

**COUNTY OF SAN BERNARDINO
CALIFORNIA**

Corrective Action Plan

Year ended June 30, 2010

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2010

Finding 2010-01

Program: Edward Byrne Memorial Justice Assistance Grant Program

CFDA No.: 16.804

Federal Agency: Department of Justice

Passed-through: California Emergency Management Agency

Award Year: 2009-2010

Compliance Requirement: Reporting

Department's Response

We Concur.

Corrective Action Plan

Guidelines will be written and established for staff regarding the responsibilities of their compilations. Mechanism is already in place for approving program expenditures. A form must be submitted with approval and signature of the program Division Director and Deputy Chief Probation Officer.

Periodic monitoring will be conducted by the Supervising Probation Officer (SPO) and the Division Director over the SB678 Program. The SPO currently reviews the time studies completed by staff and checks the number of hours worked. Second tier of checks is done by the Accounting Tech. The Tech matches the time study against each employee's timesheet to verify actual hours worked in the program and eliminates costs that are not associated with SB678. The Supervising Account Tech/Designee will verify the accuracy of the data and the Project Director/Designee will review the document. Both entities will sign the completed report and file with the Accounting Tech.

The Division Director over the program and the Accounting Tech. compiles the data for the report. The Supervising Accounting Tech/Designee shall verify the accuracy of reports and the Project Director/Designee shall review documents. Signatures of these two are required prior to submission.

Name of Responsible Person: Renee Ford, Project Director

Name of Department Contact: Renee Ford, Project Director

Projected Implementation Date: March 1, 2011

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Finding 2010-02

Program: Temporary Assistance for Needy Families (TANF)

CFDA Number: 93.558 and 93.714

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

Passed-through: State of California Department of Social Services

Award Number:

Award Year: FY 2009-2010

Compliance Requirement: Eligibility

Department's Response:

We concur.

Corrective Action Plan:

To ensure Eligibility Workers (EWs) obtain, reconcile and properly document IEVS and Payment Verification System (PVS) reports necessary to support participant case eligibility, the following plans are or will be put into place:

IEVS/PVS Reports

Policy material identifying regulations for initiating and reconciling IEVS/PVS on all applicants and recipients with Social Security numbers is located in the Operations and Procedures Policy Handbook. In the C-IV System, a Task is generated when an IEVS or PVS report has been received. Instructions are also included in the Operations and Procedures Policy Handbook describing the process and timeframes to clear a Task. This policy was implemented in November of 2007, following the automation of IEVS via C-IV.

Our current case review process includes questions regarding IEVS/PVS reports request and reconciliation process. The questions are intended to capture errors for cases without IEVS on file or not properly reconciled. Errors found must be corrected within 10 days. Analytical reports are completed on a monthly basis with determination of error trends and corrective action measures to implement. These are reviewed with all eligibility staff on a monthly basis.

Additionally, Imaging (Image Now) Solution was put in place in May 2010; all records are now imaged and transferred to files by individual EWs with personal scanner/imagers which replace previous paper and splitting of cases where items may be lost.

Corrective Action Specifics:

- Supervision will review procedures with all eligibility staff during the month of April 2011.

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- Notification will be sent to staff, during the month of April 2011, to remind them of IEVS Regulations in the form of a Do You Know document.
- In Service Training via Performance, Education, & Resource Centers (PERC) during June 2011, training will focus on IEVS and policy/procedures.

Name of Responsible Person: Nancy Swanson, Director, Department of Transitional Assistance

Name of Department Contact: Steven Couchot, Director's Assistant

Projected Implementation Date: July 1, 2011

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Finding 2010-03

Program: Homeland Security Grant Cluster

CFDA No.: 97.067

Federal Agency: Department of Homeland Security

Passed-through: California Emergency Management Agency

Award Year: 2007, 2008

Compliance Requirement: Subrecipient Monitoring

Department's Response:

We concur with the findings.

Corrective Action Plan:

- In February 2010, the department was audited and found the same compliance issue on its 2007 subrecipient agreements. In March 2010, the department incorporated the required language in its 2009 agreements and subsequent agreements thereafter. On January 25, 2011, the department also notified subrecipients with current contracts on the 2007 and 2008 grants via memo, notifying them of the CFDA title, number and funding agency as required by OMB Circular A-133.
- The department will continue to implement the procedures adopted in March 2010 to ensure that all new agreements will contain the CFDA and funding agency information.
- The department will increase its efforts in ensuring that all subrecipients submits, in a timely manner, the required corrective action plan for single audit findings while also ensuring that the subrecipients implemented their respective corrective action plans.

Name of Responsible Person: Denise L. Benson, Division Manager

Name of Department Contact: Yolanda Daugherty, Administrative Supervisor

Expected date of completion: Implemented

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Finding 2010-04

Program: Workforce Investment Act (Including ARRA)

CFDA No.: 17.258, 17.259, 17.260

Federal Agency: Department of Labor

Passed-through: California Employment Development Department

Award Year: 2009-2010

Compliance Requirement: Eligibility

Department's Response

We concur.

Corrective Action Plan

The State of California Employment Development Department (EDD) has oversight responsibility of the federal Workforce Investment Act (WIA) and Wagner-Peyser programs. On July 1, 2008, the Department of Workforce Development (WDD) entered into an agreement with EDD to implement an Integrated Service Delivery model (Integration) to provide services to customers coming through the Employment Resource Centers (ERC) in the One Stop system. This model is designed for co-enrollment into WIA and Wagner-Peyser programs in order to provide ERC customers with seamless service delivery. Prior to implementation of Integration, WDD and eleven (11) additional Local Areas received Directives and other formal notices from EDD stipulating allowable changes to our method of operation. Those directions included the ability to become paperless if the Local Area utilized an approved electronic case management systems (CMS). The Virtual One Stop (VOS) system utilized by WDD was one of the CMS approved by EDD. VOS contains eligibility determination screens that have edit checks in place. These checks require staff to verify that they have observed each required eligibility document for each category of eligibility before the system allows them to move on to the next data field. Enrollment into WIA cannot be achieved until all eligibility fields have been properly verified and entered. All twelve (12) Integrated Local Areas were assured by State EDD that California had received approval from the federal Department of Labor (DOL) to allow Integrated Local Areas to become paperless and therefore eliminate hard case files. Based upon directions and assurances from State EDD, WDD implemented Integration and revised its case file procedures accordingly. WDD submitted the required Integration Plan to State EDD and entered into a formal Memorandum of Operation with the local EDD partner. State EDD approved and accepted WDD's Plan. WDD implemented its new paperless procedures effective July 1, 2008.

During the Single Audit review in February of 2009, it became clear that following EDD guidance regarding the maintenance of eligibility documents for Integrated Local Areas did not meet OMB compliance requirements. Effective March 1, 2010, WDD implemented formal procedures that required staff to obtain and maintain hard copies of all required documents used to support eligibility compliance for each WIA participant. During this year's Single Audit

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review the eligibility files reviewed by the auditor for the period of March 1, 2010 through June 30, 2010 were found to contain all required eligibility documentation and no discrepancies were found.

WDD will re-institute the internal Quality Assurance (QA) reviews which were in place prior to going paperless under Integration. This internal QA review is conducted by a Staff Analyst from the WDD Administrative office who reviews 10 cases per worker per month for all workers with full caseloads and a smaller amount of cases for each worker with a reduced caseload. Each office Workforce Development Supervisor II (office managers) receives a monthly report with the overall findings of the review and a Case Corrections form with individual errors noted by case name and case worker. Supervisors have two weeks to make corrections and return the completed Case Correction form to the QA staff.

WDD also created new supervisor positions - Workforce Development Supervisor I. One of the responsibilities for these new supervisor positions will be ongoing case file reviews. With the addition of intermediate supervisors, as well as the re-implementation of the QA review procedures, it is our belief that the deficiency identified in this finding has been adequately addressed and will not be found in WIA cases enrolled in 2010 and forward.

Name of Responsible Person: Sandra Harmsen, Director
Kathleen Oles, Deputy Director

Name of Department Contact: Janice Lindsay, Deputy Director

Expected Date of Completion: Ongoing

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Finding 2010-05

Program: Workforce Investment Act (Including ARRA)

CFDA No.: 17.258, 17.259, 17.260

Federal Agency: Department of Labor

Passed-through: California Employment Development Department

Award Year: 2009-2010

Compliance Requirement: Special Tests and Provisions – ARRA Subrecipient Monitoring

Department's Response

We concur.

Corrective Action Plan

Based upon the Single Audit Observation, effective immediately the Workforce Development Department (WDD) will implement a procedure of notating in the Comment Section of all payment documents the appropriate Workforce Investment Act ARRA information associated with the disbursement. It is WDD's understanding that notations made in the Comments Section of payment documents sent to the County of San Bernardino Auditor-Controller/Treasurer/Tax Collector (ATC) for processing will appear on the warrant subsequently issued by ATC.

Name of Responsible Person: Madeline Tsang, Staff Analyst II
Janice Lindsay, Deputy Director

Name of Department Contact: Janice Lindsay, Deputy Director

Expected Date of Completion: March 28, 2010

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Finding 2010-06

Program: ARRA – Energy Efficiency

CFDA No.: 81.128

Federal Agency: Department of Energy

Passed-Through: N/A

Award Year: 2009-2010

Compliance Requirement: Special Tests and Provisions – ARRA Subrecipient Monitoring

Department's Response

We concur.

Corrective Action plan

The County and the Facilities Management Department will revise its procedures to ensure that at the time disbursements are made to the subrecipients, the payment voucher will include the CFDA title and number, award name and federal agency, and amount of ARRA in the comments section.

Name of Responsible Person: Steven Pamintuan, Staff Analyst II

Name of Department Contact: Steven Pamintuan, Staff Analyst II

Projected Implementation Date: Immediately

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Finding 2010-07

Program: CDBG Cluster (Including ARRA)

CFDA No.: 14.218 / 14.253

Federal Grantor: U.S. Department of Housing and Urban Development

Passed-through: N/A

Award Year: 2009-2010

Compliance Requirement: Special Tests and Provisions – ARRA Subrecipient Monitoring

Department's Response

We Concur.

Corrective Action Plan

Based upon the Single Audit Observation, effective immediately the department will implement a procedure of notating in the Comment Section of all payment documents the appropriate ARRA information associated with the disbursement. It is the department's understanding that notations made in the Comments Section of payment documents sent to the County of San Bernardino Auditor-Controller/Treasurer/Tax Collector (ATC) for processing will appear on the warrant or ETF notification email subsequently issued by ATC.

Name of Responsible Person: Pat Cole, Assistant Administrator

Name of Department Contact: Pat Cole, Assistant Administrator

Projected Implementation Date: Immediately

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Finding 2010-08

Program: ARRA - Edward Byrne Memorial Justice Assistance Grant Program

CFDA No.: 16.804

Federal Grantor: U.S. Department of Justice

Passed-through: N/A

Award Year: 2009-2010

Compliance Requirement: Special Tests and Provisions – ARRA Subrecipient Monitoring

Department's Response

We Concur.

Corrective Action Plan

The County will enhance its procedures to ensure that ARRA award information is consistently included in subrecipient communication at the time disbursements are made as required by *OMB Circular A-133*. Documentation at the time of the subaward and disbursement of funds will include the Federal award number, CFDA number, and the amount of ARRA funds.

Name of Responsible Person: Sue Morales, Administrative Analyst III
Law and Justice Group Administration

Name of Department Contact: Sue Morales, Administrative Analyst III
Law and Justice Group Administration

Expected Date of Completion: Immediately

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Finding 2010-09

Program: ARRA - Homelessness Prevention and Rapid Re-Housing Program (HPRP)
(Recovery Act Funded)

CFDA No.: 14.257

Federal Agency: Department of Housing and Urban Development (HUD)

Passed-Through: N/A

Award Year: 2009-2010

Compliance Requirement: Special Tests and Provisions – ARRA Subrecipient Monitoring

Department's Response

We Concur.

Corrective Action Plan

Based upon the Single Audit Observation, effective immediately the department will implement a procedure of notating in the Comment Section of all payment documents the appropriate ARRA information associated with the disbursement. It is the department's understanding that notations made in the Comments Section of payment documents sent to the County of San Bernardino Auditor-Controller/Treasurer/Tax Collector (ATC) for processing will appear on the warrant or ETF notification email subsequently issued by ATC.

Name of Responsible Person: Pat Cole, Assistant Administrator

Name of Department Contact: Pat Cole, Assistant Administrator

Projected Implementation Date: Immediately

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Corrective Action Plan

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Finding 2010-10

Program: Special Program for the Aging (Including ARRA)
CFDA No.: 93.041, 93.042, 93.043, 93.044, 93.045, 93.052, 93.053, 93.705, 93.707
Federal Agency: Department of Health and Human Services
Passed-Through: California Department of Aging
Award Year: 2009-2010
Compliance Requirement: Special Tests and Provisions – ARRA Subrecipient Monitoring

Department's Response

We Concur.

Corrective Action Plan

The Department of Aging and Adult Services will implement a procedure by which the Department will communicate ARRA award information to ARRA sub-recipients at the time disbursements are made in the event that additional ARRA funding is made available to the Department in the future. The procedure will include indicating the Federal award number, CFDA number, and the amount of ARRA funds on the remittance advice of the warrant issued to the sub-recipient.

Name of Responsible Person: Sandra Decker, Administrative Supervisor II
Name of Department Contact: Sandra Decker, Administrative Supervisor II
Jeff Marold, Staff Analyst II
Expected Date of Completion: Ongoing

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Finding 2010-11

Program: Head Start (Including ARRA)

CFDA No.: 93.600, 93.708, 93.709

Federal Agency: Department of Health and Human Services

Passed-Through: N/A

Award Years: 2009-2010

Compliance Requirement: Special Tests and Provisions – ARRA Subrecipient Monitoring

Department's Response

We Concur.

Corrective Action Plan

The Department will ensure that all payment documents submitted for disbursement will include the Federal award number, CFDA number and amount of ARRA funds paid to be printed on the remittance advice sent to the sub recipient at the time the check is deposited by Electronic Funds Transfer.

Name of Responsible Person: Ron Griffin, Preschool Services Department

Name of Department Contact: Johnson Selvadurai, Administrative Supervisor II

Projected Implementation Date: April 1, 2011

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Finding 2010-12

Program: Public Health Emergency Preparedness and Response

CFDA No.: 93.069

Federal Agency: Department of Health and Human Services

Passed-Through: State of California Department of Public Health

Award Year: 2009-10

Compliance Requirement: Equipment and Real Property Management

Department's Response

We Concur.

Corrective Action Plan

The Preparedness and Response Program is currently implementing an electronic inventory system. Data entry is ongoing. Input of inventory is complete with the exception of expendable items. 100% data indexing will be completed by July 29, 2011. The tracking of assets and dollar amount feature has proven to be more challenging with the implementation of the new system including testing, validating and training. The tracking of assets and dollar amount feature will be completed by July 29, 2011.

Name of Responsible Persons: Russell Tingley, Public Health Program Manager
Matt Baca, Public Health Program Coordinator

Name of Department Contacts: Russell Tingley, Public Health Program Manager
Matt Baca, Public Health Program Coordinator

Project Implementation Date: July 29, 2011