

AUDITOR-CONTROLLER/ TREASURER/TAX COLLECTOR



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January 10, 2014

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**SUBJECT: TRANSITIONAL ASSISTANCE - FY12 SINGLE AUDIT CORRECTIVE
ACTION FOLLOW-UP AUDIT**

Introductory Remarks

In compliance with Article V, Section 6, of the San Bernardino County Charter, the Board of Supervisor's Policy Statement on Internal Operational Auditing and OMB Circular A-133, we have completed a follow-up audit of the implementation of recommendations noted in the County of San Bernardino's Single Audit for the fiscal year ended June 30, 2012 (FY12) for the Transitional Assistance Department (Department). Our audit was conducted in accordance with the Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors.

Background

The Single Audit Act Amendments of 1996 and OMB Circular A-133 require nonfederal entities that expend \$500,000 or more of federal awards in a fiscal year to have a single or program-specific audit. The County's external auditors, Vavrinek, Trine, Day & Co., LLP (VTD), conducted the County's FY12 single audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133. The Supplemental Nutrition Assistance Program (SNAP) Cluster includes the Supplemental Nutrition Assistance Program for which the Department had expenditures of \$38,510,570 in FY12. VTD issued the Single Audit report on March 28, 2013. In accordance with OMB Circular A-133, the auditee is responsible for follow-up and corrective action on all audit findings.

Objectives, Scope and Methodology

Our overall objective was to determine whether the Department implemented the recommendations contained in the FY12 Single Audit report. To achieve this objective we:

- Reviewed policies and procedures.
- Interviewed department staff.
- Tested a sample of case files.

Conclusion

As a result of our analysis and tests performed, we concluded that policies and procedures are in place and reminders were sent to strengthen the process of required forms being reviewed by the appropriate persons and maintained in case files.

The details of the prior audit's observations, findings and recommendations and their implementation status are below:

FINDING 2012-01:

Program: SNAP Cluster
CFDA No.: 10.561
Federal Agency: U.S. Department of Agriculture
Passed-Through: State of California
Award Number: Various
Award Year: FY 2011-12
Compliance Requirement: Special Tests and Provisions – ADP System for SNAP

Instance of Non-compliance - Of the 60 case files selected for testwork, the following was noted:
One SAWS1 form could not be located.

Recommendation:

We recommend that the County (Transitional Assistance Department) strengthen procedures to ensure that required forms and reports are reviewed by the appropriate persons and maintained in case files.

Current Status: Implemented

The Department has circulated a reminder flyer containing references and reminders about existing policy material and procedures to ensure a signed image of the SAWS1 form is retained in the electronic case file to substantiate program eligibility. The Department also continues to have case files reviewed by supervisors and re-reviewed by the Program Integrity Division (PID) on a sample basis.

Thank you very much for the cooperation extended by your staff during the course of this audit.

Respectfully submitted,

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By: 
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DLM:DMB:oac

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