



County of Yolo

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DEPARTMENT OF FINANCIAL SERVICES

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- *Financial Strategy Leadership*
- *Budget & Financial Planning*
- *Treasury & Finance*
- *Tax & Fee Collection*
- *Financial Systems Oversight*
- *Accounting & Financial Reporting*
- *Internal Audit*
- *Procurement*

COUNTY OF YOLO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2017

Compiled by: Chad Rinde, Assistant CFO

COUNTY OF YOLO, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2017

I. FINANCIAL STATEMENT FINDINGS

Finding Number 2017-001

TIMELY BANK RECONCILIATIONS

Management's or Departments Response:

We concur.

Views of Responsible Officials and Corrective Action:

The Department of Financial Services timeliness of bank reconciliations became a challenge initially during the INFOR financial system implementation when significant resources were dedicated to the project. Timeliness has remained a challenge due to staffing turnover subsequently. The Accounting and Financial Reporting division of the department has recently become fully staffed and will implement procedures to ensure bank reconciliations are completed timely (within one month of the close of a period) by the end of June 2018.

Name of Responsible Person:

Chad Rinde, Assistant Chief Financial Officer

Name of Department Contact:

Josh Iverson, Accounting Manager

Projected Implementation Date:

June 30, 2018

COUNTY OF YOLO, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2017

Finding Number 2017-002

PROPERTY TAX

Management's or Departments Response:

We concur.

Views of Responsible Officials and Corrective Action:

The Assessor's office will be implementing the following actions to improve the Proposition 8 process before August, 2018. Each Microsoft Excel worksheet will indicate the following initials signifying the parcel has been reviewed:

- Appraiser Initials
- Principal Appraiser Initials

The Chief Deputy Assessor will compile the data and transmit the file to the property tax vendor Megabyte to be uploaded. Upon completion of the upload, the Appraiser, Principal Appraiser and Chief Deputy will review the uploaded values in Megabyte and initial a document certifying the values.

Name of Responsible Person:

George Galang, Chief Deputy Assessor

Name of Department Contact:

George Galang, Chief Deputy Assessor

Projected Implementation Date:

August 1, 2018

COUNTY OF YOLO, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2017

Finding Number 2017-003

SEGREGATION OF DUTIES

Management's or Departments Response:

We concur.

Views of Responsible Officials and Corrective Action:

The County agrees that segregation of duties between the initiation, authorization, and recording should be segregated to the extent practicable in the INFOR financial system based on the personnel resources available to carryout financial functions. The County purchased in late 2017, a software product to perform a search for Segregation of Duties issues and conflicts of the roles of individuals in the INFOR financial system. The County will be reviewing all available segregation of duties rules to determine the application to the County's financial environment, and will run conflict reports to determine those conflicts that require mitigation. After identification, the Department of Financial Services will work closely with the Information Technology division of the General Services Department to implement enhanced segregation of duties.

On the specific segregation of duties issued noted, the County is taking the following actions:

- Vendor File Access – The task of vendor entry has been temporarily removed from users that perform entries and approval of invoices and claims and moved to the Systems unit under Accounting and Financial Reporting division. An evaluation is being done as part of the review of segregation of duties reports from the software to determine how to most efficiently structure segregation for the long term. This will be completed as part of the broader segregation of duties review by December 31, 2018.
- Change Order Processing – The Purchasing Division of Financial Services will restrict access to individuals outside the division to process change orders. The security changes will be adopted in the INFOR system prior to April 30, 2018.
- Invoices over \$5,000 – The Department of Financial Services is revising the accounts payable workflows to remove the ability of the individual employee to select their workflow pathway. This will prevent the ability to bypass this secondary approval. These workflows will be live prior to June 30, 2018.
- Editing Pay Rates – The ability of human resources and payroll employees to edit pay rates will be evaluated based on the conflicts of segregation identified utilizing the software above and resolved during that process by December 31, 2018.

The County anticipates resolving conflict of interest issues identified through the Segregation of Duties software by the end of calendar year 2018.

Name of Responsible Person:

Chad Rinde, Assistant Chief Financial Officer

Name of Department Contact:

Chad Rinde, Assistant Chief Financial Officer

Projected Implementation Date:

December 31, 2018

COUNTY OF YOLO, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2017

Finding Number 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

Management's or Departments Response:

We concur.

Views of Responsible Officials and Corrective Action:

Medical Assistance Program (MAA) – current policies and procedures will be reviewed to strengthen ongoing eligibility redeterminations. Revisions to these documents will be reviewed with all staff and adherence will be monitored through internal case reviews to ensure redeterminations are done within the 12-month requirement.

In-Home Support Services (IHSS) – current policies and procedures indicate the importance of meeting the 12-month requirement for redeterminations, however the current reduction in funding and the corresponding reduction in staff has had a great impact on the program's ability to comply with this program mandate. Program staff will continue to prioritize redeterminations whenever possible, and will begin a targeted review of the forms noted as unsigned to ensure compliance with all necessary signatures on all required case documents.

Name of Responsible Person:

MAA - Nolan Sullivan, Service Center Branch Director

IHSS - Sandra Sigrist, Adult & Aging Branch Director

Name of Department Contact:

Rebecca Mellott, Assistant Director

Projected Implementation Date:

April 30, 2018

COUNTY OF YOLO, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2017

Finding Number 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

Management's or Departments Response:

We concur.

Views of Responsible Officials and Corrective Action:

Current policies and procedures will be reviewed for initial and ongoing eligibility determinations, required documentation, and case maintenance to ensure all mandated benefit issuance changes are properly applied following the redetermination. Revisions to these documents will be reviewed with all staff and adherence will be monitored through internal case reviews.

Name of Responsible Person:

Nolan Sullivan, Service Center Branch Director

Name of Department Contact:

Rebecca Mellott, Assistant Director

Projected Implementation Date:

April 30, 2018

COUNTY OF YOLO, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2017

Finding Number 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

Management's or Departments Response:

We concur.

Views of Responsible Officials and Corrective Action:

A request for transfer or surplus document was provided to Fleet Services by Child Support Services on 10/24/2016, which stated "Per State of California DCSS, vehicle must be sold and the proceeds returned to DCSS to offset the cost of the new vehicle currently in the process of being purchased". The document was signed by Fleet Services on 10/28/2016 stating the vehicle was left for auction on 11/2/2016. The document was then dated 12/16/2016 stating the vehicle had been sold for \$7,750.00. On 6/30/2017 the document was signed by the Department of Finance as processed by updating the fixed asset inventory. The document was not provided to Child Support Services by either department to advise that the vehicle had been sold, nor was the proceeds transferred to Child Support Services. An e-mail was sent to the Department of Finance on 1/23/2018 to inquire about the status of the vehicle. On 1/25/2018 Child Support Services was notified that the vehicle had been sold on 12/16/2016, generating proceeds of \$7,750. Child Support Services then requested the Department of Finance transfer the revenue from the proceeds to Child Support Services so that it could be reported to the State of California via the CS356 State Claim. The proceeds from the sale of the vehicle was transferred to Child Support Services on 1/31/2018 and will be reported to the State of California on the 3rd QT CS356 Claim, due to be submitted by 4/15/2018.

Name of Responsible Person:

Sandi Reyes, Business Services Manager

Name of Department Contact:

Sandi Reyes, Business Services Manager

Projected Implementation Date:

April 15, 2018

COUNTY OF YOLO, CALIFORNIA

Corrective Action Plan
Year ended June 30, 2017

Finding Number 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

Management’s or Departments Response:

We concur.

Views of Responsible Officials and Corrective Action:

The County Department of Financial Services will establish a written policy on Federal Grant Cash Management for County departments to use to comply with 2 CFR Section 200.302(b)(6) by the end of June 2018.

Name of Responsible Person:

Chad Rinde, Assistant Chief Financial Officer

Name of Department Contact:

Chad Rinde, Assistant Chief Financial Officer

Projected Implementation Date:

June 30, 2018