

**COUNTY OF PLACER, CALIFORNIA**

**SINGLE AUDIT REPORT  
(UNIFORM GUIDANCE)**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**COUNTY OF PLACER, CALIFORNIA**

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(UNIFORM GUIDANCE)**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

To the Board of Supervisors  
County of Placer  
Auburn, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Placer, California, (County) as of and for the year ended June 30, 2018, 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 21, 2018. Our report contained an emphasis of matter stating that the County adopted Governmental Accounting Standards Board (GASB) Statements No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* and No. 85, *Omnibus 2017*, effective July 1, 2017.

**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 or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider 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*.

## **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.

*Vavrinik, Trine, Day & Co. LLP*

Sacramento, California  
December 21, 2018



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GRANT GUIDANCE**

To the Board of Supervisors  
County of Placer  
Auburn, California

**Report on Compliance for Each Major Federal Program**

We have audited the County of Placer, 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, 2018. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

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

We believe that our audit provides a reasonable basis for our 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, 2018.

## ***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 2018-002, 2018-003 and 2018-005. 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 response was not subject to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## **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 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 did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2018-001, 2018-003, 2018-004, and 2018-005, 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

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 21, 2018, which contained unmodified opinions on those financial statements. Our report includes an emphasis of matter paragraph regarding the County's adoption of Governmental Accounting Standards Board (GASB) Statements No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* and No. 85, *Omnibus 2017*. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. 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. 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 is fairly stated in all material respects in relation to the basic financial statements as a whole.

Varrinck, Trine, Day & Co. LLP

Sacramento, California

March 26, 2019

**COUNTY OF PLACER, CALIFORNIA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<b>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</b>	<b>Federal CFDA Number</b>	<b>Grant Identification / Pass-Through Entity Identifying Number</b>	<b>Federal Expenditures</b>	<b>Passed Through to Subrecipients</b>
<b>U.S. Department of Agriculture</b>				
SNAP Cluster:				
Passed through California Department of Public Health:				
Supplemental Nutrition Assistance Program	10.551	16-10171	\$ 343,692	\$ -
Passed through California Department of Social Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP) - Administration	10.561	31 CEC	5,376,933	61,231
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP) - Nutrition Education	10.561	31 CEC	43,240	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP) - Employment and Training	10.561	31 CEC	5,058	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP) - Employment and Training	10.561	31 CEC	149,672	-
Total - SNAP Cluster (10.551 & 10.561)			<u>5,918,595</u>	<u>61,231</u>
Direct Programs:				
Law Enforcement Agreements - Tahoe National Forest Cooperative	10.704	17-LE-11051360-019-001/002	21,600	-
Law Enforcement Agreements - Tahoe National Forest Cooperative	10.704	17-LE-11051360-019-004/005	2,881	-
subtotal (10.704)			<u>24,481</u>	<u>-</u>
Passed through California Department of Food and Agriculture:				
Plant and Animal Disease, Pest Control, and Animal Care - Glassy-winged Sharpshooter	10.025	16-0423-SF	63,048	-
Plant and Animal Disease, Pest Control, and Animal Care - Light Brown Apple Moth	10.025	17-0154-013-SF	6,448	-
Plant and Animal Disease, Pest Control, and Animal Care - Asian Citrus Psyllid	10.025	16-0583-SF	11,353	-
Plant and Animal Disease, Pest Control, and Animal Care - Asian Citrus Psyllid	10.025	17-0428-0008-SF	43,358	-
Plant and Animal Disease, Pest Control, and Animal Care - European Grapevine	10.025	16-0701-SF	2,045	-
Plant and Animal Disease, Pest Control, and Animal Care - European Grapevine	10.025	17-0549-025-SF	1,769	-
Plant and Animal Disease, Pest Control, and Animal Care - Exotic Pest Detection	10.025	17-0126	66,846	-
Plant and Animal Disease, Pest Control, and Animal Care - Phytophthora Ramorum - Non Quarantined	10.025	17-8506-0572-CA	1,464	-
subtotal (10.025)			<u>196,331</u>	<u>-</u>
Passed through California Department of Forestry & Fire Protection:				
Cooperative Forestry Assistance - Volunteer Fire Assistance Program	10.664	7GF17106	17,335	-
Cooperative Forestry Assistance - Volunteer Fire Assistance Program	10.664	7GF17107	17,013	-
Cooperative Forestry Assistance - Volunteer Fire Assistance Program	10.664	7GF17108	17,305	-
Cooperative Forestry Assistance - Volunteer Fire Assistance Program	10.664	7GF17109	13,213	-
subtotal (10.664)			<u>64,866</u>	<u>-</u>
Passed through California Department of Public Health:				
WIC-Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	15-10101	1,123,357	-
<b>Total U.S. Department of Agriculture</b>			<b><u>7,327,630</u></b>	<b><u>61,231</u></b>
<b>U.S. Department of Housing and Urban Development</b>				
Housing Voucher Cluster:				
Direct Program:				
Section 8 Housing Choice Vouchers	14.871	CA 149	2,260,538	-
Total - Housing Voucher Cluster (14.871)			<u>2,260,538</u>	<u>-</u>
Direct Program:				
Continuum of Care Program	14.267	CA0844L9T151602/ CA0774L9T151607 / CA1094L9T151601/ CA0285L9T151609	724,314	-
Passed through California Department of Housing and Community Development:				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	Program Income	95,452	-
Home Investment Partnerships Program	14.239	Loans	2,000,000	-
Home Investment Partnerships Program	14.239	17/18 Prgm Inc. Loans Issued	200,000	-
Home Investment Partnerships Program	14.239	17/18 Program Income	2,843	-
subtotal (14.239)			<u>2,202,843</u>	<u>-</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<b><u>5,283,147</u></b>	<b><u>-</u></b>

See accompanying notes to the schedule of expenditures of federal awards.



**COUNTY OF PLACER, CALIFORNIA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Grant Identification / Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>	<u>Passed Through to Subrecipients</u>
<b>U.S. Department of the Interior</b>				
Direct Program:				
Secure Rural Schools & Community Self-Determination	15.234	HR2389	\$ 34,254	\$ -
Passed through California Department of Fish and Wildlife:				
Cooperative Endangered Species Conservation Fund	15.615	P1620102	131,132	-
<b>Total U.S. Department of the Interior</b>			<b>165,386</b>	<b>-</b>
<b>U.S. Department of Justice</b>				
Direct Programs:				
Equitable Sharing Program - Drug Enforcement Administration, Domestic Cannabis Eradication Suppression	16.922	2017-35	12,260	-
Equitable Sharing Program - Drug Enforcement Administration, Domestic Cannabis Eradication Suppression	16.922	2018-33	5,980	-
Equitable Sharing Program - Organized Crime Drug Enforcement Task Force	16.922	PA-CAE-0465	4,387	-
Equitable Sharing Program - Federal Bureau of Investigation Cooperative Agreement-Joint Terrorism Task Force	16.922	319X-HQ-A1487709-SC	12,063	-
subtotal (16.922)			34,690	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2017-DJ-BX-0861	21,725	-
Passed through Board of State and Community Corrections:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	BSCC 627-17	311,159	-
subtotal (16.738)			332,884	-
Passed through California Governor's Office of Emergency Services:				
Crime Victim Assistance - Victim Witness Assistance Program	16.575	VW16340310	147,833	-
Crime Victim Assistance - Victim Witness Assistance Program	16.575	VW17350310	180,000	-
Crime Victim Assistance - Increased Access to Services	16.575	KU16010310	50,000	-
Crime Victim Assistance - Child's Advocacy Center	16.575	KC17010310	22,500	-
subtotal (16.575)			400,333	-
<b>Total U.S. Department of Justice</b>			<b>767,907</b>	<b>-</b>
<b>U.S. Department of Transportation</b>				
Highway Planning and Construction Cluster:				
Passed through California State Department of Transportation:				
Highway Planning and Construction	20.205	BRLO-5919(065)	278,696	-
Highway Planning and Construction	20.205	BRLO-5919(066)	1,310,908	-
Highway Planning and Construction	20.205	BRLO-5919(073)	316,481	-
Highway Planning and Construction	20.205	BRLO-5919(074)	3,175	-
Highway Planning and Construction	20.205	BRLO-5919(076)	(267,048)	-
Highway Planning and Construction	20.205	BRLO-5919(086)	110,412	-
Highway Planning and Construction	20.205	BRLO-5919(087)	94,816	-
Highway Planning and Construction	20.205	BRLO-5919(099)	313,846	-
Highway Planning and Construction	20.205	BRLO-5919(105)	1,746,513	-
Highway Planning and Construction	20.205	BRLO-5919(114)	109,722	-
Highway Planning and Construction	20.205	BRLO-5919(116)	546,458	-
Highway Planning and Construction	20.205	BRLS-5919(097)	2,633,669	-
Highway Planning and Construction	20.205	BRLS-5919(115)	246,958	-
Highway Planning and Construction	20.205	CML-5919(123)	1,218	-
Highway Planning and Construction	20.205	CML-5919(124)	975,485	-
Highway Planning and Construction	20.205	CML-5919(128)	75,000	-
Highway Planning and Construction	20.205	HSIPL-5919(110)	165,829	-
Highway Planning and Construction	20.205	HSIPL-5919(111)	190	-
Highway Planning and Construction	20.205	HSIPL-5919(119)	104,875	-
Highway Planning and Construction	20.205	HSIPL-5919(127)	60,883	-
Highway Planning and Construction	20.205	HSIPL-5919(130)	3,041	-
Highway Planning and Construction	20.205	STPL-5919(131)	2,356,617	-
Highway Planning and Construction	20.205	STPL-5919(136)	79,900	-
Highway Planning and Construction	20.205	STPLER-5919(054)	140,960	-
Highway Planning and Construction	20.205	TCSP-E2CA(018)	1,220,266	-
Highway Planning and Construction	20.205	85STC7	2,734	-
Total - Highway Planning and Construction Cluster (20.205)			12,631,604	-

See accompanying notes to the schedule of expenditures of federal awards.

**COUNTY OF PLACER, CALIFORNIA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Grant Identification / Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>	<u>Passed Through to Subrecipients</u>
<b><u>U.S. Department of Transportation (continued)</u></b>				
Federal Transit Cluster:				
Direct Program:				
Federal Transit - Formula Grants (Section 5307)	20.507	CA-2018-039	\$ 289,371	\$ -
Federal Transit - Formula Grants (Section 5307)	20.507	CA-2018-120	1,672,031	-
Federal Transit - Formula Grants (Section 5307)	20.507	CA-59-X289-01	732,000	-
Total - Federal Transit Cluster (20.507)			<u>2,693,402</u>	<u>-</u>
Passed through California State Department of Transportation:				
Formula Grants for Rural Areas (Section 5311)	20.509	N/A	378,842	-
Passed through California State Office of Traffic Safety:				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	AL1706/ AL18019	75,975	-
<b>Total U.S. Department of Transportation</b>			<b><u>15,779,823</u></b>	<b><u>-</u></b>
<b><u>U.S. Environmental Protection Agency</u></b>				
Clean Water State Revolving Fund Cluster:				
Passed through California State Water Resources Control Board:				
Capitalization Grants for Clean Water State Revolving Funds	66.458	13-805-55-0	864,733	-
Total - Clean Water State Revolving Fund Cluster (66.458)			<u>864,733</u>	<u>-</u>
Nonpoint Source Implementation Grants	66.460	13-503-556	36,834	-
<b>Total U.S. Environmental Protection Agency</b>			<b><u>901,567</u></b>	<b><u>-</u></b>
<b><u>U.S. Election Assistance Commission</u></b>				
Passed through California Secretary of State:				
Help America Vote Act Requirements Payments - Polling Place Accessibility Training Program	90.401	17G26130	10,995	-
<b>Total U.S. Election Assistance Commission</b>			<b><u>10,995</u></b>	<b><u>-</u></b>
<b><u>U.S. Department of Health and Human Services</u></b>				
TANF Cluster:				
Passed through California Department of Social Services:				
Temporary Assistance for Needy Families (TANF) - Admin	93.558	31 CEC / 63 CEC	11,170,314	1,744,170
Temporary Assistance for Needy Families (TANF) - Direct	93.558	CA800-31	1,558,351	-
Total - TANF Cluster (93.558)			<u>12,728,665</u>	<u>1,744,170</u>
Medicaid Cluster:				
Passed through California Department of Social Services:				
Medical Assistance Program - Medical Adult Protective Services/CSBG	93.778	63 CEC	644,845	-
Medical Assistance Program - Medical Child Welfare Services	93.778	63 CEC	624,715	-
Medical Assistance Program - Medical In-Home Supportive Services	93.778	63 CEC	2,568,527	-
Medical Assistance Program - Medical Family Preservation Program	93.778	63 CEC	59,697	-
Passed through California Department of Health Care Services:				
Medical Assistance Program - Administration	93.778	31 CEC	5,996,793	-
Medical Assistance Program - Medical Admin - Alcohol & Drug Program	93.778	Cost Report 31	281,451	-
Medical Assistance Program - Healthcare Program for Children in Foster Care	93.778	N/A	213,933	-
Medical Assistance Program - Children's Medical Services (CCS and CHDP)	93.778	N/A	764,171	-
Passed through California Department of Public Health				
Medical Assistance Program - Title XIX Maternal and Child Health Block Grant	93.778	201731	468,186	-
Total - Medicaid Cluster (93.778)			<u>11,622,318</u>	<u>-</u>
Direct Programs:				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79SM062250-001	400,000	390,335
Drug-Free Communities Support Program Grants	93.276	5H79SP015810-04 / 2H79SP015810-06	123,313	-
Passed through California Department of Child Support Services:				
Child Support Enforcement	93.563	1704CACSES	4,182,068	-

See accompanying notes to the schedule of expenditures of federal awards.

**COUNTY OF PLACER, CALIFORNIA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Grant Identification / Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>	<u>Passed Through to Subrecipients</u>
<b>U.S. Department of Health and Human Services (continued)</b>				
Passed through California Department of Social Services:				
Guardianship Assistance - Admin	93.090	63 CEC	\$ (13,644)	\$ -
Guardianship Assistance - Direct	93.090	CA800-31	94,429	-
subtotal (93.090)			80,785	-
Promoting Safe and Stable Families (PSSF)	93.556	63 CEC	253,781	-
Refugee and Entrant Assistance - State Administered Programs - Admin	93.566	31 CEC	3,016	-
Refugee and Entrant Assistance - State Administered Programs - Direct	93.566	CA800-31	8,596	-
subtotal (93.566)			11,612	-
Community-Based Child Abuse Prevention Grants	93.590	ACIN I-80-17	19,688	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	63 CEC	288,900	-
Foster Care Title IV-E - Administration - Child Welfare Services IV-E	93.658	63 CEC	2,507,689	-
Foster Care Title IV-E - Administration - Foster Care	93.658	63 CEC	295,503	-
Foster Care Title IV-E - Administration - Commercially Sexually Exploited Children	93.658	63 CEC	46,048	-
Foster Care Title IV-E - Administration - Licensing	93.658	63 CEC	(1,886)	-
Foster Care Title IV-E - Administration - Non Child Welfare Services Allocation	93.658	63 CEC	419,137	-
Foster Care Title IV-E - Administration - Continuum of Care Reform	93.658	63 CEC	388,229	-
Foster Care Title IV-E - Administration - Probation IV-E & Group Home Monthly Visits	93.658	63 CEC	345,521	-
Foster Care Title IV-E - Direct	93.658	CA800-31	1,741,857	-
subtotal (93.658)			5,742,098	-
Adoption Assistance - Title IV-E - Administration	93.659	63 CEC	237,022	-
Adoption Assistance - Title IV-E - Direct	93.659	CA800-31	2,924,101	-
subtotal (93.659)			3,161,123	-
Social Services Block Grant	93.667	63 CEC	194,241	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	63 CEC	92,390	-
Passed through California Department of Health Care Services:				
Projects for Assistance in Transition from Homelessness (PATH)	93.150	17-94542	44,313	-
Block Grants for Community Mental Health Services	93.958	MH 1784-63	754,846	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	17-94148	1,525,284	-
Passed through California Department of Public Health:				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	14-10529	1,107,446	-
Immunization Cooperative Agreements	93.268	15-10440	82,124	-
Maternal and Child Health Services Block Grant to the States	93.994	201731	127,417	-
Passed through County of Sacramento:				
HIV Emergency Relief Project Grants	93.914	7207500-13/18-706 A3	154,198	154,198
<b>Total U.S. Department of Health and Human Services</b>			<b>42,696,610</b>	<b>2,288,703</b>
<b>U.S. Department of Homeland Security</b>				
Passed through California Department of Parks and Recreation:				
Boating Safety Financial Assistance	97.012	C16L0619	75,822	-
Passed through California Governor's Office of Emergency Services:				
Disaster Grants - Public Assistance	97.036	FEMA-4301-DR-CA	2,133,148	-
Emergency Operations Center	97.042	2017-0007	202,809	-
Homeland Security Grant Program	97.067	2015-0078	95,405	48,310
Homeland Security Grant Program	97.067	2016-0102	200,458	18,543
Homeland Security Grant Program	97.067	2017-0083	243,688	72,905
subtotal (97.067)			539,551	139,758

See accompanying notes to the schedule of expenditures of federal awards.

**COUNTY OF PLACER, CALIFORNIA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Grant Identification / Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>	<u>Passed Through to Subrecipients</u>
<b>U.S. Department of Homeland Security (continued)</b>				
Passed through County of Butte:				
Fire Management Assistance Grant	97.046	FM-5189-CA (Wall Fire)	\$ 13,454	\$ -
Passed through County of Nevada:				
Fire Management Assistance Grant	97.046	FEMA-4344-DR (Lobo Fire)	18,536	-
Passed through County of Yuba:				
Fire Management Assistance Grant	97.046	FEMA-4344-DR (Cascade Fire)	6,507	-
subtotal (97.046)			38,497	-
<b>Total U.S. Department of Homeland Security</b>			<b>2,989,827</b>	<b>139,758</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 75,922,892</b>	<b>\$ 2,489,692</b>

See accompanying notes to the schedule of expenditures of federal awards.

## COUNTY OF PLACER, CALIFORNIA

### NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Note 1: Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the County of Placer, California, (County) under programs of the federal government for the year ended June 30, 2018. The information in the 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: Basis of Accounting

Expenditures on the Schedule are presented using 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: Catalog of Federal Domestic Assistance (CFDA)

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

Note 4: Pass-Through Entities' Identifying Number

When federal awards are received from a pass-through entity, the Schedule indicates, if assigned, the identifying grant or contract number that has been assigned by the pass-through entity.

Note 5: Medicaid Cluster

Direct Medi-Cal and Medicare expenditures are excluded from the Schedule. These expenditures represent fees for services and are not included in the Schedule or in determining major programs. The County assists the State of California in determining eligibility and provides Medi-Cal and Medicare services through County-owned facilities. However, administrative costs related to Medi-Cal and Medicare are included in the Schedule under the Medical Assistance Program (Federal CFDA number 93.778).

Note 6: Indirect Cost Rate

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

**COUNTY OF PLACER, CALIFORNIA**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Note 7: California Emergency Management Agency (CalEMA) Grants

The following represents expenditures for the CalEMA programs for the fiscal year ended June 30, 2018. The amounts reported in the Schedule are determined by calculating the federal portion of the current year expenditures.

Program	Total	Expenditures Incurred For the Fiscal Year Ended June 30, 2018		
		Federal Share	State Share	County Share
<b>Crime Victim Assistance</b>				
<u>VW16340310 - Victim Witness Assistance</u>				
Personal services	\$ 147,432	\$ 147,027	\$ 405	\$ -
Operating expenses	806	806	-	-
	<u>148,238</u>	<u>147,833</u>	<u>405</u>	<u>-</u>
<u>VW17350310 - Victim Witness Assistance</u>				
Personal services	<u>215,000</u>	<u>180,000</u>	<u>35,000</u>	<u>-</u>
subtotal Victim Witness Assistance	<u>363,238</u>	<u>327,833</u>	<u>35,405</u>	<u>-</u>
<u>KU16010310 - Increased Access to Services</u>				
Personal services	35,398	22,898	-	12,500
Operating expenses	<u>27,102</u>	<u>27,102</u>	<u>-</u>	<u>-</u>
subtotal Increased Access to Services	<u>62,500</u>	<u>50,000</u>	<u>-</u>	<u>12,500</u>
<u>KC17010310 - Child's Advocacy Center</u>				
Personal services	17,675	10,175	-	7,500
Operating expenses	9,466	9,466	-	-
Equipment	<u>2,859</u>	<u>2,859</u>	<u>-</u>	<u>-</u>
subtotal Child's Advocacy Center	<u>30,000</u>	<u>22,500</u>	<u>-</u>	<u>7,500</u>
Total Crime Victim Assistance (CFDA 16.575)	<u>\$ 455,738</u>	<u>\$ 400,333</u>	<u>\$ 35,405</u>	<u>\$ 20,000</u>

**COUNTY OF PLACER, CALIFORNIA**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Note 8: California Governor’s Office of Emergency Services (Cal OES) Grants

On November 6, 2017, the County was awarded a Public Assistance and California Disaster Assistance Act (CDAA) Grant from Cal OES in the amount of \$2,133,148. The project worksheet was approved this same date. The following represents qualified expenditures incurred through June 30, 2018.

Program	Total	Expenditures by Fiscal Year	
		Federal Share	State Share
<b>Disaster Grants - Public Assistance</b>			
<u>FEMA-4301-DR-CA, Cal OES ID: 061-00000</u>			
Fiscal Year 2017/2018 Expenditures	\$ 826,580	\$ 659,143	\$ 167,437
Fiscal Year 2016/2017 Expenditures	<u>1,848,435</u>	<u>1,474,005</u>	<u>374,430</u>
Total Expenditures (CFDA 97.036)	<u>\$ 2,675,015</u>	<u>\$ 2,133,148</u>	<u>\$ 541,867</u>

Note 9: Loan Programs

The County participates in certain federal award programs that sponsor revolving loan programs, which are administered by the County. These programs maintain servicing and trust arrangements with the County to collect loan repayments. The funds are returned to the programs upon repayment of the principal and interest and programs funded by these repayments are reported as expenditures in the Schedule. The federal government has imposed certain continuing compliance requirements with respect to the loans rendered under the programs. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule.

The following is a summary of the loan program balances at June 30, 2018.

<u>Program Title</u>	<u>CFDA Number</u>	<u>June 30, 2018 Loans Outstanding<sup>(1)</sup></u>
Home Investment Partnerships Program	14.239	\$ <u>2,000,000</u>

(1) Prior year outstanding loans of \$3,971,354 have been removed from the Schedule as they were deemed to not have continuing compliance requirements in accordance with *Title 2 CFR Section 200.502(d)* for the following programs:

Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	\$ 1,719,534
Home Investment Partnerships Program	14.239	<u>2,251,820</u>
Total Loans Removed from the Schedule		<u>\$ 3,971,354</u>

**COUNTY OF PLACER, CALIFORNIA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**I. SUMMARY OF AUDITORS' RESULTS**

FINANCIAL STATEMENTS

Type of report the auditor issued on whether the financial statements 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>None Reported</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 auditors' report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section .516(a)? Yes

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Programs or Clusters</u>
<u>10.551/10.561</u>	<u>Supplemental Nutrition Assistance Program (SNAP) Cluster</u>
<u>14.239</u>	<u>HOME Investment Partnerships Program</u>
<u>93.778</u>	<u>Medicaid Cluster</u>

Dollar threshold used to distinguish between Type A and Type B programs: \$ 2,277,687

Auditee qualified as low-risk auditee? Yes



**COUNTY OF PLACER, CALIFORNIA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**II. FINANCIAL STATEMENT FINDINGS**

None Reported.

COUNTY OF PLACER, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

**Finding 2018-001**

**Program:** Supplemental Nutrition Assistance Program (SNAP) Cluster

**CFDA No.:** 10.551 and 10.561

**Federal Agency:** U.S. Department of Agriculture

**Pass-Through Agency:** California Department of Social Services and California Department of Public Health

**Award Year:** FY 2017-2018

**Compliance Requirement:** Reporting

**Criteria:**

*Title 2 CFR Section 200.303(a)* of the *Uniform Guidance* requires all non-Federal entities to establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

**Condition Found:**

*Significant Deficiency* – Out of a sample size of two (2) *FNS-49 Total Issuance Reconciliation Reports* and two (2) *FNS-209 Status of Claims Against Households* tested, we noted that there was no review performed over the input of information prior to submission to the pass-through agency.

**Questioned Costs:**

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

**Context:**

The condition noted above was identified during our procedures related to reporting over the program.

**Effect:**

The County (Health and Human Services - HHS) has not complied with the specific requirements for establishing and maintaining internal controls related to reporting for the program.

**Cause:**

The County's (HHS) procedures did not ensure the required reports were subject to review prior to submission to the pass-through agency.

**Recommendation:**

We recommend the County (HHS) review its policies and formalize written procedures to require a review of the reports prior to submission to the pass-through agency.

**Views of Responsible Officials and Planned Corrective Actions:**

See separate corrective action plan.

COUNTY OF PLACER, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

**Finding 2018-002**

**Program:** Medicaid Cluster & Supplemental Nutrition Assistance Program (SNAP) Cluster

**CFDA No.:** 93.778 & 10.551/10.561

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

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

**Award Year:** 2017-2018

**Compliance Requirement:** Cash Management

**Criteria:**

*Title 2 CFR Section 200.302(b)(6) and (7) of the Uniform Guidance* requires all non-Federal entities to establish written procedures to implement the requirements of 2 CFR section 200.305 (Payment).

**Condition Found:**

*Instance of Noncompliance* – The County (HHS) has not established written procedures to implement the cash management requirements of 2 *CFR Section 200.305*.

**Questioned Costs:**

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

**Context:**

The condition noted above was identified during our procedures related to cash management for the Medicaid and SNAP Clusters which is subject to the *Uniform Guidance*.

**Effect:**

The County (HHS) has not complied with the specific requirements for written procedures over cash management as described in the *Uniform Guidance*.

**Cause:**

The County's (HHS) procedures did not ensure the required written procedures were developed and implemented in accordance with the *Uniform Guidance*.

**Recommendation:**

We recommend the County (HHS) review its policies and formalize written procedures related to cash management requirements with 2 *CFR Section 200.305*.

**Views of Responsible Officials and Planned Corrective Actions:**

See separate corrective action plan.

COUNTY OF PLACER, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

**Finding 2018-003**

**Program:** Medicaid Cluster – Medical Assistance Program (In-Home Supportive Services)

**CFDA No.:** 93.778

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

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

**Award Year:** 2017-2018

**Compliance Requirement:** Eligibility

**Criteria:**

Per the 2017 OMB Compliance Supplement, agencies are required to maintain eligibility records, including documents to support the agency's eligibility determination and information about each individual and benefits paid to or on behalf of the individual. In addition, it is required that eligibility determinations and redeterminations, including obtaining any required documentation and verifications, are performed annually to determine if individuals are eligible in accordance with the compliance requirements of the program.

**Condition Found:**

*Significant Deficiency, Instances of Noncompliance* – As a result of our eligibility testing, we noted the following:

- 15 cases where the eligibility re-determinations were not performed timely.
- 9 cases in which evidence of the review of the application for benefits by the eligibility case worker was not documented.
- 1 case in which the required eligibility forms was not available.

**Questioned Costs:**

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

**Context:**

The condition noted above was noted in 15 of 40 cases selected during our testing procedures over eligibility. The County charges administrative expenditures associated with the redetermination of eligibility to the State while the State pays the amounts out to providers. The federal portion of administrative expenses associated with the In-Home Supportive Services Program represents \$2,568,527 of the total \$11,622,318 of the Medical Administrative Activities presented on the Schedule of Expenditures of Federal Awards.

Placer County's Adult System of Care (SOC) is currently on a Quality Improvement Action Plan (QIAP) with California State Department of Social Services (CDSS) as a result of compliance with timeliness of annual reassessment of recipients' of In-Home Support Services (IHSS). Placer County entered into this QIAP in September 2017 and continues to submit quarterly progress reports.

**Effect:**

Lack of performance of timely eligibility redetermination and supporting documentation for eligibility determinations could result in ineligible individuals receiving benefits.

**COUNTY OF PLACER, CALIFORNIA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**Cause:**

Based on inquiry with departmental personnel, the condition is caused by the County process to prioritize new case intake over redeterminations due to high caseloads and limited staffing in the department to perform redeterminations.

**Recommendation:**

We recommend that the County strengthen its current policies and procedures with regards to eligibility redeterminations, required documentation, and maintenance of participant file and ensure that such policies and procedures are formally documented.

**Views of Responsible Officials and Planned Corrective Actions:**

See separate corrective action plan.

**Finding 2018-004**

**Program:** HOME Investment Partnerships Program

**CFDA No.:** 14.239

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

**Pass-Through Agency:** California Department of Housing and Community Development

**Award Year:** 2017-2018

**Compliance Requirement:** Reporting

**Criteria:**

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

**Criteria Found:**

*Significant Deficiency* – Through our inquiries with program personnel, it was identified that there is no documentation that the required Annual Performance Report was reviewed prior to submission to the pass-through agency.

**Questioned Costs:**

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

**Context:**

The condition noted above was identified during our review of the County's reporting processes and procedures.

**COUNTY OF PLACER, CALIFORNIA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**Effect:**

The County has not complied with the requirement to establish and maintain effective internal control over the Federal award as described in the *Uniform Guidance*.

**Cause:**

The County's policies and procedures did not ensure that the required reports were subject to review prior to submission to the federal agency.

**Recommendation:**

We recommended that the County review its policies and procedures to require that the review of the required reports are documented prior to submission to the pass-through agency.

**Views of Responsible Officials and Planned Corrective Actions:**

See separate corrective action plan.

**Finding 2018-005**

**Program:** Temporary Assistance for Needy Families (TANF) Cluster

**CFDA No.:** 93.558

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

**Pass-Through Agency:** California Department of Social Services

**Award Year:** 2017-2018

**Compliance Requirement:** Cash Management

**Criteria:**

*Title 2 CFR Section 200.302(b)(6) and (7) of the Uniform Guidance* requires all non-Federal entities to establish written procedures to implement the requirements of *2 CFR section 200.305 (Payment)*.

**Criteria Found:**

*Significant Deficiency, Instance of Noncompliance* – The County (HHS) has not established written procedures to implement the cash management requirements of *2 CFR Section 200.305*.

**Questioned Costs:**

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

**Context:**

The condition noted above was identified during our procedures related to cash management and allowable costs for the TANF Cluster which is subject to the *Uniform Guidance*.

**COUNTY OF PLACER, CALIFORNIA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**Effect:**

The County (HHS) has not complied with the specific requirements for written procedures over cash management as described in the *Uniform Guidance*.

**Cause:**

The County's (HHS) procedures did not ensure the required written procedures were developed and implemented in accordance with the *Uniform Guidance*.

**Recommendation:**

*This is a repeat finding from Fiscal Year 2017. Reported as Finding 2017-002.*

We recommend the County (HHS) review its policies and formalize written procedures related to cash management requirements with *2 CFR Section 200*.

**Views of Responsible Officials and Planned Corrective Actions:**

See separate corrective action plan.

**COUNTY OF PLACER, CALIFORNIA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

<b>Finding No.</b>	<b>Program</b>	<b>CFDA No.</b>	<b>Compliance Requirement</b>	<b>Status of Corrective Action</b>
2017-001	Housing Voucher Cluster	14.871	Allowable Costs/Cost Principles, Cash Management	Implemented
2017-002	Temporary Assistance for Needy Families (TANF) Cluster	93.558	Allowable Costs/Cost Principles, Cash Management	Partially Implemented with respect to Allowable Costs/Cost Principles. Not implemented with respect to Cash Management – See Finding 2018-005  See County's Separate Summary Schedule of Prior Audit Findings for Status of Corrective Action (Finding 2017-002).
2017-003	Temporary Assistance for Needy Families (TANF) Cluster	93.558	Eligibility	Implemented
2017-004	Child Support Enforcement (Title IV-D)	93.563	Allowable Costs/Cost Principles, Cash Management	Implemented





## COUNTY OF PLACER

## OFFICE OF AUDITOR-CONTROLLER

ANDREW C. SISK, CPA  
Auditor-Controller  
E-mail: [asisk@placer.ca.gov](mailto:asisk@placer.ca.gov)

NICOLE C. HOWARD, CPA  
Assistant Auditor-Controller  
E-mail: [nhoward@placer.ca.gov](mailto:nhoward@placer.ca.gov)

### COUNTY OF PLACER, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2018

Compiled by: Caryl Hearn, Managing Accountant Auditor, County of Placer, California.

**COUNTY OF PLACER, CALIFORNIA**

Corrective Action Plan

Year ended June 30, 2018

**I. FINANCIAL STATEMENT FINDINGS**

None Reported.

**COUNTY OF PLACER, CALIFORNIA**

Corrective Action Plan

Year ended June 30, 2018

**II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**FINDING 2018-001**

**Program:** Supplemental Nutrition Assistance Program (SNAP) Cluster

**CFDA No.:** 10.561

**Federal Agency:** U.S. Department of Agriculture

**Pass-Through Agency:** California Department of Social Services

**Award Year:** FY 2017-2018

**Compliance Requirement:** Reporting

**Management's or Department's Response:**

We concur.

**View of Responsible Officials and Corrective Action:**

The Health and Human Services Department agrees that formal review of the FN-209 and FN-49 are not completed. The department will prepare a process to ensure the complete review of these reports. The procedures will be prepared and implemented before the next submission of these reports.

**Name of Responsible Person:**

Decca Melott, Accountant I

**Implementation Date:**

April 2019

**COUNTY OF PLACER, CALIFORNIA**

Corrective Action Plan

Year ended June 30, 2018

**FINDING 2018-002**

**Program:** Medicaid Cluster & Supplemental Nutrition Assistance Program (SNAP) Cluster

**CFDA No.:** 93.778 & 10.561

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

**Pass-Through Agency:** California Department of Social Services

**Award Year:** FY 2017-2018

**Compliance Requirement:** Cash Management

**Management's or Department's Response:**

We concur.

**View of Responsible Officials and Corrective Action:**

The Health and Human Services Department agrees with the finding that the written procedure for the deposits and payments from the State do not identify the special handling of advanced revenue. The department will draft new language to document the actual handling of advanced revenue to be reviewed by our audit partners for implementation. The department will have the process prepared and implemented before the next revenue recognition is completed.

**Name of Responsible Person:**

Megan Shepard, Supervising Accountant and Julie Leipsic, Accountant II

**Implementation Date:**

May 2019

**COUNTY OF PLACER, CALIFORNIA**

Corrective Action Plan

Year ended June 30, 2018

**FINDING 2018-003**

**Program:** Medicaid Cluster

**CFDA No.:** 93.778

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

**Pass-Through Agency:** California Department of Social Services

**Award Year:** FY 2017-2018

**Compliance Requirement:** Eligibility

**Management's or Department's Response:**

We concur.

**View of Responsible Officials and Corrective Action:**

Regarding the identified eligibility re-determinations that were not performed timely, the County had developed a Quality Improvement Action Plan (QIAP) for FY2017/18 to address this identified issue. Actions were identified and taken in an effort to have eligibility re-determinations performed timely and the County has been able to make improvements to their compliance rate and significantly reduced overdue re-determination backlogs. Going forward, the County will continue to make updates to their QAIP and will continue to monitor the CDSS monthly reassessment compliance report and will notify CDSS if new actions are necessary.

Regarding the identified cases where documentation of application review was absent and the case were forms were not available, the County has updated its policies and procedure and has implemented a section level review completed by the Client Services Assistance and eligibility forms are collated in a standard packet and the IHSS worker, reviews all necessary documents for completion and eligibility determination at all home visits (initial and annual).

**Name of Responsible Person:**

Marie Osborne, Assistant Program Director

**Implementation Date:**

March 2019

**COUNTY OF PLACER, CALIFORNIA**

Corrective Action Plan

Year ended June 30, 2018

**FINDING 2018-004**

**Program:** HOME Investment Partnerships Program

**CFDA No.:** 14.239

**Federal Agency:** Department of Housing and Urban Development

**Pass-Through Agency:** California Department of Housing and Community Development

**Award Year:** FY 2017-2018

**Compliance Requirement:** Reporting

**Management's or Department's Response:**

We concur.

**Views of Responsible Officials and Corrective Action:**

The County will add a documentation process in which the Planning Director will verify in writing that the reports were reviewed prior to submission to the State Department of Housing and Community Development.

**Name of Responsible Person:**

EJ Ivaldi, Planning Director

**Implementation Date:**

July 2019

**COUNTY OF PLACER, CALIFORNIA**

Corrective Action Plan

Year ended June 30, 2018

**FINDING 2018-005**

**Program:** Temporary Assistance for Needy Families (TANF) Cluster

**CFDA No.:** 93.558

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

**Pass-Through Agency:** California Department of Social Services

**Award Year:** FY 2016-2017

**Compliance Requirement:** Cash Management

**Management's or Department's Response:**

We concur.

**Views of Responsible Officials and Corrective Action:**

The Health and Human Services Department agrees with the finding that the written procedure for the deposits and payments from the State do not identify the special handling of advanced revenue. The department will draft new language to document the actual handling of advanced revenue to be reviewed by our audit partners before implementation. The department will have the process prepared and implemented before the next revenue recognition is completed. Additionally in response to the Allowable Costs/Cost Principle items, the TANF, SNAP and Medicare costs are claimed on the County Expense Claim (CEC) and meet the requirement of this category.

**Name of Responsible Person:**

Megan Shepard, Supervising Accountant and Julie Leipsic, Accountant II

**Implementation Date:**

May 2019



## COUNTY OF PLACER

## OFFICE OF AUDITOR-CONTROLLER

ANDREW C. SISK, CPA  
Auditor-Controller  
E-mail: [asisk@placer.ca.gov](mailto:asisk@placer.ca.gov)

NICOLE C. HOWARD, CPA  
Assistant Auditor-Controller  
E-mail: [nhoward@placer.ca.gov](mailto:nhoward@placer.ca.gov)

### COUNTY OF PLACER, CALIFORNIA

#### Summary Schedule of Prior Audit Findings

Year ended June 30, 2018

Compiled by: Caryl Hearn, Managing Accountant Auditor, County of Placer, California.



**COUNTY OF PLACER, CALIFORNIA**

Summary Schedule of Prior Audit Findings

Year ended June 30, 2018

**I. FINANCIAL STATEMENT FINDINGS**

None Reported.

**COUNTY OF PLACER, CALIFORNIA**

Summary Schedule of Prior Audit Findings

Year ended June 30, 2018

**II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**FINDING 2017-001**

**Program:** Housing Voucher Cluster

**CFDA No.:** 14.871

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

**Pass-Through Agency:** N/A

**Award Year:** FY 2016-2017

**Compliance Requirement:** Allowable Costs/Cost Principles, Cash Management

**Status:**

Implemented

**COUNTY OF PLACER, CALIFORNIA**

Summary Schedule of Prior Audit Findings

Year ended June 30, 2018

**FINDING 2017-002**

**Program:** Temporary Assistance for Needy Families (TANF) Cluster

**CFDA No.:** 93.558

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

**Pass-Through Agency:** California Department of Social Services

**Award Year:** FY 2016-2017

**Compliance Requirement:** Allowable Costs/Cost Principles, Cash Management

**Status:**

Partially Implemented.

As indicated on the Corrective Action Plan for the fiscal year ended June 30, 2017, the County partially implemented the corrective action and established a written policy determining the allowability of costs in accordance with *Subpart E – Cost Principles* and the conditions of the Federal Award to comply with 2 CFR Section 200.302(b) (6) and (7) and PIH Notice 2011-67 by June 2018. However, the written policy did not include written procedures related to cash management requirements for 2 CFR Section 200.305 (Payment).

The department will draft new language to document the actual handling of advanced revenue to be reviewed by our audit partners before implementation. The department will have the procedures prepared and implemented by May 2019.

**COUNTY OF PLACER, CALIFORNIA**

Summary Schedule of Prior Audit Findings

Year ended June 30, 2018

**FINDING 2017-003**

**Program:** Temporary Assistance for Needy Families (TANF) Cluster

**CFDA No.:** 93.558

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

**Pass-Through Agency:** California Department of Social Services

**Award Year:** FY 2016-2017

**Compliance Requirement:** Eligibility

**Status:**

Implemented

**COUNTY OF PLACER, CALIFORNIA**

Summary Schedule of Prior Audit Findings

Year ended June 30, 2018

**FINDING 2017-004**

**Program:** Child Support Enforcement (Title IV-D)

**CFDA No.:** 93.563

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

**Pass-Through Agency:** California Department of Child Support Services

**Award Year:** FY 2016-2017

**Compliance Requirement:** Allowable Costs/Cost Principles, Cash Management

**Status:**

Implemented