

COUNTY OF SUTTER
SINGLE AUDIT REPORT
FOR THE YEAR ENDED
JUNE 30, 2015

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COUNTY OF SUTTER

Single Audit Report
June 30, 2015

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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**

Honorable Grand Jury and Board of Supervisors
County of Sutter

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, each major fund, and the aggregate remaining fund information of the County of Sutter (County), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 31, 2016.

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 County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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*.

Honorable Grand Jury and Board of Supervisors
County of Sutter

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 "Gallina LLP".

Roseville, California
March 31, 2016

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133**

Honorable Grand Jury and Board of Supervisors
County of Sutter

Report on Compliance for Each Major Federal Program

We have audited County of Sutter’s (County) compliance with the types of compliance requirements described in the *OMB Circular A-133 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, 2015. 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 the requirements of laws, regulations, contracts, and grants 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 major federal programs for the year ended June 30, 2015.

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 OMB Circular A-133, 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 combination of deficiencies, in internal control over compliance, such that there is 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 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 were not 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 that we consider significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 2015-001 and 2015-002 that we consider to be significant deficiencies.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Honorable Grand Jury and Board of Supervisors
County of Sutter

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended June 30, 2015, and have issued our report thereon dated March 31, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the 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 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 financial statements or to the 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 expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Other Matters

The Supplementary Schedule of the Grants Expenditures of the California Emergency Management Agency and the Board of State and Community Corrections Programs have not been subjected to auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on it.



Roseville, California
March 31, 2016

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COUNTY OF SUTTER

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Expenditures
<u>U.S. Department of Agriculture</u>			
Passed through State Department of Food & Agriculture:			
Plant and Animal Disease, Pest Control, and Animal Care	10.025	14-8506-0689-CA	\$ 673
Plant and Animal Disease, Pest Control, and Animal Care	10.025	13-8506-1399-CA	3,375
Plant and Animal Disease, Pest Control, and Animal Care	10.025	14-8506-0484-CA	13,854
Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-8506-0484-CA	10,112
Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-8506-1164-CA	1,182
Subtotal CFDA Number 10.025			<u>29,196</u>
Passed through State Department of Public Health:			
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	14-10288	999,799
Supplemental Nutrition Assistance Program Administrative Match	10.561	13-20520	245,498
Subtotal Pass Through			<u>1,245,297</u>
Passed through State Department of Social Services:			
Supplemental Nutrition Assistance Program Administrative Match	10.561	--	143,832
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	--	1,172,756
Supplemental Nutrition Assistance Program	10.561		66,430
Subtotal Pass Through			<u>1,383,018</u>
Passed through the State Department of Food & Agriculture	10.604	2013-37	1,924
Plant and Animal Disease, Pest Control, and Animal Care			
Passed through the Department of Agriculture:			
Cooperative Forestry Assistance	10.664		77,904
Total U.S. Department of Agriculture			<u>\$ 2,737,339</u>
<u>U.S. Department of Housing and Urban Development</u>			
Passed through State Department of Housing and Community Development:			
Community Development Block Grants/State's Program	14.228	--	30,328
Total U.S. Department of Housing and Urban Development			<u>\$ 30,328</u>
<u>U.S. Department of Interior</u>			
Passed through State Department of Fish and Game:			
Cooperative Endangered Species Conservation Fund	15.615		237,145
Total U.S. Department of Interior			<u>\$ 237,145</u>
<u>U.S. Department of Justice</u>			
Passed through Drug Enforcement Administration:			
Organized Crime Drug Enforcement Task Force	16.111	--	541
Passed through Governor's Office of Emergency Services:			
Victim Witness Assistance Program	16.575	VW 14280510	96,243
Direct Programs:			
State Criminal Alien Assistance Program	16.606	--	26,243
Bulletproof Vest Partnership	16.607	--	831
Subtotal Direct Programs			<u>27,074</u>
Total U.S. Department of Justice			<u>\$ 123,858</u>

See accompanying notes to Schedule of Expenditures of Federal Awards

COUNTY OF SUTTER

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Expenditures
<u>U.S. Department of Transportation</u>			
Passed through State Department of Transportation:			
Highway Planning and Construction	20.205	St. & Hwy Code Sec. 182.9	\$ 50,329
Highway Planning and Construction	20.205	St. & Hwy Code Sec. 182.9	44,456
Highway Planning and Construction	20.205	St. & Hwy Code Sec. 182.9	71,379
Highway Planning and Construction	20.205	St. & Hwy Code Sec. 182.9	481
Highway Planning and Construction	20.205	St. & Hwy Code Sec. 182.9	341,708
Highway Planning and Construction	20.205	St. & Hwy Code Sec. 182.9	28,400
Highway Planning and Construction	20.205	St. & Hwy Code Sec. 182.9	26,406
Highway Planning and Construction	20.205	St. & Hwy Code Sec. 182.9	380
Highway Planning and Construction	20.205	St. & Hwy Code Sec. 182.9	971
Highway Planning and Construction	20.205	St. & Hwy Code Sec. 182.9	185,384
Subtotal CFDA Number 20.205			<u>749,894</u>
Total U.S. Department of Transportation			<u>\$ 749,894</u>
<u>Environmental Protection Agency</u>			
Passed through State Environmental Protection Agency:			
Underground Storage Tank Prevention, Detection & Compliance Program	66.804	G13-UST21	<u>27,617</u>
Total Environmental Protection Agency			<u>\$ 27,617</u>
<u>U.S. Department of Education</u>			
Passed through State Department of Education:			
Adult Education - Basic Grants to States	84.002	--	38,901
Adult Education - Basic Grants to States	84.002	--	33,179
Adult Education - Basic Grants to States	84.002	--	31,214
Adult Education - Basic Grants to States	84.002	--	102,178
Subtotal CFDA Number 84.002			<u>205,472</u>
Total U.S. Department of Education			<u>\$ 205,472</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through State Department of Public Health:			
Public Health Emergency Preparedness	93.069	14-10552	165,768
Immunization Grants	93.268	13-20316	29,148
Subtotal Pass Through			<u>194,916</u>
Passed through State Department of Mental Health:			
Projects for Assistance in Transition from Homelessness (PATH)	93.150	--	34,167
Passed through State Department of Social Services:			
Promoting Safe and Stable Families	93.556	--	87,234
Temporary Assistance for Needy Families - Admin Costs	93.558	--	3,554,615
Temporary Assistance for Needy Families - CWS Admin Costs	93.558	--	447,451
Temporary Assistance for Needy Families - Assistance Claims	93.558	--	2,287,251
Subtotal CFDA Number 93.558			<u>6,289,317</u>

See accompanying notes to Schedule of Expenditures of Federal Awards

COUNTY OF SUTTER

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Expenditures
<u>U.S. Department of Health and Human Services</u> (continued)			
Passed through State Department of Social Services (continued):			
Stephanie Tubbs Jones Child Welfare Services Program	93.645	--	\$ 290,195
Department of Child Support Services	93.563		1,828,492
Foster Care Title IV-E - Child Welfare Serv Outcome Improvement Project	93.658	--	1,982
Foster Care Title IV-E - DSS Admin Costs	93.658	--	991,688
Foster Care Title IV-E - Probation IV-E & Group Home Monthly Visits - Admin	93.658		449,688
Foster Care Title IV-E - Assistance Claims	93.658	--	1,326,827
Subtotal CFDA Number 93.658			2,770,185
Adoption Assistance Program - Admin Costs	93.659		27,202
Adoption Assistance Program - Assistance Claims	93.659		1,665,208
Subtotal CFDA Number 93.659			1,692,410
Social Services Block Grant	93.667	--	29,498
Social Services Block Grant	93.667	--	4,314
Subtotal CFDA Number 93.667			33,812
Chafee Foster Care Independence Program	93.674	--	74,392
Medical Assistance Program	93.778	--	3,647,106
Subtotal Pass Through			16,942,226
Passed through State Department of Mental Health:			
Mental Health Block Grant (MHBG)	93.958		381,094
Passed through State Department of Alcohol & Drug Programs:			
Substance Abuse Prevention & Treatment Block Grant (SAPT)	93.959	--	883,162
Passed through State Department of Public Health:			
Transmitted Disease Control Grants	93.977		5,706
Passed through State Department of Health Care Services:			
Maternal and Child Health Services Block Grant to States	93.994		77,941
Total U.S. Department of Health and Human Services			\$ 18,290,129
<u>U.S. Department of Homeland Security</u>			
Passed through California Emergency Management Agency:			
2014 Emergency Management Performance Grant	97.042	--	145,272
Assistance to Firefighters Grant	97.044	--	623,735
2013 Homeland Security Grant	97.067	--	56,332
2014 Homeland Security Grant	97.067	--	72,067
Subtotal CFDA Number 97.067			128,399
Total U.S. Department of Homeland Security			\$ 897,406
Total Expenditures of Federal Awards			\$ 23,299,188

See accompanying notes to Schedule of Expenditures of Federal Awards

COUNTY OF SUTTER

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

NOTE 1: GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the County of Sutter (the County). The County reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

NOTE 2: BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is prepared on an accrual basis. The information in this schedule is presented in accordance with requirements of OMB Circular A-133.

NOTE 3: RELATIONSHIP TO FINANCIAL STATEMENTS

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree, in all material respects, to amounts reported within the County's financial statements. Federal award revenues are reported principally in the County's financial statements as intergovernmental revenues in the General Fund and Special Revenue funds.

NOTE 4: PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

When federal awards were received from pass-through entity, the Schedule of Expenditures of Federal Awards shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the County 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: LOANS WITH CONTINUING COMPLIANCE REQUIREMENTS

Outstanding federally-funded program loans, with a continuing compliance requirement, carried the following balances as of July 1, 2014 and June 30, 2015:

<u>Program Title</u>	<u>Amount Outstanding</u>		
	<u>July 1, 2014</u>	<u>New Loans</u>	<u>June 30, 2015</u>
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	\$ 1,330,753	\$ -	\$ 1,330,753
HOME Investment Partnerships Programs	\$ 128,493	\$ -	\$ 128,493

COUNTY OF SUTTER

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

NOTE 6: SUBRECIPIENTS

Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the County provided federal awards to programs as follows:

<u>Federal CFDA #</u>	<u>Program Title</u>	<u>Amount Provided to Subrecipients</u>
14.228	Economic Development Block Grant	\$ 30,328

NOTE 7: TOTAL FEDERAL AWARDS EXPENDED BY CFDA NUMBER

When there is more than one program under a single CFDA number, the Schedule of Expenditures of Federal Awards presents totals of all programs under the one CFDA number. Occasionally, however, this total could not be conveniently displayed because all programs under one CFDA number were not contiguous. When this occurred, this total is not shown in the Schedule, but instead is provided below:

<u>CFDA No.</u>	<u>Expenditures</u>
10.561	\$ 1,628,516

COUNTY OF SUTTER

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2015

Section 1

Financial Statements

Summary of Auditor's Results

- | | |
|--|---------------|
| 1. Type of auditor's report issued: | Unmodified |
| 2. Internal controls over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None Reported |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| 2. Type of auditor's report issued on compliance for major programs: | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with Circular OMB A-133, Section 510(a)? | Yes |
| 4. Identification of major programs: | |

CFDA Number

Name of Federal Program

- | | |
|---|--|
| 10.561 | Supplemental Nutrition Assistance Program |
| 14.228 | Community Development Block Grants |
| 93.558 | Temporary Assistance for Needy Families |
| 93.658 | Foster Care |
| 93.659 | Adoptions |
| 93.778 | Medical Assistance Program |
| 93.959 | Block Grants for Prevention and Treatment of Substance Abuse |
| 5. Dollar Threshold used to distinguish between Type A and Type B programs? | \$742,753 |
| 6. Auditee qualified as a low-risk auditee under OMB Circular A-133, Section 530? | No |

COUNTY OF SUTTER

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2015

Section 2

None Reported

Section 3

Federal Award Findings and Questioned Costs

CFDA 93.558
CFDA 93.778

2015-001
2015-002

COUNTY OF SUTTER

Schedule of Findings and Questioned Costs Single Audit Findings For the Year Ended June 30, 2015

Reference Number	2015-001
Federal Program Title	Temporary Assistance for Needy Families
CFDA Number	93.558
Federal Agency	U.S. Department of Health and Human Services
Pass Through Entity	State Department of Social Services
Compliance Requirements	Eligibility and Special Tests and Provisions

Criteria

Any family that includes an adult or minor child head of household or a spouse of the head of household who has received assistance under any State program funded by Federal TANF funds for 60 months (whether or not consecutive) is ineligible for additional federally funded TANF assistance. However, the State may extend assistance to a family on the basis of hardship, as defined by the State, or if a family member has been battered or subjected to extreme cruelty.

Condition

Of the 40 cases selected for eligibility testing, we noted one case in which the 60-month clock used for tracking for the TANF sixty-month, time-on-aid limit showed greater than 60 months. Specifically, the case showed 67 months.

Questioned Costs

Questioned Costs were calculated by reviewing the detail of benefit payments issued after a case was no longer eligible to receive federal funding based on the documentation available to us in the files. Questioned Costs for the case are \$4,025.

Cause

The County did not have proper oversight to ensure that on cases where there are adults receiving that they did not exceed the TANF sixty-month limit on benefits using federal funds.

Effect of the Condition

By not having proper oversight over the 60-month clocks, adults could exceed the sixty-month limit, time-on-aid resulting in individuals receiving federal TANF assistance for more than sixty months in violation of federal law.

Recommendation

We recommend the County review its current system of oversight to ensure that the sixty-month, time-on-aid limit using federal funds is not exceeded.

Views of Responsible Official and Planned Corrective Action

The department has reviewed the current practice of setting computer tasks to ensure the sixty month time on aid limit is not exceeded and will provide refresher training to staff to reinforce the process. Additionally, the department has established a policy to review a report from the C-IV system by the supervisor each month to ensure that each case is transitioned timely. The supervisor and lead worker will ensure that the report is acted upon and all tasks were correctly processed.

Contact information of the person with who this finding was discussed is Lori Harrah, Director of Sutter County Welfare and Social Services, (530) 822-7238, lharrah@co.sutter.ca.us

COUNTY OF SUTTER

Schedule of Findings and Questioned Costs Single Audit Findings For the Year Ended June 30, 2015

Reference Number	2015-002
Federal Program Title	Medi-Cal
CFDA Number	93.778
Federal Agency	U.S. Department of Health and Human Services
Pass Through Entity	State Department of Social Services
Compliance Requirements	Eligibility

Criteria

Every 12 months the County must re-determine the eligibility of Medi-Cal recipients with respect to circumstances that may change (e.g., income eligibility). The County must have procedures designed to ensure that recipients make timely and accurate reports of any changes in circumstances that may affect their eligibility. The County must promptly reassess eligibility when it receives information about changes in a recipient's circumstances that may affect his or her eligibility (42 CFR 435.916).

Condition

Of the 40 case files selected for eligibility testing, we noted one case file where the Department failed to perform annual redetermination.

Questioned Costs

Despite the exceptions noted above, no client involved was determined to be ineligible for the benefits received. Therefore, we do not question costs.

Cause

The Department did not have sufficient oversight to ensure that redeterminations are being completed on an annual basis.

Effect of Condition

Individuals who are no longer eligible for Medi-Cal Assistance might continue to receive assistance if redeterminations are not conducted in a timely manner.

Recommendation

We recommend that a review process be implemented to ensure that the required annual redeterminations for the Medi-Cal Assistance Program are conducted.

Views of Responsible Official and Planned Corrective Action

The department will continue to provide induction and on-going training to include regulations surrounding Medi-Cal redeterminations.

Contact information of the person with who this finding was discussed is Lori Harrah, Director of Sutter County Welfare and Social Services, (530) 822-7238, lharrah@co.sutter.ca.us

COUNTY OF SUTTER

Schedule of Prior Audit Findings
For the Year Ended June 30, 2015

Reference Number	2014-002
Federal Program Title	Temporary Assistance for Needy Families
CFDA Number	93.558
Federal Agency	U.S. Department of Health and Human Services
Pass Through Entity	State Department of Social Services
Compliance Requirement	Eligibility

Recommendation

We recommend the County review its current system of oversight to ensure that the sixty-month, time-on-aid limit using federal funds is not exceeded.

Status

Not implemented. See Finding 2015-001

COUNTY OF SUTTER

Schedule of Prior Audit Findings
For the Year Ended June 30, 2015

Reference Number	2014-003
Federal Program Title	Temporary Assistance for Needy Families and Medi-Cal
CFDA Number	93.558 and 93.778
Federal Agency	U.S. Department of Health and Human Services
Pass Through Entity	State Department of Social Services, State Department of Health Care Services, and State Department of Alcohol & Drug Programs
Compliance Requirement	Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Recommendation

We recommend that Department employees who perform any work on functions for this grant prepare, sign, and submit to a member of management signed timesheets at the end of each pay period. We also recommend that a member of management receive, review and sign as the authorizing official timesheets received from employees for each pay period.

Status

Implemented.

COUNTY OF SUTTER

Schedule of Prior Audit Findings
For the Year Ended June 30, 2015

Reference Number	2014-004
Federal Program Title	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii
CFDA Number	14.228
Federal Agency	U.S. Department of Housing and Urban Development
Pass Through Entity	State Department of Housing and Community Development
Compliance Requirement	Subrecipient Monitoring

Recommendation

We recommend the County prepare policies and procedures for monitoring its subrecipients and ensuring that these monitoring procedures are conducted. We further recommend that the County develop a monitoring checklist for these procedures. The U.S. Department of Housing and Urban Development Guidebook for CDBG Grantees on Subrecipient Oversight may be a good source for consultation.

Status

Implemented.

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SUPPLEMENTARY SCHEDULE

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COUNTY OF SUTTER

Schedule of the California Emergency Management Agency
and the Board of State and Community Corrections Grants Expenditures
For the Year Ended June 30, 2015

Program	Expenditures Claimed			Share of Expenditures Current Year	
	For the Period Through June 30, 2014	For the Year Ended June 30, 2015	Cumulative As of June 30, 2015	Federal Share	State Share
Victim Witness					
Assistance Program VW 14280510					
Personal services	\$ --	\$ 110,507	\$ 110,507	\$ 73,746	\$ 36,761
Operating expenses	--	22,497	22,497	22,497	--
Totals	\$ --	\$ 133,004	\$ 133,004	\$ 96,243	\$ 36,761