to review certified payroll reports submitted by contractors and subcontractors to ensure they are prepared properly and submitted timely.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

Stockton Metropolitan Airport will establish a procedure to ensure contractors are reporting their wage rate requirements properly.

<i>Name of Responsible Person:</i>	Russel Stark, Airport Director
<i>Name of Department Contact:</i>	Jefferson Marcia, Accountant II
<i>Projected Implementation Date:</i>	June 2021

2020-017 **Program:** Airport Improvement Program
CFDA No.: 20.106
Federal Agency: U.S. Department of Transportation
Passed-through: N/A
Award Year: 2019-2020
Compliance Requirement: Reporting
Grant Award Number: Various

Criteria:

Per 2 CFR Section 200.62 – *Internal control over compliance requirements for Federal awards*, internal controls should be established by the grantee to ensure compliance with the applicable federal compliance requirements.

Condition Found:

Significant Deficiency, Instance of Non-Compliance – As a result of our audit procedures, we noted that the annual reports submitted to cognizant agency did not have evidence of review by the Airport.

Questioned Costs:

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

Context/Sampling:

A nonstatistical sample of 7 of 16 total report submissions were selected for testing, and we noted that the annual reports, Form 5100-126 and 5100-127, were prepared and submitted by the accounting manager while the other required reports were prepared by the accounting manager and reviewed by the airport director prior to submission.

Repeat Finding from Prior Year(s):

No

Effect:

The required reports may not be prepared properly, thus increasing the risk of Airport's noncompliance with the special test and provision wage rate requirements.

Cause:

The condition is caused by the Airport not having policies and procedures in place to review the annual reports prior to submission.

Recommendation:

We recommend that Airport implement policies and procedures to review the annual reports to ensure they are prepared properly prior to submission.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

Stockton Metropolitan Airport will establish a procedure to ensure that the annual reports are reviewed prior to submission.

<i>Name of Responsible Person:</i>	Russel Stark, Airport Director
<i>Name of Department Contact:</i>	Jefferson Marcia, Accountant II
<i>Projected Implementation Date:</i>	June 2021

2020-018

Program: Continuum of Care
CFDA No.:14.267
Federal Agency: U.S. Department of Housing and Urban Development
Pass-through: N/A
Award Year: 2019-2020
Compliance Requirement: Matching, Earmarking
Grant Award Number: Various

Criteria:

Per 2 CFR Section 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.

Per the *2020 OMB Compliance Supplement*, the recipient or subrecipient must match all grant funds with no less than 25 percent of cash or in-kind contributions from other sources, except for leasing funds.

Per *2020 OMB Compliance Supplement*, no more than 10 percent of any grant awarded may be used for paying the costs of administering the assistance. Administrative costs include the costs associated with general management, oversight, and coordination, training on the program requirements, and environmental review.

Condition Found:

Material Weakness, Material Instance of Noncompliance – As a result of our audit procedures, we noted the following:

- Matching Compliance Requirement:
 - The County did not have policies and procedures in place to ensure compliance with the requirement that the recipient or subrecipient must match all grant funds with no less than 25 percent of cash or in-kind contributions from other sources, except for leasing funds.
- Earmarking Compliance Requirement:
 - The County did not have policies and procedures in place to ensure compliance with the requirement that no more than 10 percent of any grant awarded may be used for paying the costs of administering the assistance.
- Subrecipient's claims:
 - The County did not have policies and procedures in place to ensure the claims submitted by the subrecipients were properly supported by supporting documentation (i.e. invoices, check copies, etc.).

Questioned Costs:

We noted known questioned costs of \$2,554,522.

Context/ Sampling:

A nonstatistical sample of 30 reimbursements out of 138 total reimbursements were selected for testing, which accounted for \$2,554,522 of the \$4,776,144 of federal program expenditures.

We noted that \$4,560,296 of total program expenditures of \$4,776,144 passed-through to one of the two subrecipients were not properly verified as the underlying support provided by the subrecipient were excel spreadsheets from the subrecipient's system ledger. As a result, the County did not have the information necessary to ensure compliance with the matching compliance requirement. In addition, we noted 26 of 30 drawdowns tested in which the County did not obtain sufficient underlying documentation from the subrecipient to ensure compliance with the earmarking compliance requirement. We also noted 3 of the 30 drawdowns tested had administrative costs that were erroneously categorized as operating costs during the claims process.

Repeat Finding from Prior Year(s):

Yes, prior year finding 2019-023

Effect:

As the appropriate underlying documentations of program expenditures were not obtained or available, the program expenditures could not be verified, and thus may result in noncompliance with program requirements.

Cause:

The County did not implement policies and procedures to ensure compliance with program requirements.

Recommendation:

We recommend that the County implement policies and procedures to ensure compliance with the program's matching and earmarking requirements. We also recommend that the County implement policies and procedures to ensure proper supporting documentations are obtained from its subrecipients and that the claims are critically reviewed for accuracy and reasonableness.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

Matching Compliance Requirement

The County has taken action and implemented an invoice form on July 1, 2019, to be used by the subrecipients when submitting an invoice. This invoice tracks matching funds required by the subrecipients. The County has updated the current written policies and procedures to ensure matching compliance requirements and to ensure proper supporting documentation is obtained from the subrecipients. The County was not aware that we were not in compliance during the 2019/2020 fiscal year since we did not receive our 2018/2019 fiscal year audit findings until March 10, 2020.

Earmarking Compliance Requirement

The County does review the subrecipient's invoices to determine that no more than ten percent of any grant awarded is used for paying the costs of administering the assistance. The County utilizes a spreadsheet in conjunction with available administrative funds indicated in the Electronic Line of Credit Control System (eLOCCS) to ensure compliance. The County acknowledges that while HUD has not questioned the County's earmarking of activities during prior monitorings, the determination made during the audit that certain costs need to be categorized as Administrative activities instead of Operating activities has been addressed. The County has improved the current written policies and procedures to ensure earmarking compliance requirements.

Subrecipient's Claims

The County does require the invoices submitted by the subrecipients to provide supporting documentation. In the case of Central Valley Low Income Housing Corporation (CVLIHC), because of the large number of clients that are continuing from month to month, the County has accepted a QuickBooks ledger to track previously vetted clients and allow CVLIHC to submit checks for verification of new clients only. The County, with HUD's approval, has monitored the subrecipients on an annual basis to ensure that all claims submitted have supportive documentation. The County has updated the current written policies and procedures to ensure proper supporting documentation is obtained from its subrecipients and that the claims are critically reviewed for accuracy and reasonableness.

Name of Responsible Person: Chris Becerra, Management Analyst III
Name of Department Contact: Chris Becerra, Management Analyst III
Projected Implementation Date: June 2021

2020-019

Program: Continuum of Care
CFDA No.: 14.267
Federal Agency: U.S. Department of Housing and Urban Development
Pass-through: N/A
Award Year: 2019-2020
Compliance Requirement: Special Tests and Provisions – Reasonable Rental Rates
Grant Award Number: Various

Criteria:

Per the *2020 OMB Compliance Supplement*, where grants are used to pay for rent for all or a part of a structure, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent may not exceed rents currently being charged by the same owner for comparable unassisted space (24 CFR section 578.49(b)(1)).

Where grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units taking into account relevant features. In addition, the rents may not exceed rents currently being charged by the same owner for comparable unassisted units, and the portion of rents paid with grant funds may not exceed HUD-determined fair market rents. Grant funds in an amount up to one month's rent may be used to pay the non-recipient landlord for any damages to leased units by homeless participants (24 CFR sections 578.49(b)(2) and 578.51(g) and (j)).

Condition Found:

Material Weakness, Material Instance of Non-Compliance – As a result of our procedures performed, we noted that the County did not have policies and procedures in place to ensure compliance with the Special Tests and Provisions – Reasonable Rental Rates requirement. Also, the County did not have policies and procedures in place to ensure the claims submitted by the subrecipients were properly supported by supporting documentation.

Questioned Costs:

We noted known questioned costs of \$2,107,735

Context/ Sampling:

A nonstatistical sample of 30 reimbursements out of 138 total reimbursements were selected for testing, which accounted for \$2,554,522 of the \$4,776,144 of federal program expenditures.

Through inquiry and testing, we noted that the County did not have policies and procedures in place to ensure its subrecipients establish reasonableness of rents being charged. The County did not review rental records to ensure contract rents being paid are comparable with those paid for unassisted units, no more than one month's rent is paid for tenant damages and that the portion of rents paid with grant funds do not exceed fair market rents. In addition, the claims submitted by the subrecipients did not contain proper underlying documentation to support any of the rent amounts being paid.

Repeat Finding from Prior Year(s):

Yes, prior year finding 2019-024

Effect:

Program expenditures related to rents paid may be reported and claimed in inaccurate amount which could result in noncompliance with the program's requirement.

Cause:

The County did not implement policies and procedures to ensure compliance with program requirements.

Recommendation:

We recommend that the County implement policies and procedures to ensure compliance with the program's Special Tests and Provisions – Reasonable Rental Rates requirement. We also recommend that the County implement policies and procedures to ensure proper supporting documentations are obtained from its subrecipients.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

Special Tests and Provisions – Reasonable Rental Rates requirement

The subrecipients perform a Reasonable Rent Rate Calculation as part of each client's file. The Reasonable Rental Rate Calculation documentation has typically been verified as part of the County's annual monitoring process. The County has updated the current written policies and procedures to ensure compliance with the program's Reasonable Rental Rate requirements. The County will also ensure that with every new client entering into the program, Reasonable Rental Rate documentation will be required with their rental agreement. The County was not aware that we were not in compliance during the 2019/2020 fiscal year since we did not receive our 2018/2019 fiscal year audit findings until March 10, 2020.

<i>Name of Responsible Person:</i>	Chris Becerra, Management Analyst III
<i>Name of Department Contact:</i>	Chris Becerra, Management Analyst III
<i>Projected Implementation Date:</i>	June 2021

2020-020

Program: COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response

CFDA No.: 93.354

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

Pass-through: California Department of Health Care Services

Award Year: 2019-2020

Compliance Requirement: Cash Management

Grant Award Number: COVID-19-39 SJC

Criteria:

Per 2 CFR 200.302(b)(6), non-federal entities must establish written procedures to implement the requirements of 2 CFR section 200.305 – *Federal payment*.

Condition Found:

Significant Deficiency, Instance of Non-Compliance – As a result of our audit procedures over cash management, we noted the County has not established written procedures to implement the cash management requirements of 2 CFR 200.305 (Payment).

Questioned Costs:

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

Context/ Sampling:

The condition noted above was identified during our testing over cash management.

Repeat Finding from Prior Year(s):

No

Effect:

The County did not have written procedures over cash management as required by Uniform Guidance, thus increasing the risk of noncompliance with the requirements of the program.

Cause:

The County did not ensure the required written procedures were developed and implemented in accordance with uniform guidance.

Recommendation:

We recommend that the County implement written policies and procedures to comply with the requirements of CFR 200.302(b)(6).

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

Although federal funds received by Public Health Services are handled consistent with requirements of 2 CFR section 200.305, no written policy and procedure was developed as required. Management agrees with the Auditor's recommendation and has developed a written Cash Management Policy which documents current procedure and will continue to utilize this policy moving forward.

<i>Name of Responsible Person:</i>	Bruce Cosby, Management Analyst III
<i>Name of Department Contact:</i>	Bruce Cosby, Management Analyst III
<i>Projected Implementation Date:</i>	May 2021

2020-021 **Program:** Help America Vote Act Requirements Payments
CFDA No.: 90.401
Federal Agency: U.S. Election Assistance Commission
Pass-through: California Department of Community Services and Development
Award Year: 2019-2020
Compliance Requirement: Cash Management
Grant Award Number: 16G30119, 18G26139, 18G27139

Criteria:

Per 2 CFR 200.302(b)(6), non-federal entities must establish written procedures to implement the requirements of 2 CFR section 200.305 – Federal payment.

Condition Found:

Significant Deficiency, Instance of Non-Compliance – As a result of our audit procedures over cash management, we noted the County has not established written procedures to implement the cash management requirements of 2 CFR 200.305 (Payment).

Questioned Costs:

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

Context/ Sampling:

The condition noted above was identified during our testing over cash management.

Repeat Finding from Prior Year(s):

No

Effect:

The County did not have written procedures over cash management as required by Uniform Guidance, thus increasing the risk of noncompliance with the requirements of the program.

Cause:

The County did not ensure the required written procedures were developed and implemented in accordance with uniform guidance.

Recommendation:

We recommend that the County implement written policies and procedures to comply with the requirements of CFR 200.302(b)(6).

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

Though the processes utilized by the Registrar of Voters Office to deposit federal funds meet the standards of 2 CFR section 200.305, no written policies and procedures are in place to document these processes and ensure ongoing compliance with federal cash management requirements. Management agrees with Auditor's recommendation and will develop and implement a written Policy and Procedure for Cash Management by the end of May 2021.

<i>Name of Responsible Person:</i>	David Newaj, Information Systems Assistant Director
<i>Name of Department Contact:</i>	Dennis Manzo, Information Systems - Admin
<i>Projected Implementation Date:</i>	May 2021

2020-022

Program: Supplemental Nutrition Assistance Program (SNAP) Cluster

CFDA No.: 10.561

Federal Agency: U.S. Department of Agriculture

Pass-through: California Department of Social Services

Award Year: 2019-2020

Compliance Requirement: Subrecipient Monitoring

Grant Award Number: Various

Criteria:

The 2020 *OMB Compliance Supplement* and 2 CFR Section 200.331(a) 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. Additionally, 2 CFR 200.331(b) requires a pass-through entity (PTE) to evaluate each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward. This may include consideration of the following factors:

- Subrecipient's prior experience with the same or similar subawards;
- Results of previous audits including whether the subrecipient receives a Single audit in accordance with the *Uniform Guidance*;
- New personnel or system changes;
- Extent of Federal awarding agency monitoring.

2 CFR Section 200.331(f) requires that the pass-through entity verify that every subrecipient is audited as required by Subpart F – *Audit Requirements* when the subrecipient’s Federal awards are expended during the respective fiscal year equaled or exceeded the threshold set forth in Section 200.501 – *Audit Requirements*.

Condition Found:

Significant Deficiency, Instance of Non-Compliance – We noted 2 instances out of 3 where the County did not identify all of the required elements of the subaward in accordance with 2 CFR 200.331(a). In addition, we noted that the County did not perform a risk assessment on the program’s subrecipients in accordance with 2 CFR 200.331(b).

Questioned Costs:

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

Context/ Sampling:

A nonstatistical sample of 2 subrecipients out of 3 subrecipients were selected for testing, which accounted for \$9,343 of \$314,738 of federal program expenditures.

The condition noted above was identified during our testing over subrecipient monitoring requirements of the program. We noted that the County implemented subrecipient monitoring policies and procedures effective October 2018; however, the subrecipients selected for testing entered into a contract with the County prior to October 2018, therefore, the required risk assessment or monitoring procedures were not performed. The amount passed-through to the subrecipients subject to testing was \$9,343.

Repeat Finding from Prior Year(s):

Yes, prior year finding 2019-017

Effect:

The County did not identify the required elements of the subaward to the subrecipient nor did the County perform a risk assessment on the subrecipient, increasing the likelihood of noncompliance in relation to the program.

Cause:

The County did not have policies and procedures in place to ensure that the subawards contain the required elements pursuant to 2 CFR 200.331(a) for the period prior to October 2018. Additionally, the County’s procedures did not ensure the required risk assessment activities were performed in accordance with the Uniform Guidance. The County’s procedures did not ensure that the subrecipients underwent a Single Audit during the appropriate periods.

Recommendation:

We recommend that the County prepare subaward agreements that contain all of the required elements as specified in 2 CFR 200.331(a)(1) and document the risk assessment associated with each subrecipient in accordance with 2 CFR 200.331(b). Additionally, it is recommended that the County develop monitoring procedures to verify whether the subrecipient is required to have a Single Audit, and if so, whether or not the subrecipient had one completed.

Views of Responsible Officials and Planned Corrective Actions:

Management's or Department's Responses:

Management agrees. See separate corrective action plan.

The contracts for the two found instances were issued prior to completion of the Sub-recipient Monitoring Procedures. Monitoring was in place for new sub-recipient awards procured after October 1, 2018. The procedures include both pre and post award requirements for sub recipients, program staff and administrative-finance staff. The pre-award process includes determination if a single audit is required from the potential awardee, and, if completed, presented to Public Health Services prior to awarding. If the funding will put the entity into a position to require a single audit, PHS staff will inform the sub-recipient prior to awarding. Another of the requirements is an exhibit that is attached to the contract that includes all elements required by 2 CFR 200.331(a). Additionally, the procedures also detail a comprehensive risk assessment of potential sub-recipients that includes review by both program and administrative-finance staff.

<i>Name of Responsible Person:</i>	Bruce Cosby, Management Analyst III
<i>Name of Department Contact:</i>	Bruce Cosby, Management Analyst III
<i>Projected Implementation Date:</i>	June 2021

County of San Joaquin, California
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2020

Finding No.	Program Name/Description	CFDA No.	Compliance Requirement	Status of Corrective Action
2019-001	Property Tax Assessment Valuation Changes	N/A	N/A	Implemented
2019-002	Property Tax Roll Corrections Initiated by the Auditor-Controller Property Tax Division	N/A	N/A	Implemented
2019-003	Segregation of Initiation and Approval of Treasury Deposit Receipts	N/A	N/A	Not Implemented - See Finding 2020-001.
2019-004	Airport Cash Handling	N/A	N/A	Implemented
2019-005	Airport Receipting Process	N/A	N/A	Implemented
2019-006	Posting of Journal Entries to Financial Accounting System	N/A	N/A	Not Implemented - See Finding 2020-002.
2019-007	Cash Disbursement Processes	N/A	N/A	Not Implemented - See Finding 2020-003.
2019-008	Revenue Recognition	N/A	N/A	Not Implemented - See Finding 2020-004.
2019-009	Other Postemployment Benefits (OPEB) Liability	N/A	N/A	Not Implemented - See Finding 2020-005.
2019-010	Untimely Reconciliations for Cash Amounts Held by the County - Hospital	N/A	N/A	Implemented
2019-011	Balance Sheet Reconciliations and Third-Party Settlements - Hospital	N/A	N/A	Implemented
2019-012	Collection of Patient Responsibility Forms - Hospital	N/A	N/A	Not Implemented - See Finding 2020-007.
2019-013	Recording (Valuation) and Safeguarding of Inventory - Hospital	N/A	N/A	Implemented
2019-014	Schedule of Expenditures of Federal Awards (SEFA)	N/A	N/A	Implemented
2019-015	Medicaid Cluster	93.778	Eligibility	Not Implemented - See Finding 2020-013.
2019-016	Adoption Assistance	93.659	Activities Allowed or Unallowed, Allowable Costs/Cost Principles and Eligibility	Not Implemented - See Finding 2020-014.
2019-017	Supplemental Nutrition Assistance Program (SNAP)	10.561	Special Tests and Provisions - Automated Data Processing (ADP) Systems for SNAP	Implemented

County of San Joaquin, California
 Summary Schedule of Prior Audit Findings
 Year Ended June 30, 2020

Finding No.	Program Name/Description	CFDA No.	Compliance Requirement	Status of Corrective Action
2019-018	Supplemental Nutrition Assistance Program (SNAP)	10.561	Subrecipient Monitoring	Partially Implemented - See Finding 2020-022.
2019-019	Highway, Planning and Construction Cluster	20.205	Activities Allowed or Unallowed, Allowable Costs/Cost Principles	Not Implemented - See Finding 2020-015.
2019-020	Airport Improvement Program (AIP)	20.106	Cash Management	Implemented
2019-021	Airport Improvement Program (AIP)	20.106	Special Tests and Provisions - Revenue Diversion	Implemented
2019-022	Airport Improvement Program (AIP)	20.106	Special Tests and Provisions - Wage Rate Requirements	Partially Implemented - See Finding 2020-016.
2019-023	Continuum of Care	14.267	Matching, Earmarking	Not Implemented - See Finding 2020-018.
2019-024	Continuum of Care	14.267	Special Tests and Provisions - Reasonable Rental Rates	Not Implemented - See Finding 2020-019.

County of San Joaquin, California
 Supplemental Schedule of the Office of California State Department of Aging
 Year Ended June 30, 2020

Federal Program Title	CFDA	Contract No.	Federal Expenditures	State Expenditures
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - CalFresh Expansion	10.561	CF-1920-11	\$ 21,276	\$ -
Special Programs for the Aging - Title VII, Chapter 3 (VII-B) Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	AP-1920-11	2,514	-
Special Programs for the Aging - Title VII, Chapter 3 (VII-B) Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	AP-1920-11	6,134	-
Special Programs for the Aging - Title VII, Chapter 2 (VII-A) Long Term Care Ombudsman Services for Older Individuals	93.042	AP-1920-11	10,351	-
Special Programs for the Aging - Title VII, Chapter 2 (VII-A) Long Term Care Ombudsman Services for Older Individuals	93.042	AP-1920-11	22,326	-
Special Programs for the Aging - Title III, Part D Disease Prevention and Health Promotion Services	93.043	AP-1920-11	21,505	-
Special Programs for the Aging - Title III, Part D Disease Prevention and Health Promotion Services	93.043	AP-1920-11	33,646	-
Special Programs for the Aging - Title III, Part B Grants for Supportive Services and Senior Centers	93.044	AP-1920-11	172,507	35,103
Special Programs for the Aging - Title III, Part B Grants for Supportive Services and Senior Centers	93.044	AP-1920-11	463,274	105,308
Special Programs for the Aging - Title III, Part C Nutrition Services	93.045	AP-1920-11	236,261	44,537
Special Programs for the Aging - Title III, Part C Nutrition Services	93.045	AP-1920-11	541,023	133,610
Special Programs for the Aging - Title III, Part C Nutrition Services	93.045	AP-1920-11	166,885	52,990
Special Programs for the Aging - Title III, Part C Nutrition Services	93.045	AP-1920-11	87,763	252,560
Special Programs for the Aging - Title III, Part E National Family Caregiver Support	93.052	AP-1920-11	128,539	-
Special Programs for the Aging - Title III, Part E National Family Caregiver Support	93.052	AP-1920-11	132,873	-
Nutrition Services Incentive Program	93.053	AP-1920-11	43,058	-
Nutrition Services Incentive Program	93.053	AP-1920-11	115,877	-
Public Health L&C Program Fund	N/A	AP-1920-11	-	6,150
State Health Facilities Citation Penalties Account	N/A	AP-1920-11	-	47,796
Community Based Services Program/SNF Quality & Accountability	N/A	AP-1920-11	-	29,213
			<u>\$ 2,205,812</u>	<u>\$ 707,267</u>

County of San Joaquin, California
 Supplemental Schedules of California Department of Community Services and Development
 Year Ended June 30, 2020

SAN JOAQUIN COUNTY DEPARTMENT OF AGING AND COMMUNITY SERVICES
 SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES (SSRE)
 CSD CONTRACT NO. 19F-4038 (CSBG)
 CONTRACT PERIOD JANUARY 1, 2019 THROUGH DECEMBER 31, 2019

REVENUE	January 1, 2019 through June 30, 2019	July 1, 2019 through December 30, 2019	Total Audited Costs	Total Reported Expenses	Total Budget
Grant Revenue	\$ 437,986	\$ 537,052	\$ 975,038		\$ 975,038
Interest Income	-	-	-		-
Accrued Grant Revenue	322,042	(322,042)	-		-
Other Income	-	-	-		-
Total Revenue:	760,028	215,010	975,038		975,038
EXPENDITURES					
Administrative Costs - CSBG					
Salaries & Wages	46,007	2,378	48,385	48,385	48,385
Fringe Benefits	35,200	3,590	38,790	38,790	38,790
Operating Expenses	6,981	-	6,981	6,981	6,981
Equipment	-	-	-	-	-
Out-of-State Travel	-	-	-	-	-
Contract/Consultant Services	-	-	-	-	-
Other Costs	2	22,846	22,848	22,848	22,848
Total Administrative Costs:	88,190	28,814	117,004	117,004	117,004
Program Costs - CSBG					
Salaries & Wages	318,178	108,324	426,502	426,502	442,961
Contract/Consultant Services	200,879	61,633	262,512	262,511	239,543
Operating Expenses	152,781	16,239	169,020	169,021	169,021
Equipment	-	-	-	-	-
Out-of-State Travel	-	-	-	-	-
Subcontractor/Consultant Services	-	-	-	-	-
Other Costs	-	-	-	-	6,509
Total Program Costs:	671,838	186,196	858,034	858,034	858,034
Total CSBG Expenses:	\$ 760,028	\$ 215,010	\$ 975,038	\$ 975,038	\$ 975,038

County of San Joaquin, California
 Supplemental Schedules of California Department of Community Services and Development
 Year Ended June 30, 2020

SAN JOAQUIN COUNTY DEPARTMENT OF AGING AND COMMUNITY SERVICES
 SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES (SSRE)
 CSD CONTRACT NO. 19F-4440 (CSBG Discretionary)
 CONTRACT PERIOD JUNE 1, 2019 THROUGH MAY 31, 2020

REVENUE	June 1, 2019 through June 30, 2019	July 1, 2019 through May 30, 2020	Total Audited Costs	Total Reported Expenses	Total Budget
Grant Revenue	\$ -	\$ 30,000	\$ 30,000		\$ 30,000
Interest Income	-	-	-		-
Accrued Grant Revenue	-	-	-		-
Other Income	-	-	-		-
Total Revenue:	-	30,000	30,000		30,000
EXPENDITURES					
Administrative Costs - CSBG Discretionary					
Salaries & Wages	-	364	364	364	364
Fringe Benefits	-	376	376	376	376
Operating Expenses	-	26	26	26	26
Equipment	-	-	-	-	-
Out-of-State Travel	-	-	-	-	-
Contract/Consultant Services	-	-	-	-	-
Other Costs	-	3	3	3	3
Total Administrative Costs:	-	769	769	769	769
Program Costs - CSBG Discretionary					
Salaries & Wages	-	1,945	1,945	1,945	1,945
Fringe Benefits	-	1,624	1,624	1,624	1,624
Operating Expenses	-	25,635	25,635	25,636	25,636
Equipment	-	-	-	-	-
Out-of-State Travel	-	-	-	-	-
Subcontractor/Consultant Services	-	-	-	-	-
Other Costs	-	27	27	26	26
Total Program Costs:	-	29,231	29,231	29,231	29,231
Total Expenses:	\$ -	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000

County of San Joaquin, California
 Supplemental Schedules of California Department of Community Services and Development
 Year Ended June 30, 2020

SAN JOAQUIN COUNTY DEPARTMENT OF AGING AND COMMUNITY SERVICES
 SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES (SSRE)
 CSD CONTRACT NO. 19B-5032 (EHA16)
 CONTRACT PERIOD OCTOBER 1, 2018 THROUGH JUNE 30, 2020

REVENUE	October 1, 2018 through June 30, 2019	July 1, 2019 through June 30, 2020	Total Audited Costs	Total Reported Expenses	Budget Maximums
Grant Revenue	\$ 260,347	\$ 665,153	\$ 925,500		\$ 925,500
Interest Income	-	-	-		-
Other Income	-	-	-		-
Accrued Grant Revenue	164,407	(164,407)	-		-
Deferred Revenue Earned	-	-	-		-
Deferred Grant Revenue	-	-	-		-
Total Revenue:	424,754	500,746	925,500		925,500
EXPENDITURES					
Assurance 16 Costs					
Assurance 16 Costs	138,759	127,258	266,017	266,017	266,017
Administrative Costs					
Administrative Costs	134,341	131,676	266,017	266,017	266,017
Administrative Equipment (More than \$5,000)	-	-	-	-	-
Out-of-State Travel	-	-	-	-	-
Total A-16/Administration Costs:	273,100	258,934	532,034	532,034	532,034
Program Costs (ECIP & HEAP)					
Intake	75,199	115,684	190,883	190,883	254,649
Outreach	27,229	54,264	81,493	81,493	137,155
Training & Technical Assistance	434	383	817	817	1,662
Out-of-State Travel	-	-	-	-	-
Total Program Costs:	102,862	170,331	273,193	273,193	393,466
Program Services and Program Costs					
Major Vehicle & Equipment (More than \$5,000)	-	-	-	-	-
Minor Vehicle & Equipment (Less than \$5,000)	-	-	-	-	-
Liability Insurance	3,422	-	3,422	3,422	-
General Operating Expenditures	1,307	9,534	10,841	10,841	-
Automation Supplemental	6,761	20,744	27,505	27,505	-
ECIP Emergency Heating & Cooling Services (EHCS)	13,557	11,214	24,771	24,771	-
Severe Weather Energy Assist. & Trans. Svcs (SWEATS)	-	2,576	2,576	2,576	-
Wood, Propane, and Oil (ECIP & HEAP WPO)	9,000	1,000	10,000	10,000	-
Other Program Costs (Workers Comp & Program Mgmt & Support)	14,745	26,413	41,158	41,158	-
Total Program Services Costs:	48,792	71,481	120,273	120,273	-
Total Expenses:	\$ 424,754	\$ 500,746	\$ 925,500	\$ 925,500	\$ 925,500

County of San Joaquin, California
 Supplemental Schedules of California Department of Community Services and Development
 Year Ended June 30, 2020

SAN JOAQUIN COUNTY DEPARTMENT OF AGING AND COMMUNITY SERVICES
 SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES (SSRE)
 CSD CONTRACT NO. 19B-5032 (WX)
 CONTRACT PERIOD OCTOBER 1, 2018 THROUGH JUNE 30, 2020

REVENUE	October 1, 2018 through June 30, 2019	July 1, 2019 through June 30, 2020	Total Audited Costs	Total Reported Expenses	Budget Maximums
Grant Revenue	\$ 645,775	\$ 684,310	\$ 1,330,085		\$ 1,330,085
Other Income - Sale of Vehicle	-	-	-		-
Accrued Grant Revenue	276,633	(276,633)	-		-
Deferred Revenue Earned	-	-	-		-
Deferred Grant Revenue	-	-	-		-
Total Revenue:	922,408	407,677	1,330,085		1,330,085
EXPENDITURES					
Weatherization Program Costs					
Intake	5,154	4,759	9,913	9,913	106,407
Outreach	6,155	3,607	9,762	9,762	66,504
Training & Technical Assistance	754	1,030	1,784	1,784	66,504
Out-of-State Travel	-	-	-	-	-
Major Vehicle and Field Equipment (More than \$5,000)	-	-	-	-	-
Minor Vehicle and Field Equipment (Less than \$5,000)	13,784	-	13,784	13,784	-
Liability Insurance	2,879	-	2,879	2,879	-
General Operating Expenditures	34,172	31,499	65,671	65,671	-
Total Program Costs:	62,898	40,895	103,793	103,793	239,415
Weatherization Direct Program Costs					
Direct Program Activities	729,635	275,476	1,005,111	1,005,111	1,090,670
Other Program Costs	129,875	91,306	221,181	221,181	-
Total Expenses:	\$ 922,408	\$ 407,677	\$ 1,330,085	\$ 1,330,085	\$ 1,330,085



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 Rolleri

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2020

Compiled by: Jeffery Woltkamp, Assistant Auditor-Controller

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2020

I. FINANCIAL STATEMENT FINDINGS

Finding 2020-001

SEGREGATION OF INITIATION AND APPROVAL OF TREASURY DEPOSIT RECEIPTS

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

Recording of the deposit receipt entry and approval of the entry are segregated for all depositors with the exception of the Solid Waste Division due to the absence of County network connectivity and the PeopleSoft system at the landfill sites. Although the deposit entries for the Solid Waste division may be input by Treasury staff, monthly activity reports published by the Auditor-Controller's Office provide a mechanism for Solid Waste staff to verify deposit amounts. The Treasurer's office continues to explore possible solutions or workarounds to allow the Solid Waste Division to initiate their own deposit entries in PeopleSoft.

Name of Responsible Person:	Mandy Matta, Chief Deputy Treasurer
Name of Department Contact:	Mandy Matta, Chief Deputy Treasurer
Projected Implementation Date:	Ongoing

Finding 2020-002

POSTING OF JOURNAL ENTRIES TO FINANCIAL ACCOUNTING SYSTEM

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

While the County agrees that these four individuals have the ability to initiate and approve the same journal entry, the frequency of such instances is limited. All journal entries that require initiation by Auditor-Controller staff are reviewed by a separate individual.

Name of Responsible Person:	Jeffery Woltkamp, Assistant Auditor-Controller
Name of Department Contact:	Jeffery Woltkamp, Assistant Auditor-Controller
Projected Implementation Date:	Ongoing

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2020

Finding 2020-003

CASH DISBURSEMENT PROCESSES

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

The County allows these two individuals to have the ability to create vendors, create/post accounts payable, and print checks which are not subject to separate review by a separate individual, as a remedy for emergency payments only, referred to as "express checks". These emergency situations are infrequent. The PeopleSoft system provides identifying information for every step in the accounts payable process. These identifiers allow for independent review. The Auditor's office also keeps a detailed log all express checks issued. These logs are subject to review by staff.

Name of Responsible Person:	Jeffery Woltkamp, Assistant Auditor-Controller
Name of Department Contact:	Jeffery Woltkamp, Assistant Auditor-Controller
Projected Implementation Date:	Ongoing

Finding 2020-004

REVENUE RECOGNITION

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

The County does perform an analysis over unearned revenues at year-end to ensure proper revenue recognition, however, amounts in prior years were improperly classified as unearned. This classification error was discovered during the current fiscal year analysis of unearned revenues, resulting in the prior period adjustment. The recording error was isolated to a particular fund and was immediately corrected for future recording and analysis. The County will continue to analyze recorded year-end balances of unearned revenues for proper recording.

Name of Responsible Person:	Jeffery Woltkamp, Assistant Auditor-Controller
Name of Department Contact:	Jeffery Woltkamp, Assistant Auditor-Controller
Projected Implementation Date:	June 30, 2021

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2020

Finding 2020-005

OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

The County will work with both San Joaquin County Employees' Retirement Association (SJCERA) and Cheiron (Actuary) to establish procedures to ensure the member data reported by the Actuary agrees to County records.

Name of Responsible Person:	Jeffery Woltkamp, Assistant Auditor-Controller
Name of Department Contact:	Jeffery Woltkamp, Assistant Auditor-Controller
Projected Implementation Date:	June 30, 2021

Finding 2020-006

REVIEW OF CONTRACTUAL RESERVE CALCULATION - HOSPITAL

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

The Hospital has implemented a more streamlined process for preparation and review of the contractual allowance calculation. This will allow the preparer and reviewer to check more data points efficiently. Calculation errors within Excel can more easily be avoided.

Name of Responsible Person:	Chris Roberts, Chief Financial Officer – Hospital
Name of Department Contact:	Chris Roberts, Chief Financial Officer – Hospital
Projected Implementation Date:	April 2021

Finding 2020-007

COLLECTION OF PATIENT RESPONSIBILITY FORMS - HOSPITAL

Management's or Department's Response:

We concur.

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2020

Views of Responsible Officials and Corrective Action:

Hospital management does have procedures in place to collect Patient Responsibility forms. There are situations when intake personnel are unable to obtain forms due to the medical condition or social factors of the patient. Management recognizes the need to reinforce the procedure and archiving of forms by re-educating staff, especially since this was a finding from prior year's audit.

Name of Responsible Person: Chris Roberts, Chief Financial Officer – Hospital
Name of Department Contact: Chris Roberts, Chief Financial Officer – Hospital
Projected Implementation Date: June 30, 2021

Finding 2020-008

INTERNAL CONTROLS OVER THE CHANGES OF RATES IN THE CHARGE DESCRIPTION MASTER – HOSPITAL

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

The Hospital acknowledges the need to maintain controls over rates changes, but also that Cerner does not have the reporting capability to help monitor such changes. The Hospital will reinforce its manual review process which entails keeping track of submitted service requests for rate changes and reviewing monthly charge reports to review for unauthorized charge changes.

Name of Responsible Person: Chris Roberts, Chief Financial Officer – Hospital
Name of Department Contact: Chris Roberts, Chief Financial Officer – Hospital
Projected Implementation Date: April 2021

Finding 2020-009

TIMECARD APPROVALS - HOSPITAL

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

The Hospital payroll team has a process in place to review for management approval of timecards. Before time is entered into the system, timecards will be reviewed for appropriate signatures. Management who fail to sign timecards will need to come to the payroll department to approve.

Name of Responsible Person: Chris Roberts, Chief Financial Officer – Hospital
Name of Department Contact: Chris Roberts, Chief Financial Officer – Hospital
Projected Implementation Date: June 30, 2021

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2020

Finding 2020-010

CASH HANDLING - HOSPITAL

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

The cashier function has been moved to the Patient Financial Services department in a more secure location. New cash handling policies have been developed based on the position move.

Name of Responsible Person:	Chris Roberts, Chief Financial Officer – Hospital
Name of Department Contact:	Chris Roberts, Chief Financial Officer – Hospital
Projected Implementation Date:	June 30, 2021

Finding 2020-011

CAPITAL ASSETS

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

The County Auditor-Controller's Office reviews and verified information received from County departments as it pertains to the processing of capital assets. The County will work to establish additional procedures to provide further analysis of Solid Waste CIP expenditures

Name of Responsible Person:	Jeff Woltkamp, Assistant Auditor-Controller
Name of Department Contact:	Jeff Woltkamp, Assistant Auditor-Controller
Projected Implementation Date:	June 30, 2021

Finding 2020-012

LANDFILL LIABILITY

Management's or Department's Response:

We concur.

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2020

Views of Responsible Officials and Corrective Action:

This finding was primarily due to regulatory estimate changes made after the completion of the landfill liability calculation. Estimates initially submitted to the County Auditor-Controller's Office for review and processing were later changed without informing the County Auditor-Controller. Solid Waste staff believes these process errors have been mitigated and will ensure the County Auditor-Controller is promptly informed of any changes made to landfill estimates.

Name of Responsible Person:	Jeff Woltkamp, Assistant Auditor-Controller
Name of Department Contact:	Jeff Woltkamp, Assistant Auditor-Controller
Projected Implementation Date:	June 30, 2021

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2020

II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2020-013

Program: Medical Cluster – In-Home Supportive Services (IHSS)

CFDA No.: 93.778

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

Passed-through: California Department of Health Care Services

Award Year: 2019-2020

Compliance Requirement: Eligibility

Grant Award Number: N/A

Management’s or Department’s Response:

We concur.

Views of Responsible Officials and Corrective Action:

Medical Cluster – In-Home Supportive Services (IHSS)

The County has recently implemented a new “floater” position to assist in maintaining compliance when social workers are out on extended medical leaves. Overtime is currently being used to improve redetermination backlog and seven additional Social Worker positions are requested in the 2021-2022 budget. The County may also utilize part time Social Workers to ensure compliance with the 12-month requirement.

Name of Responsible Person: Medical Cluster – In-Home Supportive Services (IHSS):
Renee Smith, IHSS Program Manager

Name of Department Contact: Medical Cluster – In-Home Supportive Services (IHSS):
Renee Smith, IHSS Program Manager

Projected Implementation Date: Medical Cluster – In-Home Supportive Services (IHSS):
Continue floater position/Hiring Additional Social Workers –
August 2021

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2020

Finding 2020-014

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: 2019-2020

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

Grant Award Number: N/A

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

Beginning in 2014, all new Adoption Assistance (AAP) cases are reviewed to ensure the FC8 is included in the case record. Beginning late 2018, all AAP cases are reviewed at reassessment to ensure the FC8 is included in the case record. Additionally, the Eligibility Supervisor assigned to the Foster Care (FC)/AAP unit will begin reviewing 10% (approximately 330) of the active AAP cases when the annual Cost of Living Adjustment (COLA) is processed to ensure accuracy. AAP COLAs are currently processed manually – with the implementation of CalSAWS, this process will be automated and thus greatly reducing potential errors regarding COLAs and claiming codes.

Name of Responsible Person:

Frank Hernandez, FC and AAP Eligibility Supervisor

Name of Department Contact:

Frank Hernandez, FC and AAP Eligibility Supervisor

Projected Implementation Date:

Reviewing for FC8 at reassessment was implemented in late 2018 and has continued. FC/AAP unit will continue the 10% review process.

Finding 2020-015

Program: Highway Planning and Construction Cluster

CFDA No.: 20.205

Federal Agency: United States Department of Transportation

Passed-through: California Department of Transportation

Award Year: 2018-2019

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

Grant Award Number: Various

Management's or Department's Response:

We concur.

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2020

Views of Responsible Officials and Corrective Action:

Once applied rates are entered, a report will be run displaying applied rates for each employee creating an easy matching entry with the calculated applied rates spreadsheet in excel. Every adjustment to the employee's file for rate adjustment will be followed up with an applied rate check and balance once payroll is posted. The Department Payroll processor will track these changes. Once posting for the adjusted period is made, the accountant will run a report and check that the rate is calculating in the system correctly. In the event there is a difference, the rates will be researched.

Name of Responsible Person: Dionna Pancoast, Accounting Manager
Name of Department Contact: Melinda Speer, Accountant II
Projected Implementation Date: April 2021

Finding 2020-016

Program: Airport Improvement Program
CFDA No.: 20.106
Federal Agency: U.S. Department of Transportation
Passed-through: N/A
Award Year: 2018-2019
Compliance Requirement: Special Tests & Provisions – Wage Rate Requirements
Grant Award Number: Various

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

Stockton Metropolitan Airport will establish a procedure to ensure contractors are reporting their wage rate requirements properly.

Name of Responsible Person: Russel Stark, Airport Director
Name of Department Contact: Jefferson Marcia, Accountant II
Projected Implementation Date: June 2021

Finding 2020-017

Program: Airport Improvement Program
CFDA No.: 20.106
Federal Agency: U.S. Department of Transportation
Passed-through: N/A
Award Year: 2019-2020
Compliance Requirement: Reporting
Grant Award Number: Various

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2020

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

Stockton Metropolitan Airport will establish a procedure to ensure that annual reports are reviewed prior to submission.

Name of Responsible Person: Russel Stark, Airport Director
Name of Department Contact: Jefferson Marcia, Accountant II
Projected Implementation Date: June 2021

Finding 2020-018

Program: Continuum of Care
CFDA No.: 14.267
Federal Agency: U.S. Department of Housing and Urban Development
Pass-through: N/A
Award Year: 2019-2020
Compliance Requirement: Matching, Earmarking
Grant Award Number: Various

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

Matching Compliance Requirement

The County has taken action and implemented an invoice form on July 1, 2019, to be used by the subrecipients when submitting an invoice. This invoice tracks matching funds required by the subrecipients. The County has updated the current written policies and procedures to ensure matching compliance requirements and to ensure proper supporting documentation is obtained from the subrecipients. The County was not aware that we were not in compliance during the 2019/2020 fiscal year since we did not receive our 2018/2019 fiscal year audit findings until March 10, 2020.

Earmarking Compliance Requirement

The County does review the subrecipient's invoices to determine that no more than ten percent of any grant awarded is used for paying the costs of administering the assistance. The County utilizes a spreadsheet in conjunction with available administrative funds indicated in the Electronic Line of Credit Control System (eLOCCS) to ensure compliance. The County acknowledges that while HUD has not questioned the County's earmarking of activities during prior monitorings, the determination made during the audit that certain costs need to be categorized as Administrative activities instead of Operating activities has been addressed. The County has improved the current written policies and procedures to ensure earmarking compliance requirements.

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2020

Subrecipient's Claims

The County does require the invoices submitted by the subrecipients to provide supporting documentation. In the case of Central Valley Low Income Housing Corporation (CVLIHC), because of the large number of clients that are continuing from month to month, the County has accepted a QuickBooks ledger to track previously vetted clients and allow CVLIHC to submit checks for verification of new clients only. The County, with HUD's approval, has monitored the subrecipients on an annual basis to ensure that all claims submitted have supportive documentation. The County has updated the current written policies and procedures to ensure proper supporting documentation is obtained from its subrecipients and that the claims are critically reviewed for accuracy and reasonableness.

Name of Responsible Person: Chris Becerra, Management Analyst III
Name of Department Contact: Chris Becerra, Management Analyst III
Projected Implementation Date: June 30, 2021

Finding 2020-019

Program: Continuum of Care
CFDA No.: 14.267
Federal Agency: U.S. Department of Housing and Urban Development
Pass-through: N/A
Award Year: 2019-2020
Compliance Requirement: Special Tests and Provisions – Reasonable Rental Rates
Grant Award Number: Various

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

Special Tests and Provisions – Reasonable Rental Rates requirement

The subrecipients perform a Reasonable Rent Rate Calculation as part of each client's file. The Reasonable Rental Rate Calculation documentation has typically been verified as part of the County's annual monitoring process. The County has updated the current written policies and procedures to ensure compliance with the program's Reasonable Rental Rate requirements. The County will also ensure that with every new client entering into the program, Reasonable Rental Rate documentation will be required with their rental agreement. The County was not aware that we were not in compliance during the 2019/2020 fiscal year since we did not receive our 2018/2019 fiscal year audit findings until March 10, 2020.

Name of Responsible Person: Chris Becerra, Management Analyst III
Name of Department Contact: Chris Becerra, Management Analyst III
Projected Implementation Date: June 30, 2021

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2020

Finding 2020-020

Program: Public Health Emergency response: Cooperative Agreement for Emergency Response: Public Health Crisis Response

CFDA No.: 93.354

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

Pass-through: California Department of Health Care Services

Award Year: 2019-2020

Compliance Requirement: Cash Management

Grant Award Number: COVID-19-39 SJC

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

Although federal funds received by Public Health Services are handled consistent with requirements of 2 CFR section 200.305, no written policy and procedure was developed as required. Management agrees with the Auditor's recommendation and has developed a written Cash Management Policy which documents current procedure and will continue to utilize this policy moving forward.

Name of Responsible Person:	Bruce Cosby, Management Analyst III
Name of Department Contact:	Bruce Cosby, Management Analyst III
Projected Implementation Date:	May 2021

Finding 2020-021

Program: Help America Vote Act Requirements Payments

CFDA No.: 90.401

Federal Agency: U.S. Election Assistance Commission

Pass-through: California Department of Community Services and Development

Award Year: 2019-2020

Compliance Requirement: Cash Management

Grant Award Number: 16G30119, 18G26139, 18G27139

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

Though the processes utilized by the Registrar of Voters Office to deposit federal funds meet the standards of 2 CFR section 200.305, no written policies and procedures are in place to document these processes and ensure ongoing compliance with federal cash management requirements. Management agrees with Auditor's recommendation and will develop and implement a written Policy and Procedure for Cash Management by the end of May 2021.

COUNTY OF SAN JOAQUIN, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2020

Name of Responsible Person: David Newaj, Information Systems Assistant Director
Name of Department Contact: Dennis Manzo, Information Systems - Admin
Projected Implementation Date: May 2021

Finding 2020-022

Program: Supplemental Nutrition Assistance Program (SNAP) Cluster
CFDA No.: 10.561
Federal Agency: U.S. Department of Agriculture
Pass-through: California Department of Social Services
Award Year: 2019-2020
Compliance Requirement: Subrecipient Monitoring
Grant Award Number: Various

Management's or Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

The contracts for the two found instances were issued prior to completion of the Sub-recipient Monitoring Procedures. Monitoring was in place for new sub-recipient awards procured after October 1, 2018. The procedures include both pre and post award requirements for sub-recipients, program staff and administrative-finance staff. The pre-award process includes determination if a single audit is required from the potential awardee, and, if completed, presented to Public Health Services prior to awarding. If the funding will put the entity into a position to require a single audit, PHS staff will inform the sub-recipient prior to awarding. Another of the requirements is an exhibit that is attached to the contract that includes all elements required by 2 CFR 200.331(a). Additionally, the procedures also detail a comprehensive risk assessment of potential sub-recipients that includes review by both program and administrative-finance staff.

Name of Responsible Person: Bruce Cosby, Management Analyst III
Name of Department Contact: Bruce Cosby, Management Analyst III
Projected Implementation Date: June 2021