

COUNTY OF YOLO, CALIFORNIA
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

COUNTY OF YOLO, CALIFORNIA

SINGLE AUDIT REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

TABLE OF CONTENTS

| | PAGE |
|--|-------------|
| Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | 1 |
| Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance; and Supplemental Schedule of California Department of Community Services and Development | 3 |
| Schedule of Expenditures of Federal Awards | 6 |
| Notes to Schedule of Expenditures of Federal Awards | 10 |
| Schedule of Findings and Questioned Costs | |
| I. Summary of Auditors' Results | 12 |
| II. Financial Statement Findings | 13 |
| III. Federal Award Findings and Questioned Costs | 17 |
| Summary Schedule of Prior Audit Findings | 23 |
| Supplemental Schedule of California Department of Community Services and Development | 24 |



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

VALUE THE *difference*

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Board of Supervisors
County of Yolo, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Yolo, California (County) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 22, 2017. Our report included an emphasis of matter paragraph regarding the County's adoption of Governmental Accounting Standards Board (GASB) Statement No. 77, *Tax Abatement*, effective July 1, 2016. Our report also includes reference to other auditors who audited the financial statements of the First 5 Yolo County Children and Families Commission and Yolo County Housing 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 those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses and significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2017-001, 2017-002, and 2017-003 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

County's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Vavrinick, Trine, Day & Co. LLP

Sacramento, California
December 22, 2017



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

To the Honorable Board of Supervisors
County of Yolo, California

Report on Compliance for Each Major Federal Program

We have audited the County of Yolo, California's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2017. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operation of the Yolo County Housing, which received \$14,640,130 in federal awards which is not included in the schedule during the year ended June 30, 2017. Our audit, described below, did not include the operation of the Yolo County Housing because the Yolo County housing engaged other auditors to perform an audit in accordance with the Uniform Guidance.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

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 for the year ended June 30, 2017.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2017-004, 2017-005, 2017-006, and 2017-007. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2017-004 and 2017-005 that we consider to be significant deficiencies.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs and separate corrective action plan. The County's response was 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 and Supplemental Schedule of California Department of Community Service and Development

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 22, 2017, which contained unmodified opinions on those financial statements. Our report includes an emphasis of matter describing the County's implementation of GASB Statement No. 77, *Tax Abatement*, effective July 1, 2016. Our report also includes reference to other auditors who audited the financial statements of the First 5 Yolo County Children and Families Commission and Yolo County Housing 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 Schedule of California 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 California Department of Community Services and Development are fairly stated in all material respects in relation to the financial statements as a whole.

Vavrinik, Trine, Day & Co. LLP

Sacramento, California
March 26, 2018

COUNTY OF YOLO, CALIFORNIA

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

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Direct/Pass-Through Grantor's Number | Federal Expenditures | Passed Through to Subrecipients |
|--|---------------------------|--|-------------------------|------------------------------------|
| <u>U.S. Department of Agriculture</u> | | | | |
| Passed through State of California Department of Food and Agriculture: | | | | |
| Plant and Animal Disease, Pest Control and Animal Care | 10.025 | 15-0139 | \$ 10,079 | - |
| Plant and Animal Disease, Pest Control and Animal Care | 10.025 | 15-0451 | 15,003 | - |
| Plant and Animal Disease, Pest Control and Animal Care | 10.025 | 15-0530 | 16,604 | - |
| Plant and Animal Disease, Pest Control and Animal Care | 10.025 | 15-0593 | 1,611 | - |
| Plant and Animal Disease, Pest Control and Animal Care | 10.025 | 16-0201 | 85,453 | - |
| Plant and Animal Disease, Pest Control and Animal Care | 10.025 | 16-0368 | 648 | - |
| Plant and Animal Disease, Pest Control and Animal Care | 10.025 | 16-0548 | 3,326 | - |
| Plant and Animal Disease, Pest Control and Animal Care | 10.025 | 16-0553 | 8,392 | - |
| Subtotal CFDA 10.025 | | | <u>141,116</u> | <u>-</u> |
| Farm to School Grant Program | 10.575 | N/A | 28,486 | - |
| Soil and Water Conservation | 10.902 | N/A | 498 | - |
| Passed through State of California Department of Public Health: | | | | |
| Special Supplemental Nutrition Program for Women, Infants, and Children | 10.557 | N/A | 1,733,906 | - |
| SNAP Cluster: | | | | |
| State Administrative Matching Grants for Supplemental Nutrition Assistance Program | 10.561 | N/A | 420,364 | - |
| Passed through State of California Department of Social Services: | | | | |
| State Administrative Matching Grants for Supplemental Nutrition Assistance Program | 10.561 | N/A | 3,499,281 | - |
| Total SNAP Cluster | | | <u>3,919,645</u> | <u>-</u> |
| Passed through State of California Department of Education: | | | | |
| National School Lunch Program | 10.555 | N/A | 71,851 | - |
| Total Department of Agriculture | | | <u>5,895,502</u> | <u>-</u> |
| <u>U.S Department of Housing and Urban Development:</u> | | | | |
| Passed through State Department of Housing and Community Development, Office of Community Planning and Development: | | | | |
| Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii | 14.228 | 13-CDBG-8943 | 22,343 | - |
| Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii | 14.228 | Program Income | 356,512 | - |
| Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii | 14.228 | Loans | 2,591,381 | - |
| Subtotal CFDA 14.228 | | | <u>2,970,236</u> | <u>-</u> |
| Home Investment Partnerships Program | 14.239 | 15-HOME-10095 | 1,473,153 | - |
| Home Investment Partnerships Program | 14.239 | 13-HDRA-9692 | 4,926 | - |
| Home Investment Partnerships Program | 14.239 | Loans | 4,529,343 | - |
| Subtotal CFDA 14.239 | | | <u>6,007,422</u> | <u>-</u> |
| Total Department of Housing and Urban Development | | | <u>8,977,658</u> | <u>-</u> |
| <u>U.S. Department of Justice</u> | | | | |
| Direct Program: | | | | |
| State Criminal Alien Assistance Program | 16.606 | | 55,399 | - |
| Edward Byrne Memorial Justice Grant Program | 16.738 | 2016-DJ-BX-0468 | 37,455 | - |
| Passed through State of California Department of Corrections and Rehabilitation: | | | | |
| Edward Byrne Memorial Justice Grant Program | 16.738 | BSCC 631-17 | 248,293 | - |
| Edward Byrne Memorial Justice Grant Program | 16.738 | BSCC 631-15 | 379,773 | - |
| Subtotal CFDA 16.738 | | | <u>665,521</u> | <u>-</u> |
| Passed through State of California Emergency Management Agency: | | | | |
| Crime Victim Assistance | 16.575 | VW16340570 | 234,320 | - |
| Crime Victim Assistance | 16.575 | XC16010570 | 92,482 | - |
| Passed through Yolo Empower, Inc.: | | | | |
| Crime Victim Assistance | 16.575 | VW16 34 0570 | 36,655 | \$ 36,655 |
| Subtotal CFDA 16.575 | | | <u>363,457</u> | <u>36,655</u> |
| Total Department of Justice | | | <u>1,084,377</u> | <u>36,655</u> |

See accompanying notes to the Schedule of Expenditures of Federal Awards

COUNTY OF YOLO, CALIFORNIA

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

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Direct/Pass-Through Grantor's Number | Federal Expenditures | Passed Through to Subrecipients |
|---|---------------------|--------------------------------------|-------------------------|---------------------------------|
| U.S. Department of Labor | | | | |
| WIA/WIOA Cluster: | | | | |
| Passed through State of California Employment Development Department: | | | | |
| WIA/WIOA Adult Program | 17.258 | K698403 | 164,872 | - |
| WIA/WIOA Adult Program | 17.258 | K7102080 | 578,944 | - |
| Subtotal CFDA 17.258 | | | <u>743,816</u> | <u>-</u> |
| WIA/WIOA Youth Activities | 17.259 | K698403 | 729,272 | - |
| WIA/WIOA Youth Activities (301A) | 17.259 | K7102080 | 254,867 | - |
| Subtotal CFDA 17.259 | | | <u>984,139</u> | <u>-</u> |
| WIA/WIOA Dislocated Worker Formula Grant | 17.278 | K698403 | 188,110 | - |
| WIA/WIOA Dislocated Worker Formula Grant | 17.278 | K7102080 | 205,294 | - |
| Subtotal CFDA 17.278 | | | <u>393,404</u> | <u>-</u> |
| Total WIA/WIOA Cluster | | | <u>2,121,359</u> | <u>-</u> |
| Total Department of Labor | | | <u>2,121,359</u> | <u>-</u> |
| U.S. Department of Transportation | | | | |
| Direct Program: | | | | |
| Airport Improvement Program | 20.106 | 3-06-0342-017-2015 | 1,960 | - |
| Airport Improvement Program | 20.106 | 3-06-0342-017-2017 | 42,718 | - |
| Subtotal CFDA 20.106 | | | <u>44,678</u> | <u>-</u> |
| Highway Planning and Construction Cluster: | | | | |
| Passed through State of California Department of Transportation: | | | | |
| Highway Planning and Construction | 20.205 | Solano County project | 13,562 | - |
| Highway Planning and Construction | 20.205 | STPL 5922 (047 &093) | 86,491 | - |
| Highway Planning and Construction | 20.205 | BRLO 5922 (059) | 4,853 | - |
| Highway Planning and Construction | 20.205 | BRLO 5922 (066) | 12,276 | - |
| Highway Planning and Construction | 20.205 | BRLO 5922 (073) | 926,541 | - |
| Highway Planning and Construction | 20.205 | BRLO 5922 (074) | 3,654 | - |
| Highway Planning and Construction | 20.205 | BRLO 5922 (077) | 147,989 | - |
| Highway Planning and Construction | 20.205 | BRLO 5922 (078) | 1,230,453 | - |
| Highway Planning and Construction | 20.205 | BPMP 5922 (090) | 6,506 | - |
| Highway Planning and Construction | 20.205 | HSPIL-5922(094) | 8,769 | - |
| Highway Planning and Construction | 20.205 | BPMP-5922(097) | 184,507 | - |
| Highway Planning and Construction | 20.205 | BRLO 5922 (098) | 92,057 | - |
| Highway Planning and Construction | 20.205 | BRLO 5922 (099) | 127,084 | - |
| Highway Planning and Construction | 20.205 | STPL 5922(102) | 378,660 | - |
| Highway Planning and Construction | 20.205 | STPL 5922 (101) | 101,723 | - |
| Highway Planning and Construction | 20.205 | BRLO 5922 (103) | 20,423 | - |
| Highway Planning and Construction | 20.205 | BRLO 5922 (104) | 20,423 | - |
| Highway Planning and Construction | 20.205 | HRRRL-5922(107) | 101,030 | - |
| Highway Planning and Construction | 20.205 | BRLO 5922 (103) | 7,569 | - |
| Highway Planning and Construction | 20.205 | ER-32L0(051) | 13,967 | - |
| Highway Planning and Construction | 20.205 | ER-32L0(054) | 48,617 | - |
| Highway Planning and Construction | 20.205 | ER-32L0(053) | 11,204 | - |
| Highway Planning and Construction | 20.205 | ER-32L0(055) | 22,984 | - |
| Highway Planning and Construction | 20.205 | STPL5922(112) | 32,069 | - |
| Total Highway Planning and Construction Cluster | | | <u>3,603,411</u> | <u>-</u> |
| Highway Safety Cluster: | | | | |
| National Priority Safety Programs | 20.616 | DI1611 | 54,005 | - |
| National Priority Safety Programs | 20.616 | DI1718 | 124,204 | - |
| National Priority Safety Programs | 20.616 | N/A | 4,560 | - |
| Total Highway Safety Cluster | | | <u>182,769</u> | <u>-</u> |
| Passed through City of West Sacramento: | | | | |
| Minimum Penalties for Repeat Offenders for Driving While Intoxicated | 20.608 | AL1624 | 3,871 | - |
| | | | <u>3,871</u> | <u>-</u> |
| Total Department of Transportation | | | <u>3,834,729</u> | <u>-</u> |

See accompanying notes to the Schedule of Expenditures of Federal Awards

COUNTY OF YOLO, CALIFORNIA

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

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Direct/Pass-Through Grantor's Number | Federal Expenditures | Passed Through to Subrecipients |
|--|---------------------------|--|-------------------------|------------------------------------|
| <u>Institute of Museum and Library Services</u> | | | | |
| Passed through California State Library: | | | | |
| Grants to States | 45.310 | 40-8702 | 8,050 | - |
| Total Institute of Museum and Library Services | | | 8,050 | - |
| <u>U.S. Department of Health and Human Services</u> | | | | |
| Direct Program: | | | | |
| Unaccompanied Alien Children Program | 93.676 | | 2,741,885 | |
| Passed through State of California Department of Public Health: | | | | |
| Public Health Emergency Preparedness | 93.069 | N/A | 360,466 | - |
| Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements | 93.074 | N/A | 140,293 | - |
| Project Grants and Cooperative Agreements for Tuberculosis Control Programs | 93.116 | N/A | 40,538 | - |
| Immunization Cooperative Agreements | 93.268 | N/A | 146,236 | - |
| Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program | 93.505 | N/A | 354,107 | 334,997 |
| Maternal and Child Health Services Block Grant to the States | 93.994 | N/A | 178,295 | - |
| Passed through the State of California Department of Health Care Services: | | | | |
| Projects for Assistance in Transition from Homelessness (PATH) | 93.150 | N/A | 32,415 | - |
| Children's Health Insurance Program | 93.767 | N/A | 149,581 | - |
| Block Grants for Community Mental Health Service (MHBG) | 93.958 | N/A | 206,302 | - |
| Block Grants for Prevention and Treatment of Substance Abuse (SAPT) | 93.959 | N/A | 1,121,355 | - |
| Passed through State of California Department of Child Support Services: | | | | |
| Child Support Enforcement | 93.563 | N/A | 3,793,855 | - |
| Passed through State of California Office of Emergency Services: | | | | |
| Children's Justice Grants to States | 93.643 | ES16010570 | 3,187 | - |
| Passed through State Department of Social Services: | | | | |
| Guardianship Assistance | 93.090 | N/A | 736 | - |
| Promoting Safe and Stable Families (PSSF) | 93.556 | N/A | 103,653 | - |
| TANF Cluster: | | | | |
| Temporary Assistance for Needy Families (TANF) | 93.558 | N/A | 14,136,162 | 1,624,274 |
| Refugee and Entrant Assistance - State Administered Programs | 93.566 | N/A | 39,039 | - |
| Community-Based Child Abuse Prevention Grants | 93.590 | N/A | 15,152 | - |
| Stephanie Tubbs Jones Child Welfare Services Program | 93.645 | N/A | 124,597 | - |
| Foster Care – Title IV-E | 93.658 | N/A | 6,882,387 | - |
| Adoption Assistance | 93.659 | N/A | 4,109,573 | - |
| Social Services Block Grant | 93.667 | N/A | 1,214,454 | - |
| CHAFFE Foster Care Independent Living | 93.674 | N/A | 66,263 | - |
| Passed through State Department of Community Services and Development: | | | | |
| Community Services Block Grant Discretionary Awards | 93.570 | CSBG-16F-5528 | 32,078 | - |
| Community Services Block Grant | 93.569 | CSBG-16F-5052 | 180,332 | - |
| Community Services Block Grant | 93.569 | CSBG-17F-2052 | 149,561 | - |
| Subtotal CFDA 93.569 | | | <u>329,893</u> | <u>-</u> |
| Passed through Yolo County Office of Education: | | | | |
| Head Start | 93.600 | N/A | 5,510 | - |
| Medicaid Cluster: | | | | |
| Passed through State of California Department of Health Care Services: | | | | |
| Medical Assistance Program | 93.778 | N/A | 9,181,003 | - |
| Passed through State of California Department of Public Health: | | | | |
| Medical Assistance Program | 93.778 | N/A | 474,559 | - |
| Total Medicaid Cluster | | | <u>9,655,562</u> | <u>-</u> |
| Total Department of Health and Human Services | | | 45,983,574 | 1,959,271 |

See accompanying notes to the Schedule of Expenditures of Federal Awards

COUNTY OF YOLO, CALIFORNIA

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

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Direct/Pass-Through Grantor's Number | Federal Expenditures | Passed Through to Subrecipients |
|---|---------------------------|--|-------------------------|------------------------------------|
| <u>Social Security Administration</u> | | | | |
| Direct Program: | | | | |
| Supplemental Security Income - Inmate Reporting Incentive | 96.006 | | 21,200 | - |
| Total Social Security Administration | | | 21,200 | - |
| <u>Department of Homeland Security</u> | | | | |
| Passed through State of California Governor's Office of Emergency Services: | | | | |
| Non-Profit Security Program | 97.008 | 2016-0010 | 168,438 | - |
| Disaster Grants - Public Assistance | 97.036 | N/A | 2,031 | - |
| Passed through County of Amador: | | | | |
| Disaster Grants - Public Assistance | 97.036 | N/A | 1,604 | - |
| Passed through County of Calaveras: | | | | |
| Disaster Grants - Public Assistance | 97.036 | N/A | 1,300 | - |
| Subtotal CFDA 97.036 | | | 4,935 | - |
| Total Department of Homeland Security | | | 173,373 | - |
| Total Expenditures of Federal Awards | | | \$ 68,099,822 | \$ 1,995,926 |

See accompanying notes to the Schedule of Expenditures of Federal Awards

COUNTY OF YOLO, CALIFORNIA

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

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of the County of Yolo, California (County) under programs of the federal government for the year ended June 30, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3 – INDIRECT COST RATE

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

NOTE 4 – PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

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

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

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

NOTE 4 – MEDICAID CLUSTER

Except for Medi-Cal administrative expenditures, Medicaid (Medi-Cal) and Medicare program expenditures are excluded from the schedule of expenditures of federal awards. These expenditures represent fees for services; therefore, neither is considered a federal award program of the County for purposes of the schedule of expenditures of federal awards or in determining major programs. The County assists the State of California (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 of expenditures of federal awards as they do not represent fees for services.

COUNTY OF YOLO, CALIFORNIA

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

NOTE 6 – OUTSTANDING LOANS OF FEDERAL FUNDS

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

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

| CFDA No. | Federal Program | Outstanding Loans at June 30, 2017 |
|---------------------|--|---|
| 14.228 | Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii | \$ 2,234,868 |
| 14.239 | HOME Investment Partnerships Program | 4,688,841 |
| | | <u>\$ 6,923,709</u> |

COUNTY OF YOLO, CALIFORNIA

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

I. SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

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

FEDERAL AWARDS

| | |
|---|------------|
| Internal control over major federal programs: | |
| Material weakness(es) identified? | <u>No</u> |
| Significant deficiency(ies) identified? | <u>Yes</u> |

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

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

Identification of major federal programs:

| <u>CFDA Numbers</u> | <u>Name of Federal Programs or Clusters</u> |
|---------------------|--|
| <u>10.561</u> | <u>SNAP Cluster</u> |
| <u>20.205</u> | <u>Highway Planning and Construction Cluster</u> |
| <u>93.563</u> | <u>Child Support Enforcement</u> |
| <u>93.658</u> | <u>Foster Care Title IV-E</u> |
| <u>93.778</u> | <u>Medicaid Cluster</u> |

Dollar threshold used to distinguish between Type A and Type B programs: \$ 2,042,995

Auditee qualified as low-risk auditee? No

COUNTY OF YOLO, CALIFORNIA

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

II. FINANCIAL STATEMENT FINDINGS

The following findings represent significant deficiencies that are required to be reported in accordance with generally accepted government auditing standards.

FINDING 2017-001

TIMELY BANK RECONCILIATIONS

Criteria or Specific Requirement:

Bank/trustee held investment reconciliations help to create stronger internal control, whereby accountability over cash assets is greatly enhanced. Bank and trustee held investment reconciliations help to safeguard cash by detecting errors on the part of the bank/trustee and/or the County when recording activities in accounts.

Condition Found:

Significant deficiency - As a result of our testwork over the County's bank reconciliations, we noted the County was not performing bank reconciliations in a timely manner. The March 2017 through May 2017 bank reconciliations were not performed as of June 2017. The County has subsequently completed all monthly reconciliations for fiscal year 2017.

Context:

Bank reconciliations should be performed monthly to compare bank balances to balances in the general ledger accounts. This is done to ensure accuracy and accountability for all transactions.

Effect:

The lack of timely bank reconciliations could cause errors or theft to go undetected for longer periods of time. Accurate records will keep County staff more informed and allow them to make better financial decisions.

Cause:

The County did not perform reconciliations on a timely basis.

Recommendation:

We recommend the County implement procedures to ensure bank reconciliations are performed timely and on a monthly basis.

View of Responsible Officials and Planned Corrective Action:

See separate corrective action plan.

COUNTY OF YOLO, CALIFORNIA

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

II. FINANCIAL STATEMENT FINDINGS

FINDING 2017-002

PROPERTY TAX

Criteria or Specific Requirement:

Revenue & Taxation Code Section 51 requires the Assessor to annually enroll either a property's Proposition 13 base year value factored for inflation, or its market value as of January 1 (taking into account any decline in value), whichever is less. Proposition (Prop) 8 reductions in value are temporary reductions which recognize the fact that the current market value of a property has fallen below its current (Prop 13) assessed value. Once a Prop 8 value has been enrolled, a property's value must be reviewed each following January 1 to determine whether its then current market value is less than its Prop 13 factored value. The County Assessor department is responsible for calculating and recording any Prop 8 adjustments that occur during the year.

Condition Found:

Significant deficiency – We noted the County does not have a formal documented review process for Prop 8 adjustments. Values are determined by the County Assessor's staff, entered on an excel workbook, and then placed in a centralized file depository. All files in this depository are then reviewed during compilation by the Assistant Chief Assessor into one large excel file and then sent for upload by the Property Tax Software vendor. However, there is no clear documentation of any review performed prior to sending to the Property Tax vendor or subsequent review after upload to ensure the information that is uploaded is complete and accurate.

Context:

The Prop 8 adjustment process is a significant process performed by the County's Assessor department.

Effect:

The County uses an excel workbook to track Prop 8 adjustments, and there is lack of documented formal review of the changes made to property accounts. Errors or unauthorized changes would go undetected.

Cause:

The County has not documented formal policies and procedures over the Prop 8 adjustment process.

Recommendation:

We recommend the County implement policies and procedures that will ensure the Prop 8 adjustments are formally reviewed. Additionally, the excel file used to track the Prop 8 adjustments should be subject to proper segregation of duties, and changes made to the file should be documented with evidence of management approval. We also recommend that the Prop 8 adjustments made to the Property Tax System are verified for completeness and accuracy.

View of Responsible Officials and Planned Corrective Action:

See separate corrective action plan.

COUNTY OF YOLO, CALIFORNIA

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

II. FINANCIAL STATEMENT FINDINGS

FINDING 2017-003

SEGREGATION OF DUTIES WITHIN THE FINANCIAL SYSTEM

Criteria or Specific Requirement:

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

A proper segregation of duties should include different employees performing the initiation, recording, approval of the transactions and custody of assets.

Condition Found:

Significant Deficiency - As a result of our audit procedures, we noted certain areas of the County's financial system (INFOR) where clear segregation of duties does not appear to be in place in order to prevent error or fraud. To maintain proper segregation of duties, no single employee should have complete control over all components of a transaction. Examples of deficiencies within the County's financial system noted during the audit include the following:

Procurement and Disbursements:

- We noted that certain employees have access to the vendor file and the ability to modify vendor information within the financial system without secondary approval. These employees also have the ability to process invoices within the financial system and process vendor checks. Unauthorized payments may go undetected when employees are granted access to the vendor file and invoice/payment processing areas of the financial system.
- Change orders on contracts are required to be approved by the same authority levels as the initial contract. However, we noted that certain employees have the ability to issue and post change orders on existing contracts in the financial system without the required secondary approval.
- Invoices over \$5,000 require secondary Department of Financial Service (DFS) approval to ensure proper procurement method is in place for the purchase. However, we noted that this approval can be bypassed in the financial system by the employee initiating payment.

Payroll:

- Certain employees can edit pay-rates within the financial system which could potentially go undetected.

Context:

Segregation of duties, whether through physical or electronic systems, must be in place to prevent the unauthorized access, approval and use of the County's assets.

COUNTY OF YOLO, CALIFORNIA

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

II. FINANCIAL STATEMENT FINDINGS

Effect:

The County's internal control systems are weakened and proper safeguards are not in place to prevent error or fraud.

Cause:

The County has not implemented policies and procedures to ensure that segregation of duties is maintained within all areas of the financial system.

Recommendation:

We recommend that the County assess the access levels of employees within the financial system (INFOR) to ensure that proper segregation of duties is maintained in all business areas. A continual process for monitoring segregation of duty risks within the financial system should be implemented and maintained by the County.

View of Responsible Officials and Planned Corrective Action:

See separate corrective action plan.

COUNTY OF YOLO, CALIFORNIA

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

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Finding 2017-004

Program: Medicaid Cluster - Medical Assistance 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: FY 2016-2017

Compliance Requirement: Eligibility

Criteria:

Per the 2017 OMB Compliance Supplement, agencies are required to maintain documentation to support the agency's eligibility determination, and to re-determine 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:

Significant Deficiency, Instance of Non-Compliance – Of the 60 case files sampled, we noted the following:

Medicaid Cluster – Medical Assistance Program

- 2 cases where the recipient redetermination of eligibility was not performed timely (outside of the 12 month requirement).

Medicaid Cluster - In-Home Supportive Services (IHSS)

- 17 cases where the recipient redetermination of eligibility was not performed timely (outside of the 12 month requirement).
- 4 cases where the SOC 295 Application for Social Services was not signed by the adult services worker.
- 1 case where the SOC 873 Health Care Certification was not signed by the adult services worker.
- 2 cases where the SOC 864 IHSS Program Individualized Back-Up Plan and Risk Assessment was not signed by the adult services worker.

Questioned Costs:

We identified no questioned costs in our tests of compliance with this requirement.

Context:

The conditions noted above were identified in 2 of 60 cases from the Medicaid Cluster – Medical Assistance Program and 24 of 60 cases from the Medicaid Cluster – In-Home Support Services selected during our testing procedures over eligibility. The County charges administrative expenditures associated with the determination of eligibility to the State while the State pays the amounts out to providers.

COUNTY OF YOLO, CALIFORNIA

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

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Effect:

Lack of supporting documentation for initial eligibility determination and timely ongoing eligibility redetermination could result in ineligible individuals receiving benefits.

Cause:

The County is aware of this requirement and continues to experience staff shortages, thus has not been able to complete the required eligibility redetermination in a timely manner or to follow established policies for document retention.

Recommendation:

This is a repeat finding, and was reported in the FY 2016 Single Audit Report as Finding 2016-004.

We recommend that the County strengthen its current policies and procedures with regards to initial and ongoing eligibility determination, required documentation, and maintenance of participant file and ensure that such policies and procedures are formally documented and strictly adhered to by County personnel. This will help ensure the accuracy of the participant data and that eligibility determinations are supported by the proper documentation in the participant file.

Views of responsible officials and planned corrective actions:

See separate corrective action plan.

Finding 2017-005

Program: Supplemental Nutrition Assistance Program (SNAP) Cluster
CFDA No.: 10.561

Federal Agency: U.S. Department of Agriculture

Passed-through: California Department of Social Services

Award Year: FY 2016-2017

Compliance Requirement: Special Tests and Provisions – ADP System for SNAP

Criteria:

Per the *2017 OMB Compliance Supplement*, agencies are required to automate their SNAP operations and computerize their systems for obtaining, maintaining, utilizing, and transmitting information concerning SNAP (7 CFR sections 272.10 and 277.18). This includes: (1) processing and storing all case file information necessary for eligibility determination and benefit calculation, identifying specific elements that affect eligibility, and notifying the certification unit of cases requiring notices of case disposition, adverse action and mass change, and expiration; (2) providing an automatic cutoff of participation for households which have not been recertified at the end of their certification period by reapplying and being determined eligible for a new period (7 CFR sections 272.10(b)(1)(iii) and 273.10(f) and (g)); and (3) generating data necessary to meet Federal issuance and reconciliation reporting requirements.

COUNTY OF YOLO, CALIFORNIA

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

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Condition Found:

Significant Deficiency, Instance of Non-Compliance – Of the 60 case files sampled, we noted the following:

- 2 cases where benefits were issued for 1 additional month after the participant failed to comply with the recertification.
- 1 case where benefits were issued for 6 additional months after the participant failed to comply with the recertification.
- 1 case where benefits were issued for 4 additional months after the participant failed to comply with the recertification.

Questioned Costs:

We identified no questioned costs in our tests of compliance with this requirement.

Context:

The condition noted above was identified in 4 of 60 cases selected during our testing procedures over special tests and provisions.

Effect:

Lack of supporting documentation for ongoing eligibility determinations could result in ineligible individuals receiving benefits.

Cause:

The condition is caused by the County not following its policies and procedures to ensure the benefits are discontinued due to participant's failure of re-certification.

Recommendation:

We recommend that the County strengthen its current policies and procedures with regards to ongoing eligibility redetermination, required documentation, and maintenance of participant file and ensure that such policies and procedures are formally documented and strictly adhered to by County personnel. This will help ensure the accuracy of the participant data and that eligibility determinations are supported by the proper documentation in the participant file.

Views of responsible officials and planned corrective actions:

See separate corrective action plan.

COUNTY OF YOLO, CALIFORNIA

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

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

FINDING 2017-006

Program: Child Support Enforcement

CFDA No.: 93.563

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

Passed-through: California Department of Child Support Services

Award Year: FY 2016-2017

Compliance Requirement: Equipment and Real Property Management

Criteria:

Per 2 CFR 200.313(e)(2), *Disposition*, when original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, except as otherwise provided in Federal statutes, regulations, or Federal awarding agency disposition instructions, the non-Federal entity must request disposition instructions from the Federal awarding agency if required by the terms and conditions of the Federal award. Disposition of the equipment will be made as follows, in accordance with Federal awarding agency disposition instructions. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency's percentage of participation in the cost of the original purchase.

Condition Found:

Instances of Noncompliance – As a result of our audit procedures over equipment dispositions, we noted that proceeds from the sale of a vehicle were not remitted to the awarding agency.

Questioned Costs:

We identified no questioned costs in our tests of compliance with this requirement.

Context:

We noted during testing of the vehicle disposition, the sale proceeds totaling \$7,750 was not remitted to the awarding agency.

Effect:

The County has not remitted the sales proceeds from the disposition of the equipment for which the awarding agency is entitled to per 2 CFR 200.313(e)(2).

Cause:

The County Department of Child Support Services transferred the vehicle to the County of Yolo Fleet Services and was unaware that the vehicle had been sold.

COUNTY OF YOLO, CALIFORNIA

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

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Recommendation:

We recommend the County (Department of Child Support Services) to remit the sales proceeds from the sale of the vehicle to the awarding agency.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

FINDING 2017-007

Program: Medicaid Cluster – Medical Assistance Program, Medicaid Cluster - In-Home Supportive Services, Foster Care Title IV-E

CFDA No.: 93.778, 93.658

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

Passed-through: California Department of Public Health, California Department of Health Care Services, California Department of Social Services.

Award Year: FY 2016-2017

Compliance Requirement: Cash Management

Criteria:

Per the *2017 OMB Compliance Supplement* and 2 CFR 200.302(b)(6) of the *Uniform Guidance*, non-Federal entities are required to establish written procedures to implement the requirements of 2 CFR 200.305 (Payment) and 2 CFR 200.302(b)(6).

Condition Found:

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:

We identified no questioned costs in our tests of compliance with this requirement.

Context:

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

Effect:

The County has not complied with the specific requirements for written procedures over cash management as described in 2 CFR 200.302(b)(6).

COUNTY OF YOLO, CALIFORNIA

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

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Cause:

The County did not ensure the required written procedures were developed and implemented in accordance with 2 CFR 200.302(b)(6).

Recommendation:

It is recommended that the County implement written policies and procedures to comply with the requirements of 2 CFR 200.302(b)(6).

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

COUNTY OF YOLO, CALIFORNIA

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

Summarized below is the current status of corrective action on audit findings reported in the prior year schedule of audit findings and questioned costs.

| Finding No. | Program Name/Description | CFDA No. | Compliance Requirement | Status of Corrective Action |
|--------------------|--|-----------------|-------------------------------|---|
| 2016-001 | Mental Health Managed Care Receivables and Unavailable Revenue | N/A | N/A | Implemented |
| 2016-002 | Schedule of Expenditures of Federal Awards (SEFA) | N/A | N/A | Implemented |
| 2016-003 | Temporary Assistance for Needy Families (TANF Cluster) and Medical Assistance Program (Medicaid Cluster) | 93.558, 93.778 | Eligibility | Implemented |
| 2016-004 | Medical Assistance Program (Medicaid Cluster) | 93.778 | Eligibility | Partially implemented, see Finding 2017-004 |

COUNTY OF YOLO, CALIFORNIA

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

Supplemental Statement of Revenue and Expenditures
CSD Contract No. 16F-5052 (CSBG - \$299,481)
For The Period January 1, 2016 through December 31, 2016 : Extended to 3/31/17

| | January 1, 2016 through June 30, 2016 | July 1, 2016 through March 31, 2017 | Total Reported | Total Budget |
|-------------------------------|---|---|-------------------|-----------------|
| <u>Revenue</u> | | | | |
| Grant revenue | \$ 119,149 | \$ 180,332 | \$ 299,481 | \$ 299,481 |
| <u>Expenditures</u> | | | | |
| Administration: | | | | |
| Salaries and wages | \$ 5,476 | \$ 3,775 | \$ 9,251 | \$ 9,251 |
| Fringe benefits | 3,900 | 2,032 | 5,932 | 5,932 |
| Operating expenses | 1,067 | -- | 1,067 | 1,067 |
| Other costs | 2,530 | 1,220 | 3,750 | 3,750 |
| Subtotal Administrative Costs | <u>12,973</u> | <u>7,027</u> | <u>20,000</u> | <u>20,000</u> |
| Program Costs: | | | | |
| Salaries and wages | 4,985 | 16,465 | 21,450 | 21,450 |
| Fringe benefits | 3,632 | 9,721 | 13,353 | 13,353 |
| Subcontractor services | 81,255 | 102,713 | 183,968 | 183,968 |
| Other costs | 16,304 | 44,406 | 60,710 | 60,710 |
| Subtotal Program Costs | <u>106,176</u> | <u>173,305</u> | <u>279,481</u> | <u>279,481</u> |
| Total Expenditures | \$ 119,149 | \$ 180,332 | \$ 299,481 | \$ 299,481 |

COUNTY OF YOLO, CALIFORNIA

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

Supplemental Statement of Revenue and Expenditures
CSD Contract No. 16F-5528 (CSBG - \$32,078)
For The Period June 1, 2016 through December 31, 2016 : Extended to 5/31/17

| | <u>June 1, 2016 through May 31, 2017</u> | <u>Total Reported</u> | <u>Total Budget</u> |
|------------------------|--|---------------------------|-------------------------|
| <u>Revenue</u> | | | |
| Grant revenue | <u>\$ 32,078</u> | <u>\$ 32,078</u> | <u>\$ 32,078</u> |
| <u>Expenditures</u> | | | |
| Program Costs: | | | |
| Subcontractor services | <u>\$ 32,078</u> | <u>\$ 32,078</u> | <u>\$ 32,078</u> |