

COUNTY OF SOLANO, CALIFORNIA
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

COUNTY OF SOLANO, CALIFORNIA

SINGLE AUDIT REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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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 Solano, 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 *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Solano (County), California, as of and for the year ended June 30, 2016, 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 23, 2016. Our report included an emphasis of matter paragraph regarding the County's adoption of Governmental Accounting Standards Board (GASB) Statement No. 72 – *Fair Value Measurement and Application*, effective July 1, 2015.

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 over financial reporting was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 of 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 instance 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 23, 2016



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 GUIDANCE

To the Board of Supervisors
County of Solano, California

Report on Compliance for Each Major Federal Program

We have audited the County of Solano, 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, 2016. 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 the requirements of laws, regulations, contracts, and grants 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; 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, 2016.

Other Matters

The results of our auditing procedures disclosed one instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned cost as item 2016-001. Our opinion on each major federal program is not modified with respect to these matters.

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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 aggregate discretely presented component units, each major fund and the aggregate remaining funding information of the County as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 23, 2016, which contained unmodified opinions on those financial statements. Our report includes an emphasis of matter regarding the County's adoption of Governmental Accounting Standards Board (GASB) Statement No. 72 – *Fair Value Measurement and Application*, effective July 1, 2015. 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 financial statements as a whole.

Vavrinik, Trine, Day & Co. LLP

Sacramento, California
January 25, 2017

COUNTY OF SOLANO, CALIFORNIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Federal Agency	Pass-Through Agency	CFDA Program Title or Cluster	CFDA No.	Pass-through Entity Award ID	Program Expenditures	Expenditures to Subrecipients
US Department of Agriculture (USDA)						
Pass-Through Programs:						
California Department of Food and Agriculture (CDFA)						
		Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-8506-0572-CA 14-8506-0572-CA	\$ 42,467	
		Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-8506-0934-CA 16-8506-1211-CA	22,689	
		Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-8506-1164-CA	1,440	
		Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-8506-1317-CA 16-8506-1317-CA	39,546	
		Plant and Animal Disease, Pest Control, and Animal Care	10.025	16-8506-0484-CA 15-8506-0484-CA	70,885	
		Total Plant and Animal Disease, Pest Control, and Animal Care			<u>177,027</u>	
California Department of Education						
Child Nutrition Cluster:						
		School Breakfast Program	10.553	48-10488-6051569-01	46,448	\$ 46,448
		National School Lunch Program	10.555	48-10488-6051569-01	72,649	72,649
		Total Child Nutrition Cluster (10.553 & 10.555)			<u>119,097</u>	<u>119,097</u>
California Department of Public Health (CDPH)						
		Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	4265	2,153,968	
SNAP Cluster:						
		State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	4265	995,610	459,676
California Department of Social Services (CDSS)						
		State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	1946001347 A7	7,512,472	
		Total SNAP Cluster (10.561)			<u>8,508,082</u>	<u>459,676</u>
US Department of Agriculture (USDA) Total					<u>10,958,174</u>	<u>578,773</u>
US Department of Defense (USDOD)						
Direct Program:						
		Community Economic Adjustment Assistance for Compatible Use and Joint Land Use Studies	12.610	EN1402-15-01	24,883	
		Community Economic Adjustment Assistance for Advance Planning and Economic Diversification	12.614	Not Applicable	227,872	
US Department of Defense (USDOD) Total					<u>252,755</u>	
US Department of Housing and Urban Development (HUD)						
Direct Programs:						
Section 8 Project-Based Cluster:						
		Section 8 Housing Assistance Payments Program	14.195	CA131	2,098,124	
		Continuum of Care Program	14.267	Not Applicable	93,434	11,575
US Department of Housing and Urban Development (HUD) Total					<u>2,191,558</u>	<u>11,575</u>
US Department of Justice (DOJ)						
Direct Programs:						
		Domestic Cannabis Eradication Suppression Program	16.Unknown	N/A	25,000	
		Supervised Visitation, Safe Havens for Children	16.527	N/A	236,970	130,660
		Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	N/A	82,534	6,664
		State Criminal Alien Assistance Program	16.606	N/A	144,280	
		Public Safety Partnership and Community Policing Grants	16.710	N/A	47,324	
		Second Chance Act Reentry Initiative	16.812	Not Applicable	292,351	85,545
		Direct Programs Subtotal			<u>828,459</u>	<u>222,869</u>
Pass-Through Programs:						
California Office of Emergency Services (CalOES)						
		Crime Victim Assistance	16.575	VW14330480	297,369	
		Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	CQ14030480	2,372	
		Equitable Sharing Program	16.922	Not Applicable	41,863	
		Pass-Through Programs Subtotal			<u>341,604</u>	
US Department of Justice (DOJ) Total					<u>1,170,063</u>	<u>222,869</u>

See accompanying notes to the schedule of expenditures of federal awards

COUNTY OF SOLANO, CALIFORNIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Federal Agency	Pass-Through Agency	CFDA Program Title or Cluster	CFDA No.	Pass-through Entity Award ID	Program Expenditures	Expenditures to Subrecipients
US Department of Labor (DOL)						
Pass-Through Programs:						
State of California Employment Development Department (EDD)						
WIA/WIOA Cluster:						
		WIA/WIOA Adult Program	17.258	K594796	\$ 294,502	
		WIA/WIOA Adult Program	17.258	K698397	751,036	
		Subtotal			<u>1,045,538</u>	
		WIA/WIOA Youth Activities	17.259	K594796	265,762	
		WIA/WIOA Youth Activities	17.259	K698397	791,899	
		Subtotal			<u>1,057,661</u>	
		WIA/WIOA Dislocated Worker Formula Grants	17.278	K594796	367,615	\$ 54,000
		WIA/WIOA Dislocated Worker Formula Grants	17.278	K698397	996,428	18,000
		Subtotal			<u>1,364,043</u>	<u>72,000</u>
		Total WIA/WIOA Cluster (17.258, 17.259 & 17.278)			<u>3,467,242</u>	<u>72,000</u>
US Department of Labor (DOL) Total					<u>3,467,242</u>	<u>72,000</u>
US Department of Transportation (DOT)						
Direct Program:						
		Airport Improvement Program	20.106	N/A	560,786	
Pass-Through Programs:						
California Department of Transportation (CalTrans)						
Highway Planning and Construction Cluster:						
		Highway Planning and Construction	20.205	5923	6,216,827	
California Office of Traffic Safety (OTS)						
Highway Safety Cluster:						
		Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	DI1426	310,558	
		Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	AL1186 Solano	254,520	254,520
		Pass-Through Programs Subtotal			<u>565,078</u>	<u>254,520</u>
US Department of Transportation (DOT) Total					<u>7,342,691</u>	<u>254,520</u>
US Department of Education (DOE)						
Pass-Through Programs:						
California Department of Education						
		Rehabilitation Services_Vocational Rehabilitation Grants to States	84.126	29153	88,625	
US Department of Education (DOE) Total					<u>88,625</u>	
US Department of Health and Human Services						
Direct Programs:						
Health Centers Cluster:						
		Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224	Not Applicable	696,520	
		Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243	1H79TI024969-01	50,328	50,328
		Partnerships to Improve Community Health	93.331	Not Applicable	1,245,210	533,540
		Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	Not Applicable	277,296	
		Direct Programs Subtotal			<u>2,269,354</u>	<u>583,868</u>
Pass-Through Programs:						
California Department of Public Health (CDPH)						
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements						
		Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.074	4265	625,407	
		Childhood Lead Poisoning Prevention Projects_State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.116	4265	75,233	
		Immunization Cooperative Agreements	93.197	4265	20,774	
		Pregnancy Assistance Fund Program	93.268	4265	113,137	
		Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.500	4265	12,781	11,994
		State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)	93.505	4265	1,054,893	
		State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)	93.757	4265	484,753	
		Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	4265	82,717	23,898
		HIV Care Formula Grants	93.917	4265	199,834	180,467
		HIV Prevention Activities_Health Department Based	93.940	4265	285,664	45,458

See accompanying notes to the schedule of expenditures of federal awards

COUNTY OF SOLANO, CALIFORNIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Federal Agency	Pass-Through Agency	CFDA No.	Pass-through Entity Award ID	Program Expenditures	Expenditures to Subrecipients
CFDA Program Title or Cluster					
Preventive Health Services_Sexually Transmitted Diseases Control Grants		93.977	4265	\$ 100	
Maternal and Child Health Services Block Grant to the States		93.994	4265	1,024,403	\$ 159,008
California Department of Social Services (CDSS)					
Guardianship Assistance		93.090	1946001347 A7	225,439	
Promoting Safe and Stable Families		93.556	1946001347 A7	279,470	
TANF Cluster:					
Temporary Assistance for Needy Families		93.558	1946001347 A7	23,518,884	
Refugee and Entrant Assistance_State Administered Programs		93.566	1946001347 A7	12,863	
Stephanie Tubbs Jones Child Welfare Services Program		93.645	1946001347 A7	171,555	
Foster Care_Title IV-E		93.658	1946001347 A7	7,673,720	276,232
Adoption Assistance		93.659	1946001347 A7	2,965,723	
Social Services Block Grant		93.667	1946001347 A7	1,414,467	
Chafee Foster Care Independence Program		93.674	1946001347 A7	151,521	
California Department of Child Support Services (DCSS)					
Child Support Enforcement		93.563	1-946001347-P-9	7,773,789	
California Department of Health Care Services (DHCS)					
Projects for Assistance in Transition from Homelessness (PATH)		93.150	14-90354	8,773	
Block Grants for Community Mental Health Services		93.958	14-90354	236,136	
Block Grants for Prevention and Treatment of Substance Abuse		93.959	14-90106	2,203,760	986,829
Maternal and Child Health Services Block Grant to the States		93.994	4265	1,198,806	
Medicaid Cluster					
Medical Assistance Program		93.778	12-89399	2,896,446	
Medical Assistance Program		93.778	1946001347 A7	18,228,824	
Medical Assistance Program		93.778	SMAA: 14-90009/CMAA: 14-90042	420,444	420,444
Total Medicaid Cluster				<u>21,545,714</u>	<u>420,444</u>
Pass-Through Programs Subtotal				<u>73,360,316</u>	<u>2,104,330</u>
US Department of Health and Human Services Total				<u>75,629,670</u>	<u>2,688,198</u>
US Department of Homeland Security					
Direct Program:					
Port Security Grant Program (PSGP)		97.056	Not Applicable	204,492	
Pass-Through Programs:					
California Office of Emergency Services (CalOES)					
Public Assistance Grants (Presidentially Declared Disasters)		97.036	FEMA-4193-DR-CA, CalOESID:095	1,243,081	
Emergency Management Performance Grants		97.042	95-00000	89,293	
Homeland Security Grant Program		97.067	095-00000	283,479	162,359
City & County of San Francisco					
Homeland Security Grant Program		97.067	075-95017	87,190	
Total Homeland Security Grant Program				<u>370,669</u>	<u>162,359</u>
US Department of Homeland Security Total				<u>1,907,535</u>	<u>162,359</u>
Total Expenditures of Federal Awards				<u>\$ 103,008,313</u>	<u>\$ 3,990,294</u>

See accompanying notes to the schedule of expenditures of federal awards

COUNTY OF SOLANO, CALIFORNIA

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of the County of Solano, California (County) under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 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

B. Basis of Accounting

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. 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 years.

NOTE 2 – PASS-THROUGH ENTITIES’ IDENTIFYING NUMBER

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

NOTE 3 – MEDICAID CLUSTER

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

NOTE 4 – INDIRECT COST RATE

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

COUNTY OF SOLANO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

I. SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>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>None reported</u>
Type of auditors' report issued on compliance for major federal programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u>Yes</u>

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Programs or Clusters</u>
<u>17.258, 17.259, 17.278</u>	<u>WIA/WIOA Cluster</u>
<u>93.224</u>	<u>Consolidated Health Care Centers (Health Center Program Cluster)</u>
<u>93.558</u>	<u>Temporary Assistance for Needy Families (TANF Cluster)</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 3,000,000</u>
Auditee qualified as low-risk auditee?	<u>Yes</u>

COUNTY OF SOLANO, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

II. FINANCIAL STATEMENT FINDINGS

None Reported.

COUNTY OF SOLANO, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Finding: 2016-001

Program: Temporary Assistance for Needy Families (TANF Cluster)

CFDA No.: 93.558

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

Passed-through: California Department of Social Services

Awarded Year: 2015-2016

Compliance Requirement: Eligibility

Criteria:

Per the June 2016 *OMB Compliance Supplement* for costs to be allowable, “costs must be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit and be adequately documented.” Also per the 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 timely to determine if individuals are eligible in accordance with the compliance requirements of program.

Condition Found:

Instance of Noncompliance – During our eligibility testing of the TANF case files, we noted one case file where the Notice and Agreement for Child, Spousal and Medical Support did not have the appropriate certification, that any support, from any other person the family member may have, be assigned to the State.

Questioned Costs:

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

Context:

As a result of our testwork of the specific compliance requirements related to eligibility, of the 60 case files selected, one eligibility case file was not completed in accordance with the requirements as a condition of providing assistance.

Effect:

Case data may not be reflecting applicant’s current eligibility status in CalWIN to support the eligibility determination reached by the County.

Cause:

The condition is primarily caused by the County not following its established policies and procedures to ensure that all case file documents are appropriately completed.

COUNTY OF SOLANO, CALIFORNIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Recommendation:

We recommend that the County strengthen its policies and procedures to ensure that all required forms are appropriately completed in the case files to support the applicant's eligibility status.

Views of Responsible Officials and Planned Corrective Action:

Solano County agrees that correct application of eligibility rules, regulations, policies, and procedures is a requirement. To improve compliance with proper form completion, specifically the Notice and Agreement for Child, Spousal and Medical Support, Solano County is initiating the following corrective action plan. The corrective action plan will be administered in conjunction with management, the CalWORKs Corrective Action Team (CCAT) and Quality Assurance (QA). The implementation date will be November 1, 2016.

- Staff will receive a written reminder to follow our existing CalWIN Policy and Procedures for processing the Child Support Questionnaire (CA2.1) and supervisors will review expectations in unit meetings.
- Supervisors will continue to review completion of the Child Support Questionnaire at Intake and Recertification, paying close attention to the quality of information being provided and that all required fields and signatures are complete.
- Quality Assurance will prioritize forms completion and signature attainment during random and focused case reviews during the corrective action period.

COUNTY OF SOLANO, CALIFORNIA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED JUNE 30, 2016

No matters were reported.