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COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

(Of departments relating to Single Audit findings)

Year ended June 30, 2017

Compiled by

Auditor-Controller/Treasurer/Tax Collector
Internal Audits Section
County of San Bernardino, California

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2017

Finding 2017-001

Program: Highway Planning and Construction Cluster
CFDA No.: 20.205
Federal Agency: U.S. Department of Transportation
Passed-Through: State of California Department of Transportation
Award Year: FY 2016-17
Compliance Requirement: Reporting

Department's Response: We concur.

Corrective Action Plan:

The Department of Public Works has developed compilation procedures for the data compiled annually to complete the Schedule of Federal Expenditures of Federal Awards (SEFA). These procedures will ensure all related costs both direct and indirect are certified and reported accurately in accordance with Uniform Guidance 2 CFR Section 200.302(b)(1) and (2) and to the Auditor Controller's Office.

Name of Responsible Person: Kevin Blakeslee, Director

Name of Department Contact: Sakura (Shay) Younger, Supervising Accountant III

Projected Implementation Date: February 28, 2018

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2017

Finding 2017-002

Program: Highway Planning and Construction Cluster
CFDA No.: 20.205
Federal Agency: U.S Department of Transportation
Passed-Through: State of California Department of Transportation
Award Year: FY 2016-17
Compliance Requirement: Allowable Costs/ Cost Principles, Cash Management

Department's Response: We concur.

Corrective Action Plan:

The Department of Public Works has created and formalized written Financial Management and Internal Controls Procedures to ensure the Department is in consistent compliance with cash management requirements within 2 CFR Section 200.305 of the Uniform Guidance and the allowable costs of Subpart E- Cost Principles of Federal Awards.

Name of Responsible Person: Kevin Blakeslee, Director

Name of Department Contact: Sakura (Shay) Younger, Supervising Accountant III

Projected Implementation Date: February 28, 2018

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2017

Finding 2017-003

Program: Foster Care – Title IV-E
CFDA No.: 93.658
Federal Agency: U.S. Department of Health and Hyman Services
Passed-Through: California Department of Social Services
Award Year: FY 2016-2017
Compliance Requirement: Activities Allowed or Unallowed/Allowable Costs/Cost Principles

Department's Response: We concur.

Corrective Action Plan:

Children and Family Services will provide training, to the supervisors, regarding proper reviewing and approving of the Time Study. This training will be conducted by March 31, 2018 and each quarter thereafter. We will publish and distribute a flyer by April 30, 2018 to remind all staff the importance of accurately coding allocable and non-allocable hours.

Our new Time Study system was launched in October 2016 and has various enhancements embedded to help prevent errors. In this case, a new enhancement was added in April 2017 to prevent the Time Study from being locked for processing, if the hours in EMACS do not match with the allocable vs non-allocable hours in the Time Study.

Name of Responsible Person: Mari Anton, Internal Review Accountant III

Name of Department Contact: Mari Anton, Internal Review Accountant III

Projected Implementation Date: April 30, 2018

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2017

Finding 2017-004

Program: HIV Emergency Relief Project Grant – Title I

CFDA No.: 93.914

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

Passed-Through: N/A

Award Year: FY 2016-17

Compliance Requirement: Allowable Costs/Cost Principles, Cash Management

Department's Response: We concur.

Corrective Action Plan:

The Department of Public Health has already drafted written procedures regarding allowable costs and cash management. They are currently under final review by the executive team.

Name of Responsible Person: Kelly Welty, DPH Chief Financial Officer

Name of Department Contact: Paul Chapman, Supervising Accountant III

Projected Implementation Date: March 30, 2018

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2017

Finding 2017-005

Program: HIV Emergency Relief Project Grant – Title I

CFDA No.: 93.914

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

Passed-Through: N/A

Award Year: FY 2016-17

Compliance Requirement: Subrecipient Monitoring

Department's Response: We concur.

Corrective Action Plan: The Department of Public Health has contacted the Human Services Contracts unit to ensure that the boilerplate contract template is updated to include the subrecipient's DUNS number and the Federal Award Identification Number for all future contracts, amendments, or renewals. For existing contracts, a letter will be sent to all subrecipients, requesting their DUNS number. This letter, and the subrecipient's response, will be attached to the contract and the DUNS number will be written on the contract transmittal.

Name of Responsible Person: Kelly Welty, DPH Chief Financial Officer

Name of Department Contact: Paul Chapman, Supervising Accountant III

Projected Implementation Date: April 30, 2018

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2017

Finding 2017-006

Program: Block Grants for Community Mental Health Services

CFDA No.: 93.958

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

Passed-Through: California Department of Health Services

Award Year: FY 2016-2017

Compliance Requirement: Subrecipient Monitoring

Department's Response: We concur.

Corrective Action Plan: The Department of Behavioral Health will provide each subrecipient of federal grants an award notification in compliance with Title 2 CFR, Section 200.331 (a) by June 30, 2018. Going forward Department of Behavioral Health will provide all federal award subrecipients with the notification at the time of the contract signing event. The grant notice will be part of the contract package.

Name of Responsible Person: Cecilia Coyazo, DBH Administrative Fiscal Manager

Name of Department Contact: Urbain Domond, Supervising Accountant III

Projected Implementation Date: June 30, 2018

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2017

Finding 2017-007

Program: Block Grants for Community Mental Health Services

CFDA No.: 93.958

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

Passed-Through: California Department of Health Services

Award Year: FY 2016-2017

Compliance Requirement: Procurement, Suspension, and Debarment

Department's Response: We concur.

Corrective Action Plan: In response to the audit, the Department of Behavioral Health (DBH) provides its existing Ineligible Persons Policy (COM0933-1) and Procedure (COM0933), to include specific reference to Executive Order 12549; Social Security Act, 42 U.S. Code, Section 1128 and 1320 a-7; Title 42 Code of Federal Regulations, Parts 1001 and 1002; Welfare and Institutions Code, Section 14043.6 and 14123. Recent revisions incorporate the requirement for DBH to verify potential contractors are completing exclusion screenings of potential employees (prior to hire) and existing agency staff, prior to contract signing and Board of Supervisors' approval. Additionally, the Policy and Procedure explain efforts conducted by the DBH Office of Compliance to ensure non affiliation with employees and entities that are suspended, debarred or excluded, including monthly screenings and contract monitoring to ensure compliance. The Policy and Procedure can be found within the Department's Standard Practice Manual on the DBH website.

An "excluded individuals/entities" clause is also incorporated in all DBH mental health and substance use disorder contracts, which specifies the requirement for contractors to verify potential employees and existing employees are not suspended, debarred or otherwise excluded from participating in federal or state funded programs; verification must be made on the General Service Administration System for Award Management (SAM), U.S. Office of Inspector General's List of Excluded Individuals/Entities (LEIE) and Department of Health Care Services' Suspended and Ineligible Provider (S&I) List. In addition to the clause, there is also an "Attestation Regarding Ineligible/Excluded Persons" attachment that contractors must sign at contract signing and annually thereafter. Said Attestation certifies that the agency is not currently excluded for participation in federal or state funded programs; no investigation is currently pending that may result in exclusion; review prior to hire and monthly thereafter of employees through SAM, LEIE and S&I is being conducted; contractor will notify DBH within twenty-four (24) hours by phone and within ten (10) business days in writing of being notified of an investigation of potential exclusion or actual exclusion from participation in federal or state funded programs.

Name of Responsible Person: Erica Porteous, Chief Compliance Officer

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2017

Name of Department Contact: Urbain Domond, Supervising Accountant III

Projected Implementation Date: June 30, 2018