



**COUNTY OF SACRAMENTO  
DEPARTMENT OF FINANCE  
AUDITOR-CONTROLLER DIVISION**

**SINGLE AUDIT REPORTS  
(OMB CIRCULAR A-133)  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2013**

**COUNTY OF SACRAMENTO, CALIFORNIA**

**Single Audit Report  
(OMB Circular A-133)**

**For the Fiscal Year Ended June 30, 2013**

**COUNTY OF SACRAMENTO, CALIFORNIA**

**SINGLE AUDIT REPORT  
(OMB CIRCULAR A-133)**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

***TABLE OF CONTENTS***

	<b>PAGE</b>
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 <i>Government Auditing Standards</i> .....	1
Independent Auditors' Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report On the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133 .....	3
Schedule of Expenditures of Federal Awards .....	6
Notes to the Schedule of Expenditures of Federal Awards .....	19
Schedule of Findings and Questioned Costs	
I. Summary of Auditors' Results .....	25
II. Financial Statement Findings .....	26
III. Federal Awards Findings and Questioned Costs .....	31
Schedule of Prior Year Findings .....	49



**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***

Honorable Board of Supervisors  
County of Sacramento, 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 aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Sacramento (the County), California, as of and for the year ended June 30, 2013, 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 27, 2013. Our report included an emphasis of a matter paragraph regarding the uncertainties regarding the future outcome of litigation for which management asserts the ultimate outcome cannot presently be determined, an emphasis of matter regarding the County experiencing significant financial stress in numerous areas as evidenced by the General Fund Unassigned Fund Balance of zero at June 30, 2013, and an emphasis of matter regarding the County's adoption of Governmental Accounting Standards Board (GASB) Statement No. 61 – *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 62 – *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, and GASB Statement No. 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

**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 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 that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2013-01, 2013-02, and 2013-03 that we consider to be significant deficiencies.

### **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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **County's Responses to Findings**

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **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.

Varrinck, Trine, Day & Co. LLP

Sacramento, California  
December 27, 2013



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133**

Honorable Board of Supervisors  
County of Sacramento, California

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

We have audited the County of Sacramento, California's (the County) compliance with the types of compliance requirements described in the *OMB Circular A-133 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, 2013. The County's major federal programs are identified in the summary of auditor's 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; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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.

### ***Basis for Qualified Opinion on the Medicaid Cluster***

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding CFDA 93.778, Medicaid Cluster, as described in finding number 2013-06 for Eligibility. Compliance with such requirement is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

### ***Qualified Opinion on the Medicaid Cluster***

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, 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 the Medicaid Cluster for the year ended June 30, 2013.

### ***Unmodified Opinion on Each of the Other Major Federal Programs***

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 other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2013.

### ***Other Matters***

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2013-04, 2013-05, 2013-07, 2013-08, 2013-09, 2013-10 and 2013-11. 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. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

### **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 OMB Circular A-133, 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph 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 were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2013-06 to be a material weakness.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2013-04, 2013-05, 2013-07, 2013-08, 2013-09, 2013-10 and 2013-11 to be significant deficiencies.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate 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, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 27, 2013, which contained unmodified opinions on those financial statements. Our report included an emphasis of a matter paragraph regarding the uncertainties regarding the future outcome of litigation for which management asserts the ultimate outcome cannot presently be determined. Our report includes an emphasis of matter regarding the County experiencing significant financial stress in numerous areas as evidenced by the General Fund Unassigned Fund Balance of zero at June 30, 2013. Lastly our report included an emphasis of matter regarding the County's adoption of Governmental Accounting Standards Board (GASB) Statement No. 61 – *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 62 – *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, and GASB Statement No. 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. 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 OMB Circular A-133 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.

*Varrinick, Trine, Day & Co. LLP*

Sacramento, California  
March 28, 2014



**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

<b>FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE</b>	<b>FEDERAL CFDA NUMBER</b>	<b>GRANT NUMBER</b>	<b>AWARD AMOUNT</b>	<b>FEDERAL EXPENDITURES</b>
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>				
<b><u>PASSED THROUGH CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE:</u></b>				
Plant and Animal Disease, Pest Control, and Animal Care:				
Sudden Oak Death (SOD)	10.025	12-0333-SF	\$ 25,982	\$ 10,230
European Grape Vine Moth (EGVM)	10.025	12-0491-SF	4,674	1,282
Canine Team	10.025	12-0371-SF	192,446	192,446
High Risk Pest Exclusion	10.025	12-0086	60,901	60,901
Pest Detection	10.025	12-0147	348,304	344,839
Glassy-winged Sharpshooter (GWSS)	10.025	12-0112-SF	456,526	243,229
Light Brown Apple Moth Detection (LBAM) (1)	10.025	11-0506-SF	8,943	3,836
Light Brown Apple Moth Detection (LBAM) (2)	10.025	12-0426-SF	11,564	6,107
Light Brown Apple Moth Regulatory (LBAM)	10.025	12-0520-SF	42,515	92,674
CATALOG TOTAL			<u>1,151,855</u>	<u>955,544</u>
<b><u>PASSED THROUGH CALIFORNIA DEPARTMENT OF PUBLIC HEALTH:</u></b>				
State Supplemental Nutrition Program for Women, Infants and Children:				
Women, Infants and Children (WIC)	10.557	11-10487	5,570,408	5,484,970
CATALOG TOTAL			<u>5,570,408</u>	<u>5,484,970</u>
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program:				
Supplemental Nutrition Assistance Program - Education (SNAP - ED)	10.561	12-10154	862,694	310,760
CATALOG TOTAL			<u>862,694</u>	<u>310,760</u>
<b>TOTAL PASSED THROUGH CALIFORNIA DEPARTMENT OF PUBLIC HEALTH:</b>				
			<u>6,433,102</u>	<u>5,795,730</u>
<b><u>PASSED THROUGH CALIFORNIA DEPARTMENT OF SOCIAL SERVICES:</u></b>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program:				
CalFresh (SNAP - Food Stamps)	10.561		32,395,447	32,395,447
CalFresh (FS) - CalWIN Project	10.561		1,650,840	1,650,840
CATALOG TOTAL			<u>34,046,287</u>	<u>34,046,287</u>
<b>TOTAL PASS-THROUGH PROGRAMS:</b>				
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<u>41,631,244</u>	<u>40,797,561</u>
			<u>41,631,244</u>	<u>40,797,561</u>
<b><u>U.S. DEPARTMENT OF COMMERCE</u></b>				
<b><u>PASSED THROUGH THE CITY OF SACRAMENTO:</u></b>				
Public Safety Interoperable Communications (PSIC)	11.555	OES ID067-64000	3,768,335	3,185,865
CATALOG TOTAL			<u>3,768,335</u>	<u>3,185,865</u>
<b>TOTAL PASS-THROUGH PROGRAMS:</b>				
<b>TOTAL U.S. DEPARTMENT OF COMMERCE</b>			<u>3,768,335</u>	<u>3,185,865</u>
			<u>3,768,335</u>	<u>3,185,865</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

<b>FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE</b>	<b>FEDERAL CFDA NUMBER</b>	<b>GRANT NUMBER</b>	<b>AWARD AMOUNT</b>	<b>FEDERAL EXPENDITURES</b>
<b><u>U.S. DEPARTMENT OF DEFENSE</u></b>				
<b><u>DIRECT PROGRAMS:</u></b>				
Public Benefit Land Conveyance:				
Mather Dam	12.Unknown		\$ 900,000	\$ 35,662
Mather Air Field Public Benefit Land Conveyance	12.Unknown		45,516,900	45,516,900
Mather Economic Development Conveyance (EDC) (1)	12.Unknown	APN 067-0010-089	1,918,725	1,918,725
Mather Economic Development Conveyance (EDC) (2)	12.Unknown	APN 067-0010-106	449,190	449,190
Mather Economic Development Conveyance (EDC) (3)	12.Unknown	APN 067-0010-107	481,556	481,556
Mather Economic Development Conveyance (EDC) (4)	12.Unknown	APN 067-0010-108	108,449	108,449
Mather Economic Development Conveyance (EDC) (5)	12.Unknown	APN 067-0010-091	680,473	680,473
Mather Economic Development Conveyance (EDC) (6)	12.Unknown	APN 067-0010-092	1,619,311	1,619,311
Mather Economic Development Conveyance (EDC) (7)	12.Unknown	APN 067-0030-076	1,190,000	1,190,000
Mather Economic Development Conveyance (EDC) (8)	12.Unknown	APN 067-0030-072	2,636,600	2,636,600
Mather Economic Development Conveyance (EDC) (9)	12.Unknown	APN 067-0030-074	404,100	404,100
Mather Economic Development Conveyance (EDC) (10)	12.Unknown	APN 067-0030-043	281	281
Mather Economic Development Conveyance (EDC) (11)	12.Unknown	APN 067-0030-042	1,000	1,000
Mather Economic Development Conveyance (EDC) (12)	12.Unknown	APN 067-0010-084	1,000	1,000
Mather Economic Development Conveyance (EDC) (13)	12.Unknown	APN 067-0010-112	1,000	1,000
Mather Economic Development Conveyance (EDC) (14)	12.Unknown	APN 067-0020-078	1,000	1,000
CATALOG TOTAL			<u>55,909,585</u>	<u>55,045,247</u>
Community Economic Adjustment Assistance for Establishment, Expansion, Realignment, or Closure of a Military Installation:				
McClellan Gateway 3 & 5 Overlay Project	12.607	SP0453-08-02	5,600,000	172,974
Environmental Services Coop Agreement III	12.607	FA89030820001	11,200,000	6,321
FOSET #2 Environmental Services Coop Agreement V	12.607		24,782,891	2,577,406
Environmental Services Coop Agreement IV	12.607	FA89030920002	23,493,475	5,519,917
CATALOG TOTAL			<u>65,076,366</u>	<u>8,276,618</u>
TOTAL DIRECT PROGRAMS:			<u>120,985,951</u>	<u>63,321,865</u>
TOTAL U.S. DEPARTMENT OF DEFENSE			<u>120,985,951</u>	<u>63,321,865</u>
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>				
<b><u>DIRECT PROGRAMS:</u></b>				
Community Development Block Grants/Entitlement Grants :				
DHA - Comprehensive Alcohol Treatment Center (Community Development Block Grant)	14.218		156,212	156,212
CATALOG TOTAL			<u>156,212</u>	<u>156,212</u>
Supportive Housing Program:				
VOA - Adolfo Trans Housing For Emancipated Youth (2)	14.235	CA0130L9T031205	264,779	52,584
VOA - Adolfo Trans Housing For Emancipated Youth (1)	14.235	CA0130B9T031104	259,830	259,830
LSS - Transitional Housing For Youth (2)	14.235	CA0156B9T031003	178,849	90,266

See accompanying notes to the Schedule of Expenditures of Federal Awards

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

<b>FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE</b>	<b>FEDERAL CFDA NUMBER</b>	<b>GRANT NUMBER</b>	<b>AWARD AMOUNT</b>	<b>FEDERAL EXPENDITURES</b>
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (CONTINUED)</u></b>				
LSS - Transitional Housing For Families (1)	14.235	CA0155L9T031205	\$ 233,470	\$ 92,659
LSS - Transitional Housing For Families (2)	14.235	CA155B9T031104	229,107	152,155
LSS - Teen Trans Housing Connections (1)	14.235	CA135B9T031104	275,838	229,841
LSS - Teen Trans Housing Connections (2)	14.235	CA0135L9T031205	281,092	56,082
LSS - Transitional Housing For Youth (1)	14.235	CA0156B9T031104	178,849	78,294
LSS - Saybrook Apartments (2)	14.235	CA0150B9T031104	499,037	350,895
LSS - Adolfo PH Emancipated Youth (1)	14.235	CA0129B9T031104	497,726	480,551
LSS - Adolfo PH Emancipated Youth (2)	14.235	CA0129B9T031003	497,726	32,194
LSS - Saybrook Apartments (1)	14.235	CA0150L9T031205	514,160	150,935
Mather Community Campus (1)	14.235	CA0139B9T031003	3,061,636	495,478
Mather Community Campus (2)	14.235	CA139B9T031104	3,061,636	2,532,687
CATALOG TOTAL			10,033,735	5,054,451
TOTAL DIRECT PROGRAMS:			10,189,947	5,210,663
<b><u>PASSED THROUGH CALIFORNIA DEPARTMENT OF TRANSPORTATION:</u></b>				
Community Development Block Grants/Entitlement Grants:				
Community Development Block Grant (CDBG) (1)	14.218		434,876	434,876
Community Development Block Grant (CDBG) (2)	14.218		492,836	492,836
Community Development Block Grant (CDBG) (3)	14.218		26,014	26,014
CATALOG TOTAL			953,726	953,726
TOTAL PASS-THROUGH PROGRAMS:			953,726	953,726
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			11,143,673	6,164,389
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>				
<b><u>DIRECT PROGRAMS:</u></b>				
Domestic Cannabis Eradication and Suppression Program	16.2012-38	2012-38	50,000	50,000
CATALOG TOTAL			50,000	50,000
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program:				
Intellectual Property Enforcement Program (1)	16.580	2012-DG-BX-0007	205,258	169,025
Intellectual Property Enforcement Program (2)	16.580	2011-DB-BX-0020	200,000	47,436
CATALOG TOTAL			405,258	216,461
Local Law Enforcement Grants Program:				
FY 2011 Edward Byrne Justice Assistance Grant (JAG) Program	16.592	2011-DJ-BX-3236	293,272	293,272
CATALOG TOTAL			293,272	293,272
State Criminal Alien Assistance Program	16.606	2012-AP-BX-0830	1,025,244	1,025,244
CATALOG TOTAL			1,025,244	1,025,244

See accompanying notes to the Schedule of Expenditures of Federal Awards

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<b><u>U.S. DEPARTMENT OF JUSTICE (CONTINUED)</u></b>				
<b><u>DIRECT PROGRAMS:</u></b>				
Public Safety Partnership and Community Policing Grants:				
COPS Hiring Program 2011	16.710	2011ULWX0004	\$ 11,306,450	\$ 3,627,631
COPS Hiring Program 2010	16.710	2010ULWX0006	21,382,750	8,161,834
Internet Crimes Against Children	16.710	2010-MC-CX-K003	656,436	297,863
COPS Technology 2009	16.710	2009CKWX0306	150,000	79,760
COPS Technology 2005	16.710	2005CKWX0153	246,661	187,160
CATALOG TOTAL			<u>33,742,297</u>	<u>12,354,248</u>
DNA Backlog Reduction Program:				
Forensic Casework DNA Backlog Reduction Program - FY 2011	16.741	2011-DN-BX-K436	586,429	246,847
Forensic Casework DNA Backlog Reduction Program - FY 2010	16.741	2010-DN-BX-K071	435,152	96,608
Forensic Casework DNA Backlog Reduction Program - FY 2012	16.741	2012-DN-BX-0022	540,386	398,499
CATALOG TOTAL			<u>1,561,967</u>	<u>741,954</u>
Paul Coverdell Forensic Sciences Improvement Grant Program:				
Paul Coverdell Forensic Science Improvement Program - FY 2012	16.742	2012-CD-BX-0028	165,000	165,000
CATALOG TOTAL			<u>165,000</u>	<u>165,000</u>
Second Chance Act Prisoner Reentry Initiative:				
Family Based Prisoner Substance Abuse Program	16.812	2010-RN-BX-0020	300,000	102,504
OJJDP FY10 Second Chance Act Adults & Juvenile Offender Reentry Demonstration Projects	16.812	2010-CZ-BX-0068	557,315	557,315
Second Chance Act Tech Careers Demo. Proj. for Incarcerated Adults & Juveniles	16.812	2012-RV-BX-0001	747,057	260,253
CATALOG TOTAL			<u>1,604,372</u>	<u>920,072</u>
TOTAL DIRECT PROGRAMS:			<u>38,847,410</u>	<u>15,766,251</u>
<b><u>PASSED THROUGH THE CITY OF SACRAMENTO:</u></b>				
Public Safety Partnership and Community Policing Grants:				
Community Oriented Policing Services (COPS07)	16.710	2007CKWX0026	7,650,000	5,727,671
CATALOG TOTAL			<u>7,650,000</u>	<u>5,727,671</u>
<b><u>PASSED THROUGH BOARD OF STATE &amp; COMMUNITY CORRECTIONS (BSCC):</u></b>				
Juvenile Accountability Block Grants:				
FY 2010-11 Juvenile Accountability Block Grant (JABG) - EBP Project	16.523	CSA 208-11	113,614	113,614
FY 2011-12 Juvenile Accountability Block Grant (JABG)	16.523	BSCC 173-12	97,161	97,161
CATALOG TOTAL			<u>210,775</u>	<u>210,775</u>
Juvenile Justice and Delinquency Prevention - Allocation to States:				
Title II Sustaining Effective Treatment and Supervision (SETS) (1)	16.540	CSA 391-11	69,900	69,900
Title II Sustaining Effective Treatment and Supervision (SETS) (2)	16.540	CSA 391-12	96,811	96,811
CATALOG TOTAL			<u>166,711</u>	<u>166,711</u>
Edward Byrne Memorial Justice Assistance Grant Program:				
Anti-Drug Abuse Enforcement Team Program	16.738	BSCC619-12	541,531	204,074
CATALOG TOTAL			<u>541,531</u>	<u>204,074</u>
TOTAL PASSED THROUGH BOARD OF STATE & COMMUNITY CORRECTIONS (BSCC):			<u>919,017</u>	<u>581,560</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

<b>FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE</b>	<b>FEDERAL CFDA NUMBER</b>	<b>GRANT NUMBER</b>	<b>AWARD AMOUNT</b>	<b>FEDERAL EXPENDITURES</b>
<b><u>U.S. DEPARTMENT OF JUSTICE (CONTINUED)</u></b>				
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF CORRECTIONS &amp; REHABILITATION:</u>				
Juvenile Accountability Block Grants	16.523	CSA 203-12	\$ 58,555	\$ 52,700
CATALOG TOTAL			<u>58,555</u>	<u>52,700</u>
<u>PASSED THROUGH CALIFORNIA EMERGENCY MANAGEMENT AGENCY:</u>				
Crime Victim Assistance:				
Victim Witness Assistance Program	16.575	VW12310340	369,061	369,061
Unserved/Underserved Victim Advocacy and Outreach (1)	16.575	UV12030340	116,420	96,920
Unserved/Underserved Victim Advocacy and Outreach (2)	16.575	UV11020340	125,000	25,640
CATALOG TOTAL			<u>610,481</u>	<u>491,621</u>
Violence Against Women Formula Grants:				
Violence Against Women Vertical Prosecution	16.588	VV12040340	184,238	184,238
CATALOG TOTAL			<u>184,238</u>	<u>184,238</u>
Residential Substance Abuse Treatment for State Prisoners:				
Residential Substance Abuse Treatment (RSAT) Program	16.593	RT10020340	400,001	62,458
CATALOG TOTAL			<u>400,001</u>	<u>62,458</u>
Edward Byrne Memorial Justice Assistance Grant Program:				
Anti-Human Trafficking Task Force Program	16.738		200,000	160,143
Anti-Drug and Child Abuse Enforcement Team	16.738	DC11240340	669,926	92,176
CATALOG TOTAL			<u>869,926</u>	<u>252,319</u>
Paul Coverdell Forensic Sciences Improvement Grant Program:				
Paul Coverdell Forensic Science Improvement Program - FY 2010	16.742	CQ10070340	242,502	17,251
Paul Coverdell Forensic Science Improvement Program (FSIA)	16.742	CQ12080340	19,827	7,214
CATALOG TOTAL			<u>262,329</u>	<u>24,465</u>
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories:				
ARRA - Regional Anti-Gang Intelligence LED	16.803	ZG09010340	300,000	5,230
ARRA - Adult Day Reporting Center (ADRC)	16.803	ZP09010340	1,622,107	212,758
ARRA - Cal-MMET	16.803	ZM09010340	490,228	8,859
ARRA - Anti-Human Trafficking	16.803	ZH09010340	500,000	33,971
CATALOG TOTAL			<u>2,912,335</u>	<u>260,818</u>
TOTAL PASSED THROUGH CALIFORNIA EMERGENCY MANAGEMENT AGENCY:			<u>5,239,310</u>	<u>1,275,919</u>
TOTAL PASS-THROUGH PROGRAMS:			<u>13,866,882</u>	<u>7,637,850</u>
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>52,714,292</u>	<u>23,404,101</u>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>				
<u>DIRECT PROGRAMS:</u>				
Airport Improvement Program:				
Airport Improvement Program 0204-51	20.106	3-06-0204-51	800,000	648,692

See accompanying notes to the Schedule of Expenditures of Federal Awards

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<b><u>U.S. DEPARTMENT OF TRANSPORTATION (CONTINUED)</u></b>				
<b><u>DIRECT PROGRAMS:</u></b>				
Airport Improvement Program 0204-50	20.106	3-06-0204-50	\$ 8,098,024	\$ 8,098,024
Airport Improvement Program 0363-18	20.106	3-06-0363-18	2,017,800	769,027
Airport Improvement Program 0205-11	20.106	3-06-0205-11	600,000	600,000
Airport Improvement Program 0363-17	20.106	3-06-0363-17	1,149,000	193,123
CATALOG TOTAL			<u>12,664,824</u>	<u>10,308,866</u>
TOTAL DIRECT PROGRAMS:			<u>12,664,824</u>	<u>10,308,866</u>
<b><u>PASSED THROUGH CALIFORNIA OFFICE OF TRAFFIC SAFETY:</u></b>				
Alcohol Impaired Driving Countermeasures Incentive Grants I:				
Traffic Safety Resource Prosecutor Program (TSRP) (2)	20.601	20414	1,095,500	176,421
Traffic Safety Resource Prosecutor Program (TSRP) (1)	20.601	AL1376	442,342	225,954
Detection and Quantization of Psychoactive Drugs in DUI Drug Cases	20.601	20195	435,000	7,741
New DUI Vertical Prosecution & Community Awareness	20.601	20386	935,000	219,823
Alcohol and Drug Impaired Driver Vertical Prosecution and Community Awareness	20.601	AL1318	970,000	654,745
CATALOG TOTAL			<u>3,877,842</u>	<u>1,284,684</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated:				
Traffic Safety Resource Prosecutor Program (TSRP) (3)	20.608	AL1376	663,512	366,813
CATALOG TOTAL			<u>663,512</u>	<u>366,813</u>
TOTAL PASSED THROUGH CALIFORNIA OFFICE OF TRAFFIC SAFETY:			<u>4,541,354</u>	<u>1,651,497</u>
<b><u>PASSED THROUGH CALIFORNIA DEPARTMENT OF TRANSPORTATION:</u></b>				
Highway Planning and Construction:				
Safe, Accountable, Flexible, Efficient Transportation Equity Act - A Legacy for Users (SAFETEA-LU) (Road Fund)	20.205	03-5924R	8,427,071	8,427,071
Safe, Accountable, Flexible, Efficient Transportation Equity Act - A Legacy for Users (SAFETEA-LU) (Sales Tax Fund)	20.205	03-5924R	1,948,591	1,948,591
CATALOG TOTAL			<u>10,375,662</u>	<u>10,375,662</u>
Formula Grants for Other Than Urbanized Areas:				
Federal Transit Administration 5311	20.509	643130	337,995	337,995
CATALOG TOTAL			<u>337,995</u>	<u>337,995</u>
TOTAL PASSED THROUGH CALIFORNIA DEPARTMENT OF TRANSPORTATION:			<u>10,713,657</u>	<u>10,713,657</u>
TOTAL PASS-THROUGH PROGRAMS:			<u>15,255,011</u>	<u>12,365,154</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>27,919,835</u>	<u>22,674,020</u>
<b><u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u></b>				
<b><u>DIRECT PROGRAMS:</u></b>				
Climate Showcase Communities Grant Program:				
River Friendly Landscaping to Reduce GHGs	66.041	AF-83452801-0	486,668	254,986
CATALOG TOTAL			<u>486,668</u>	<u>254,986</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<b><u>U.S. ENVIRONMENTAL PROTECTION AGENCY (CONTINUED)</u></b>				
TOTAL DIRECT PROGRAMS:			\$ 486,668	\$ 254,986
TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY			<u>486,668</u>	<u>254,986</u>
<b><u>U.S. DEPARTMENT OF ENERGY</u></b>				
<b><u>DIRECT PROGRAMS:</u></b>				
ARRA-CA Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	DE-EE0000900	5,364,600	848,152
CATALOG TOTAL			<u>5,364,600</u>	<u>848,152</u>
TOTAL DIRECT PROGRAMS:			<u>5,364,600</u>	<u>848,152</u>
<b><u>PASSED THROUGH SACRAMENTO MUNICIPAL UTILITY DISTRICT (SMUD):</u></b>				
Electricity Delivery and Energy Reliability, Research, Development and Analysis:				
ARRA - Smart Grid Investment Grant (SMUD SGIG)	81.122	DE-OE0000214	1,500,000	912,317
CATALOG TOTAL			<u>1,500,000</u>	<u>912,317</u>
TOTAL PASS-THROUGH PROGRAMS:			<u>1,500,000</u>	<u>912,317</u>
TOTAL U.S. DEPARTMENT OF ENERGY			<u>6,864,600</u>	<u>1,760,469</u>
<b><u>U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</u></b>				
<b><u>DIRECT PROGRAMS:</u></b>				
Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, Public Housing Primary Care, and School Based Health Centers):				
McKinney Homeless Grant	93.224	H80CS00045	929,938	929,938
CATALOG TOTAL			<u>929,938</u>	<u>929,938</u>
HIV Emergency Relief Project Grants:				
Ryan White Part A (2)	93.914	H89HA00048	2,934,919	332,294
Ryan White Part A (1)	93.914	H89HA00048	2,816,722	2,517,926
CATALOG TOTAL			<u>5,751,641</u>	<u>2,850,220</u>
TOTAL DIRECT PROGRAMS:			<u>6,681,579</u>	<u>3,780,158</u>
<b><u>PASSED THROUGH AREA 4 AGENCY ON AGING:</u></b>				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers:				
A4AA Mental Health (Loneliness)	93.044	31-10-34-13	91,346	91,345
CATALOG TOTAL			<u>91,346</u>	<u>91,345</u>
<b><u>PASSED THROUGH CALIFORNIA DEPART. OF CORRECTIONS &amp; REHAB.:</u></b>				
Medical Assistance Program:				
Low Income Health Program - Inmate Eligibility Program	93.778	ICHC.12165	460	230
CATALOG TOTAL			<u>460</u>	<u>230</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

<b>FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE</b>	<b>FEDERAL CFDA NUMBER</b>	<b>GRANT NUMBER</b>	<b>AWARD AMOUNT</b>	<b>FEDERAL EXPENDITURES</b>
<b><u>U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (CONTINUED)</u></b>				
<b><u>PASSED THROUGH CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES:</u></b>				
Projects for Assistance in Transition from Homelessness (PATH) CATALOG TOTAL	93.150		\$ 459,716	\$ 459,716
Substance Abuse and Mental Health Services - Projects of Regional and National Significance:				
California Strategic Prevention Framework State Incentive Grant (SPF-SIG)	93.243	12-09	91,566	91,566
Children Affected by Methamphetamine (CAM) CATALOG TOTAL	93.243	1H79TI023291-01	409,579	409,579
Centers for Disease Control and Prevention - Investigations and Technical Assistance:				
CDC BioSense 2.0 CATALOG TOTAL	93.283	1U50OE000015-01	237,722	149,909
Children's Health Insurance Program:				
CCS - Healthy Families / Children's Health Insurance Program CATALOG TOTAL	93.767		559,112	394,372
Medical Assistance Program:				
School Based Medi-Cal Admin. Activities (SMAA)	93.778	11-88007	5,000,000	2,591,310
County Based Medi-Cal Admin. Activities (CMAA)	93.778	08-85126	4,000,000	1,842,419
Child Health Disability Protection (CHDP) - Medi-Cal and Foster Care	93.778	2012-2013	1,925,149	1,284,172
Low Income Health Program Healthcare Claim	93.778	11-15909-SA-14	21,315,637	21,315,637
Low Income Health Program Administrative Activities	93.778	11-15909-SA-14	216,489	216,489
Targeted Case Management (TCM) CATALOG TOTAL	93.778	34-0713A2	356,010	181,583
Block Grants for Community Mental Health Services:				
Substance Abuse & Mental Health Srv. Admin. (SAMHSA) CATALOG TOTAL	93.958		2,187,820	2,187,820
Maternal and Child Health Services Block Grant to the States:				
California Children's Services CATALOG TOTAL	93.994		5,542,755	3,207,391
<b>TOTAL PASSED THROUGH CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES:</b>			<b>42,301,555</b>	<b>34,331,963</b>
<b><u>PASSED THROUGH CALIFORNIA DEPARTMENT OF PUBLIC HEALTH:</u></b>				
Public Health Emergency Preparedness (PHEP) CATALOG TOTAL	93.069	EPO 12-34	1,874,399	1,499,784
Project Grants and Cooperative Agreements for Tuberculosis Control Programs:				
Tuberculosis Program - Augmentation	93.116		28,569	25,293
Tuberculosis Program CATALOG TOTAL	93.116		431,679	431,679
			460,248	456,972

See accompanying notes to the Schedule of Expenditures of Federal Awards



**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<b><u>U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (CONTINUED)</u></b>				
<b><u>PASSED THROUGH CALIFORNIA DEPARTMENT OF PUBLIC HEALTH:</u></b>				
Immunization Cooperative Agreements:				
Immunization Assistance Program (IAP)	93.268	11-10593	\$ 430,874	\$ 417,769
CATALOG TOTAL			<u>430,874</u>	<u>417,769</u>
Refugee and Entrant Assistance - State Administered Programs:				
Refugee Health Assessment Program	93.566	12-34-90840-00	549,060	549,060
CATALOG TOTAL			<u>549,060</u>	<u>549,060</u>
National Bioterrorism Hospital Preparedness Program:				
Hospital Preparedness Program (HPP)	93.889	EPO HPP 12-34	625,957	561,209
CATALOG TOTAL			<u>625,957</u>	<u>561,209</u>
HIV Care Formula Grants:				
HIV CARE (SAM & MAI)	93.917	10-95282	997,149	997,144
CATALOG TOTAL			<u>997,149</u>	<u>997,144</u>
Maternal and Child Health Services Block Grant to the States:				
Maternal, Child & Adolescent Health (MCAH)	93.994	2012-34	161,059	150,312
Black Infant Health (BIH)	93.994	201234	413,489	394,446
California Home Visiting Program (North & South)	93.994	201234	1,971,498	1,553,947
CATALOG TOTAL			<u>2,546,046</u>	<u>2,098,705</u>
TOTAL PASSED THROUGH CALIFORNIA DEPARTMENT OF PUBLIC HEALTH:			<u>7,483,733</u>	<u>6,580,643</u>
<b><u>PASSED THROUGH CALIFORNIA DEPARTMENT OF SOCIAL SERVICES:</u></b>				
Guardianship Assistance:				
KINGAP - 4T	93.090		2,232,399	2,232,399
KinGAP IV - E	93.090		199,713	199,713
CATALOG TOTAL			<u>2,432,112</u>	<u>2,432,112</u>
Temporary Assistance for Needy Families:				
CalWORKS - CalWIN Project	93.558		1,247,442	1,247,442
CalWORKS (Assist)	93.558		40,678,830	40,678,830
CalWORKS - Administration	93.558		67,893,403	67,893,403
Stage One Child Care	93.558		11,106,649	11,106,649
CATALOG TOTAL			<u>120,926,324</u>	<u>120,926,324</u>
Child Support Enforcement:				
Child Support Admin. - Early Intervention	93.563		572,530	377,870
Child Support Administration	93.563		30,496,331	20,664,808
CATALOG TOTAL			<u>31,068,861</u>	<u>21,042,678</u>
Refugee and Entrant Assistance - State Administered Programs:				
Refugee Cash Asst. (RCA) & Other Refugee Prgm. (Assist)	93.566		492,678	492,678
RCA - CalWIN Project	93.566		1,525	1,525

See accompanying notes to the Schedule of Expenditures of Federal Awards

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<b><u>U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (CONTINUED)</u></b>				
<b><u>PASSED THROUGH CALIFORNIA DEPARTMENT OF SOCIAL SERVICES:</u></b>				
Refugee Cash Asst. (RCA) & Other Refugee Prgm. (Admin)	93.566		\$ 54,507	\$ 54,507
CATALOG TOTAL			<u>548,710</u>	<u>548,710</u>
Low-Income Home Energy Assistance Program (LIHEAP)	93.568		6,028	6,028
CATALOG TOTAL			<u>6,028</u>	<u>6,028</u>
Foster Care - Title IV-E:				
Emergency Assistance Foster Care	93.658		985,663	985,663
Foster Care - Residentially Based Services	93.658		420,512	420,512
Emergency Assistance Foster Care - Residentially Based Services (RBS)	93.658		31,379	31,379
Foster Care (AFDC) - Assistance	93.658		16,787,642	16,787,642
Extended Foster Care 18+	93.658		1,141,822	1,141,822
Foster Care (AFDC) - ADMINISTRATION	93.658		1,473,369	1,473,369
CATALOG TOTAL			<u>20,840,387</u>	<u>20,840,387</u>
Adoption Assistance:				
Adoption Program Administrative	93.659		380,557	380,557
Adoption Assistance Program (AAP)	93.659		23,005,023	23,005,023
CATALOG TOTAL			<u>23,385,580</u>	<u>23,385,580</u>
Social Services Block Grant:				
CalWORKS - Title XX	93.667		3,814,599	3,814,599
CATALOG TOTAL			<u>3,814,599</u>	<u>3,814,599</u>
Medical Assistance Program:				
Medi-Cal Assistance-CalWIN Project	93.778		1,877,300	1,877,300
Medi-Cal Administrative	93.778		19,090,448	19,090,448
CATALOG TOTAL			<u>20,967,748</u>	<u>20,967,748</u>
HIV Prevention Activities - Health Department Based:				
AIDS MG - HIV Prevention Program	93.940	10-95282	719,605	698,771
CATALOG TOTAL			<u>719,605</u>	<u>698,771</u>
Promoting Safe and Stable Families:				
Promoting Safe and Stable Families (PSSF)	93.556		1,111,120	1,111,120
PSSF - Monthly Caseworker Visits	93.556		175,764	175,764
CATALOG TOTAL			<u>1,286,884</u>	<u>1,286,884</u>
Temporary Assistance for Needy Families:				
Child Welfare Services - EA TANF	93.558		12,416,111	12,416,111
CATALOG TOTAL			<u>12,416,111</u>	<u>12,416,111</u>
Adoption Incentive Payments:				
Federal Adoptions Incentive	93.603		45,798	45,798
CATALOG TOTAL			<u>45,798</u>	<u>45,798</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<b><u>U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (CONTINUED)</u></b>				
<b><u>PASSED THROUGH CALIFORNIA DEPARTMENT OF SOCIAL SERVICES:</u></b>				
Stephanie Tubbs Jones Child Welfare Services Program:				
Child Welfare Services - Title IV-B	93.645		\$ 2,086,872	\$ 2,086,872
Group Home Monthly Visits	93.645		215,833	215,833
CATALOG TOTAL			<u>2,302,705</u>	<u>2,302,705</u>
Foster Care - Title IV-E:				
Family Preservation Program (FPP)	93.658		12,789	12,789
CWSOIP/COHORT1	93.658		448,648	448,648
Child Welfare Services - Title IV-E	93.658		21,092,370	21,092,370
Family Children Care Home	93.658		312,466	312,446
Foster Parent Training & Recruitment (AB 2129)	93.658		149,348	149,348
Community Care Licensing (CCL) - Foster Family Homes (FFH)	93.658		265,808	265,808
CATALOG TOTAL			<u>22,281,429</u>	<u>22,281,409</u>
Adoption Assistance	93.659		2,272,153	2,272,153
CATALOG TOTAL			<u>2,272,153</u>	<u>2,272,153</u>
Social Services Block Grant:				
Child Welfare Services - Title XX	93.667		3,415,468	3,415,468
CATALOG TOTAL			<u>3,415,468</u>	<u>3,415,468</u>
Chafee Foster Care Independence Program:				
Independent Living Program	93.674		736,804	736,804
CATALOG TOTAL			<u>736,804</u>	<u>736,804</u>
Medical Assistance Program:				
Adult Protective Services	93.778		3,812,130	3,812,130
In-Home Support Services (IHSS)	93.778		10,607,560	9,732,038
Community Services Block Grant (CSBG)	93.778		200,852	200,852
Child Welfare Services - Title XIX	93.778		3,985,440	2,334,006
CATALOG TOTAL			<u>18,605,982</u>	<u>16,079,026</u>
TOTAL PASSED THROUGH CALIFORNIA DEPARTMENT OF SOCIAL SERVICES:			<u>288,073,288</u>	<u>275,499,295</u>
<b><u>PASSED THROUGH CALIFORNIA DEPARTMENT OF ALCOHOL &amp; DRUG:</u></b>				
Medical Assistance Program:				
Alcohol & Drug Medi-Cal	93.778		5,298,606	5,298,606
CATALOG TOTAL			<u>5,298,606</u>	<u>5,298,606</u>
Block Grants for Prevention and Treatment of Substance Abuse:				
Alcohol & Drug - Substance Abuse Prevention & Treatment	93.959		6,800,203	6,800,203
CATALOG TOTAL			<u>6,800,203</u>	<u>6,800,203</u>
TOTAL PASSED THROUGH CALIFORNIA DEPARTMENT OF ALCOHOL & DRUG:			<u>12,098,809</u>	<u>12,098,809</u>
TOTAL PASS-THROUGH PROGRAMS:			<u>350,049,191</u>	<u>328,602,285</u>
TOTAL U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES			<u>356,730,770</u>	<u>332,382,443</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<b><u>U.S. CORPORATION FOR NATIONAL &amp; COMMUNITY SERVICE</u></b>				
<u>DIRECT PROGRAMS:</u>				
Retired and Senior Volunteer Program:				
CNCS Retired Senior Volunteer Program (1)	94.002	10-SRPCA012	\$ 320,805	\$ 84,295
CNCS Retired Senior Volunteer Program (2)	94.002	10-SRPCA016	242,000	84,000
CNCS Retired Senior Volunteer Program (3)	94.002	13-SRPCA008	171,435	35,614
CATALOG TOTAL			<u>734,240</u>	<u>203,909</u>
Foster Grandparents Program:				
CNCS Foster Grandparents Program	94.011	11SFPCA004	1,310,735	432,041
CATALOG TOTAL			<u>1,310,735</u>	<u>432,041</u>
Senior Companion Program:				
CNCS Senior Companion Program (1)	94.016	10-SCPCA001	318,360	53,139
CNCS Senior Companion Program (2)	94.016	13-SCPCA001	101,875	48,595
CATALOG TOTAL			<u>420,235</u>	<u>101,734</u>
TOTAL DIRECT PROGRAMS:			<u>2,465,210</u>	<u>737,684</u>
TOTAL U.S. CORPORATION FOR NATIONAL & COMMUNITY SERVICE			<u>2,465,210</u>	<u>737,684</u>
<b><u>EXECUTIVE OFFICE OF THE PRESIDENT</u></b>				
<u>DIRECT PROGRAMS:</u>				
High Intensity Drug Trafficking Areas Program:				
Central Valley CA High Intensity Drug Trafficking Area VII	95.001	G12CV0002A	3,864,040	590,115
Central Valley CA High Intensity Drug Trafficking Area	95.001	G13CV0002A	2,508,304	87,750
Central Valley CA High Intensity Drug Trafficking Area V	95.001	G10CV0002A	4,206,702	758,878
Central Valley CA High Intensity Drug Trafficking Area VI	95.001	G11CV0002A	3,865,040	2,513,903
CATALOG TOTAL			<u>14,444,086</u>	<u>3,950,646</u>
TOTAL DIRECT PROGRAMS:			<u>14,444,086</u>	<u>3,950,646</u>
TOTAL EXECUTIVE OFFICE OF THE PRESIDENT			<u>14,444,086</u>	<u>3,950,646</u>
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>				
<u>DIRECT PROGRAMS:</u>				
Port Security Grant Program:				
FY 2012 port Security Grant Program	97.056	EMW2012PU00012S	24,125	24,109
FY 2007 Port Security Grant Program	97.056	2007-GB-T7-K274	101,875	100,000
FY 2008 Port Security Grant Program	97.056	2008GBT8K063	518,769	3,516
CATALOG TOTAL			<u>644,769</u>	<u>127,625</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY (CONTINUED)</u></b>				
<b><u>DIRECT PROGRAMS:</u></b>				
Law Enforcement Officer Reimbursement Agreement Program (1)	97.090	HSTS0208HSLR348	\$ 1,571,428	\$ 70,697
Law Enforcement Officer Reimbursement Agreement Program (2)	97.090	HSTS0213HSLR136	156,950	156,950
CATALOG TOTAL			<u>1,728,378</u>	<u>227,647</u>
TOTAL DIRECT PROGRAMS:			<u>2,373,147</u>	<u>355,272</u>
<b><u>PASSED THROUGH CALIFORNIA EMERGENCY MANAGEMENT AGENCY:</u></b>				
Emergency Management Performance Grants:				
Emergency Management Performance Grant (EMPG)	97.042	2012-0027	414,272	414,272
CATALOG TOTAL			<u>414,272</u>	<u>414,272</u>
Homeland Security Grant Program:				
FY 2010 State Homeland Security Grant Program (SHSGP)	97.067	2010-0085	3,942,866	2,138,661
FY 2010 Metropolitan Medical Response System (MMRS)	97.067	2010-0085	317,419	62,011
FY 2011 State Homeland Security Grant Program (SHSGP) (1)	97.067	2011-SS-0077	1,219,265	695,464
FY 2011 State Homeland Security Grant Program (SHSGP) (2)	97.067	2011-SS-0077	3,150,000	849,175
FY 2011 Metropolitan Medical Response System (MMRS)	97.067	2011-SS-0077	281,693	168,869
FY 2012 Metropolitan Medical Response System (MMRS)	97.067	2012-SS-00123	385,421	134,038
CATALOG TOTAL			<u>9,296,664</u>	<u>4,048,218</u>
Buffer Zone Protection Program (BZPP):				
2009 Buffer Zone Protection Program	97.078	2009-BF-T9-0026	284,971	92,732
2008 Buffer Zone Protection Program	97.078	2008-BZ-T8-0008	226,521	33,491
CATALOG TOTAL			<u>511,492</u>	<u>126,223</u>
TOTAL PASSED THROUGH CALIFORNIA EMERGENCY MANAGEMENT AGENCY:			<u>10,222,428</u>	<u>4,588,713</u>
TOTAL PASS-THROUGH PROGRAMS:			<u>10,222,428</u>	<u>4,588,713</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>12,595,575</u>	<u>4,943,985</u>
TOTAL DIRECT PROGRAMS			214,503,422	104,534,543
TOTAL PASS-THROUGH PROGRAMS			437,246,817	399,043,471
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 651,750,239</u>	<u>\$ 503,578,014</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards

**COUNTY OF SACRAMENTO**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2013**

***NOTE 1 – GENERAL***

The accompanying schedule of expenditures of federal awards (SEFA) for the fiscal year ended June 30, 2013, presents the activity of all federal financial assistance programs of the County of Sacramento, California (the County). The County reporting entity is defined in Note 1 to the County's basic financial statements. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies, is included on the SEFA.

***NOTE 2 – BASIS OF ACCOUNTING***

The accompanying SEFA is presented using the modified accrual basis of accounting for most grants accounted for in the governmental fund types, and the accrual basis of accounting for most grants accounted for in the proprietary fund types, as described in Note 1 to the County's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

***NOTE 3 – FEDERAL CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS***

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

***NOTE 4 – 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 (the 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 5 – PASS-THROUGH ENTITIES' IDENTIFYING NUMBER***

When federal awards were received from a pass-through entity, the schedule of expenditures of federal awards shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the County has determined that no identifying number is assigned for the program or the County was unable to obtain an identifying number from the pass-through entity.

**COUNTY OF SACRAMENTO  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

**NOTE 6 – AMOUNT PROVIDED TO SUBRECIPIENTS**

Federal assistance provided to subrecipients is treated as an expenditure when it is paid to the subrecipient and is summarized as follows:

<b>PROGRAM TITLE</b>	<b>FEDERAL CFDA NUMBER</b>	<b>PROJECT NAME</b>	<b>PASS- THROUGH AMOUNT</b>
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Supplemental Nutrition Assist. Program – Education (SNAP – ED)	\$ 5,000
Community Development Block Grants/ Entitlement Grants	14.218	Comprehensive Alcohol Treatment Center (CDBG)	156,212
Supportive Housing Program	14.235	LSS - Adolfo PH Emancipated Youth (1)	468,882
	14.235	LSS - Adolfo PH Emancipated Youth (2)	31,616
	14.235	LSS - Saybrook Apartments (1)	146,646
	14.235	LSS - Saybrook Apartments (2)	341,145
	14.235	LSS - Teen Transitional Housing Connections (1)	224,285
	14.235	LSS - Teen Transitional Housing Connections (2)	54,275
	14.235	LSS - Transitional Housing For Families (1)	90,165
	14.235	LSS - Transitional Housing For Families (2)	149,741
	14.235	LSS - Transitional Housing For Youth (1)	76,201
	14.235	LSS - Transitional Housing For Youth (2)	89,310
	14.235	Mather Community Campus (1)	459,489
	14.235	Mather Community Campus (2)	2,494,849
	14.235	VOA – Adolfo Trans. Housing For Emancipated Youth (1)	253,644
	14.235	VOA – Adolfo Trans. Housing For Emancipated Youth (2)	52,584
Cannabis Eradication	16.2012-38	Domestic Cannabis Eradication and Suppression Prgm. (DCESP)	50,000
Juvenile Accountability Block Grants	16.523	Juvenile Accountability Block Grant	52,700
Formula Grants for Rural Areas	20.509	Federal Transit Administration 5311	337,995

**COUNTY OF SACRAMENTO**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2013**

**NOTE 6 – AMOUNT PROVIDED TO SUBRECIPIENTS (CONTINUED)**

<b>PROGRAM TITLE</b>	<b>FEDERAL CFDA NUMBER</b>	<b>PROJECT NAME</b>	<b>PASS- THROUGH AMOUNT</b>
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	Alcohol and Drug Impaired Driver Vertical Prosecution and Community Awareness	177,293
Alcohol Impaired Driving Countermeasures Incentive Grants I (Continued)	20.601	New DUI Vertical Prosecution & Community Awareness	51,693
	20.601	Traffic Safety Resource Prosecutor Program (TSRP) (1)	209,847
	20.601	Traffic Safety Resource Prosecutor Program (TSRP) (2)	161,663
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	Traffic Safety Resource Prosecutor Program (TSRP) (3)	338,177
Projects for Assistance in Transition from Homelessness (PATH)	93.150	Projects for Assistance in Transition from Homelessness (PATH)	459,716
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	California Strategic Prevention Framework State Incentive Grant (SPF-SIG)	91,566
	93.243	Children Affected by Methamphetamine (CAM)	393,125
Promoting Safe and Stable Families	93.556	Promoting Safe and Stable Families (PSSF)	96,936
Foster Care Title IV-E	93.658	Child Welfare Services – Title IV-E	186,569
	93.658	CWSOIP/COHORT1	24,931
Chafee Foster Care Independence Program	93.674	Independent Living Program	214,306



**COUNTY OF SACRAMENTO  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

**NOTE 6 – AMOUNT PROVIDED TO SUBRECIPIENTS (CONTINUED)**

PROGRAM TITLE	FEDERAL CFDA NUMBER	PROJECT NAME	PASS- THROUGH AMOUNT
Medical Assistance Program	93.778	Alcohol & Drug Medi-Cal	\$ 4,853,406
	93.778	County Based Medi-Cal Admin. Activities (CMAA)	1,788,780
	93.778	Low Income Health Program Administrative Activities	58,272
	93.778	Low Income Health Program- Healthcare Claim	21,315,637
	93.778	School Based Medi-Cal Admin. Activities (SMAA)	2,591,310
National Bioterrorism Hospital Preparedness Program	93.889	Hospital Preparedness Program (HPP)	151,785
HIV Emergency Relief Project Grants	93.914	Ryan White Part A (1)	2,258,903
	93.914	Ryan White Part A (2)	242,795
HIV Care Formula Grants	93.917	HIV CARE (SAM & MAI)	897,430
HIV Prevention Activities – Health Department Based	93.940	AIDS MG – HIV Prevention Program	329,610
Block Grants for Community Mental Health Services	93.958	Substance Abuse & Mental Health Srvc. Admin. (SAMHSA)	2,187,820
Block Grants for Prevention and Treatment of Substance Abuse	93.959	Alcohol & Drug - Substance Abuse Prevention & Treatment	4,205,722
High Intensity Drug Trafficking Areas Program	95.001	Central Valley CA High Intensity Drug Trafficking Area	87,750
	95.001	Central Valley CA High Intensity Drug Trafficking Area VII	590,115
Homeland Security Grant Program	97.067	FY 2010 State Homeland Security Grant Program (SHSGP)	508,562
	97.067	FY 2011 State Homeland Security Grant Program (SHSGP) (1)	378,611
	97.067	FY 2012 Metropolitan Medical Response System (MMRS)	56,933
Total Provided To Subrecipients			<u>\$ 50,444,002</u>

**COUNTY OF SACRAMENTO**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2013**

**NOTE 7 – PROGRAM/CLUSTER TOTALS**

The schedule of expenditures of federal awards does not summarize programs that cross agency funding. Also, the schedule does not summarize clusters. The following summarizes those programs that cross agency funding and clusters:

<u>PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS THROUGH AGENCY</u>	<u>AMOUNT</u>
<b>SNAP Cluster</b>			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	California Department of Public Health California Department of Social Services	\$ 310,760 34,046,287
		Cluster Total	<u>\$ 34,357,047</u>
<b>CDBG – Entitlement Grants Cluster</b>			
Community Development Block Grants/Entitlement Grants	14.218	California Department of Transportation N/A (direct program)	\$ 953,726 156,212
		Cluster Total	<u>\$ 1,109,938</u>
<b>JAG Program Cluster</b>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Board of State & Community Corrections California Emergency Management Agency	\$ 204,074 252,319
ARRA – Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories	16.803	California Emergency Management Agency	260,818
		Cluster Total	<u>\$ 717,211</u>
<b>Highway Planning and Construction Cluster</b>			
Highway Planning and Construction	20.205	California Department of Transportation	\$ 10,375,662
		Cluster Total	<u>\$ 10,375,662</u>

**COUNTY OF SACRAMENTO**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2013**

**NOTE 7 – PROGRAM/CLUSTER TOTALS (CONTINUED)**

<u>PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>Pass Through Agency</u>	<u>Amount</u>
<b>Highway Safety Cluster</b>			
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	State Department of Traffic Safety	1,284,684
		Cluster Total	<u>\$ 1,284,684</u>
<b>Aging Cluster</b>			
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	Area 4 Agency on Aging	\$ 91,345
		Cluster Total	<u>\$ 91,345</u>
<b>Health Centers Cluster</b>			
Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, Public Housing Primary Care, and School Based Health Centers)	93.224	N/A (Direct program)	\$ 929,938
		Cluster Total	<u>\$ 929,938</u>
<b>TANF Cluster</b>			
Temporary Assistance for Needy Families (TANF) State Programs	93.558	State Department of Social Services	\$ 133,342,435
		Cluster Total	<u>\$ 133,342,435</u>
<b>Medicaid Cluster</b>			
Medical Assistance Program (Medicaid)	93.778	State Department of Social Services	\$ 37,046,774
		State Department of Alcohol & Drug	5,298,606
		State Department of Health Care Services	27,431,610
		State Department of Correction & Rehabilitation	230
		Cluster Total	<u>\$ 69,777,220</u>
<b>Foster Grandparent/Senior Companion Cluster</b>			
Foster Grandparent Program	94.011	N/A (Direct program)	\$ 432,041
Senior Companion Program	94.016	N/A (Direct program)	101,734
		Cluster Total	<u>\$ 533,775</u>

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2013**

**I. SUMMARY OF AUDITORS' RESULTS**

**FINANCIAL STATEMENTS**

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified?	Yes
Noncompliance material to financial statements noted?	No

**FEDERAL AWARDS**

Internal control over major programs:	
Material weakness(es) identified?	Yes
Significant deficiencies identified?	Yes
Type of auditors' report issued on compliance for major programs:	
Unmodified for all major programs except for the Medicaid Cluster, which was modified	
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)	Yes
Identification of major programs:	

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.561	Supplemental Nutrition Assistance Program Cluster
11.555	Public Safety Interoperable Communications Grant Program
12.Unknown	Public Benefit Land Conveyance
12.607	Community Economic Adjustment Assistance for Establishment, Expansion, Realignment, or Closure of a Military Installation
14.235	Supportive Housing Program
16.710	Public Safety Partnership and Community Policing Grants
16.738/16.803	Justice Assistance Grant Cluster (Included ARRA)
20.106	Airport Improvement Program
81.128	Energy Efficiency and Conservation Block Grant Program (Included ARRA)
81.122	Electricity Delivery and Energy Reliability, Research, Development and Analysis (includes ARRA)
93.778	Medicaid Cluster
93.994	Maternal Child Adolescent Health
93.558	Temporary Assistance for Needy Families Cluster
93.658	Foster Care - Title IV-E
93.659	Adoption Assistance
93.667	Social Services Block Grant

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 3,000,000
Auditee qualified as low-risk auditee?	No

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

**II. FINANCIAL STATEMENT FINDINGS**

The following findings represent significant deficiencies that are required to be reported in accordance with generally accepted government auditing standards.

**Finding 2013-01**

**LONG TERM FINANCIAL PLAN**

**Criteria:**

County management has the responsibility of ensuring the ongoing financial health of the County. To accomplish this task it is imperative that the County adopt and adhere to balanced budgets, provide for the ongoing monitoring for all financial aspects of the County, and adjust/react to changes in the financial position of the County in a timely manner. The adequacy of unassigned fund balance in the general fund should be assessed based upon the County's own specific circumstances. According to the Government Finance Officers Association, it is recommended, at a minimum, that general-purpose local governments, regardless of size, maintain unassigned fund balance in their general fund of either 1) no less than 5 to 15 percent of regular general fund operating revenues, or 2) no less than one to two months of regular general fund operating expenditures. A government's particular situation, of course, may require levels of unassigned fund balance in the general fund significantly in excess of these recommended minimum levels.

**Condition:**

*Significant Deficiency* - The County is currently in an improved but continued period of financial stress. As noted in the prior year findings, the County's General Fund balance had declined significantly over the past several years. Interfund transfers and one-time revenue sources have been used to balance the general fund budget, in addition to expenditure reductions. During the current year, the General fund balance improved to an unassigned fund balance of zero as compared to a negative unassigned fund balance of \$3.3 million in the prior year. Although the County adopted the revised reserve and reinvestment policy during fiscal year 2011, the policy does not address long term financial planning.

Long-term financial planning combines financial forecasting with strategizing. It is a highly collaborative process that considers future scenarios and helps governments navigate challenges. Long-term financial planning works best as part of an overall strategic plan. Financial forecasting is the process of projecting revenues and expenditures over a long-term period, using assumptions about economic conditions, future spending scenarios, and other salient variables. Long-term financial planning is the process of aligning financial capacity with long-term service objectives. Financial planning uses forecasts to provide insight into future financial capacity so that strategies can be developed to achieve long-term sustainability in light of the government's service objectives and financial challenges.

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

**II. FINANCIAL STATEMENT FINDINGS (CONTINUED)**

**Context:**

The financial condition was considered as part of the audit process.

**Effect:**

There may be significant financial consequences with making Interfund Transfers to the General Fund from non-General Fund resources, and using these Interfund Transfer amounts to fund ongoing expenditures in the General Fund.

**Cause:**

The Interfund Transfers to the General Fund from non-General Fund resources were recorded in the General Fund financial statements as Long-term Advances From Other Funds. These Interfund Transfers took place in Fiscal Years 2008-09, 2009-10 and 2010-11, and resulted in negative unassigned fund balance. The long-term advances do not have scheduled repayment terms. As such, the County's General Fund balance will likely remain negative until a substantial portion of these Long-term Advances are repaid from the General Fund to the non-General Fund funds.

**Recommendation:**

*This is a repeat condition from Fiscal Year 2009, 2010, 2011, and 2012.*

We noted that the County adopted the Fund Balance and Reinvestment Policy to establish the policy for reinvesting in reserves and high priority programs. We recommend that the County continue to develop short and long-range planning and budgeting aimed at addressing the observed conditions relating to the County's future stability. We recommend that the County focus on factors that mitigate the General Fund's unassigned fund balance of zero, including accelerating the repayment of Interfund Advances. We also recommend that the County review the adequacy of unassigned fund balance.

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

The County has begun the process of repaying Interfund Advances as resources are available. The FY2013-14 Adopted Budget included a \$9.8 million repayment. At this point the County's practice is for staff to identify needs – including repayment of the Interfund Advances - and resources – including estimated available fund balance - as part of the budget preparation process. Departments also submit Impact Statements that identify the impact on service delivery of funding at the level of available resources. Based on this information, the County Executive Officer develops and recommends a balanced budget to the Board. The Board approves a balanced budget in June and then adopts a balanced budget in September, once actual year-end fund balance numbers are available.

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

**II. FINANCIAL STATEMENT FINDINGS (CONTINUED)**

**Finding 2013-02**

**DAILY CASH RECONCILIATION**

**Criteria:**

The County is responsible for maintaining appropriate cash controls and segregation of duties. Cashiers within the Consolidated Utility Billing Services (CUBS) Unity prepare the daily cash reconciliation form documenting the cash receipts during the day and provide the form and the Cash Register Tape (X-Report) to the supervisor for review and approval. Supervisors are to review and approve the form via signature ensuring that the Cash Reconciliation Form matches the daily collections in the deposit envelope and that the form can be reconciled to the Cash Register Tape. Any reconciling items should be researched and investigated.

**Condition:**

*Significant Deficiency* – The Daily Cash Reconciliation prepared by the cashiers and reviewed and approved by the CUBS supervisor during the period of July 1, 2012 to September 25, 2012 was not reconciled to the Cash Register Tape (X-Report) and there were variances between the reports.

**Context:**

A total of 5 Daily Cash Reconciliation reports tested were not properly reconciled to the Cash Register Tape between the periods of July 1, 2012 to September 25, 2012 and included variances between the report and register tape.

Management changed policies and procedures effective September 26, 2012 to strengthen controls. We performed testing between the periods of September 26, 2012 to June 30, 2013 with no variances between the register report and daily cash reconciliation.

**Effect:**

There is the risk that county cash could be lost due to error or theft when the daily cash collections form and the register tape do not match for the day.

**Cause:**

CUBS Supervisors were not aware of the importance of maintaining appropriate cash controls to prevent or detect fraud or error through the reconciliation process during the period with reconciliation errors.

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

**II. FINANCIAL STATEMENT FINDINGS (CONTINUED)**

**Recommendation:**

*This is a repeat condition from the fiscal year 2012 audit.*

The County should implement policies and procedures to ensure that the cash controls are properly performed to determine any differences between cash collections on the Daily Cash Reconciliation and the Cash Register Tape and implement policies for reviewing and investigating variances.

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

CUBS has implemented SAP's (SAP is CUBS billing system) Payment Cash Desk functionality. This functionality allows payments to be posted directly to the customer's account and a receipt is issued from the billing system instead of having the payments posted by the Treasury division. In addition, policies and procedures have been improved to ensure a stricter reconciliation process.

**Finding 2013-03**

**OFFLINE JOURNAL ENTRIES**

**Criteria:**

The County is responsible for implementing sound internal controls to prevent, detect and correct misstatements within the entity and minimizing the risk of management override of internal controls. The County is also responsible for maintaining appropriate journal entry controls and segregation of duties throughout the process.

**Condition:**

*Significant Deficiency* – It was noted that although the County utilizes a standardized form to document the preparation and review of the offline journal entries (entries posted outside the financial system), the journal entries were not signed by authorized management evidencing review. Offline journal entries present additional risk, as they are not prepared and performed through the normal financial and accounting systems and create differences between the financial statements and the balances posted in the financial system.

**Context:**

A total of 3 Offline Journal Entries tested were missing documentation of approval from authorized management individuals.



**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

**II. FINANCIAL STATEMENT FINDINGS (CONTINUED)**

**Effect:**

There is the risk that inappropriate journal entries could be posted to the financial statements and normal journal entry controls in the accounting and financial systems could be overridden by management through the use of Offline Journal Entries.

**Cause:**

The County did not follow their standardized offline journal entry procedures to ensure that appropriate review and approval occurred and that all supporting documentation was retained.

**Recommendation:**

It is recommended that the County follow its established offline journal entry procedures, which entails utilizing a standardized form to document the preparation and review of offline journal entries. Each journal entry should be signed by authorized management indicating proper review to minimize the risk of fraud or error.

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

The County will follow its established offline journal entry procedures, which entails utilizing a standardized form to document the preparation and review of offline journal entries. Each journal entry will be signed by authorized management indicating proper review.

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

**III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

The following findings represent significant deficiencies, material weaknesses, and/or instances of non compliance, including questioned costs, required to be reported in accordance with OMB Circular A-133.

**Finding 2013-04**

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

**CFDA No.:** 10.561

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

**Passed-through:** California Department of Social Services

**Award Year:** 2012-2013

**Compliance Requirement:** Special Tests and Provision – ADP System for SNAP

**Criteria:**

The *March 2013 OMB A-133 Compliance Supplement*, requires that the County (1) accurately and completely process and store all case file information for eligibility determination and benefit calculation; (2) provide an automatic cut off of households at the end of their certification period unless recertified; and (3) generate data necessary to meet federal issuance and reconciliation reporting requirements.

**Condition Found:**

*Significant Deficiency, Instance of Non-Compliance* - In establishing a new case, the client is certified to receive benefits for a one-year period (certification period). No benefits are to be issued after the certification period end date. The client must go through the recertification process in order to continue receiving benefits. The intake and certification process requires that information contained on the SAWS 1, SAWS 2 and SAWS 2A or alternate DFA 285-A1, DFA 285-A2, and DFA 285-A3 forms be obtained to determine eligibility. During the annual recertification period, the client must resubmit the application forms to the County's Department of Human Assistance (DHA). When completed the forms are then processed for input into the CalWIN welfare database system. The recipient is also required to submit quarterly status reports (QR7) to remain eligible to receive benefits.

Of the 60 cases selected for testing, we noted the following:

- 1 case where the SAWS1 Form (or alternate form) was not present in the case file.
- 1 case where the SAWS1 and SAWS 2A (or alternate forms) were not present in the case file. We noted that the SAWS 2 form was present but not signed. We also noted that there were no QR7's prepared and on file for this case for the period of 7/1/2012 – 6/30/2013.

**Questioned Costs:**

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

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

**Context:**

As a result of our testwork of specific requirements related to special test and provisions, it was noted that 2 of the 60 SNAP program's case files tested were not properly maintained in accordance with OMB A-133 compliance requirements during fiscal year 2012-2013.

**Effect:**

Case data may not be current or accurate in the case file or the system, which could lead to initial and continuation eligibility errors, inaccurate benefit calculations, and benefit overpayments. If required forms are not properly obtained from clients, case data may not be current in the system, which could lead to eligibility continuation errors, inaccurate benefit calculations, benefit overpayments, or increased error rates for the County.

**Cause:**

The condition is primarily caused by the County not enforcing policies and procedures in place to ensure the eligibility case files contain all required documentation to support eligibility determinations.

**Recommendation:**

*We note that this is a repeat condition from the fiscal years 2009, 2010, 2011 and 2012 Single Audits.*

We recommend that the County strengthen its established policies and procedures with regard to initial and ongoing eligibility determination, required documentation and maintenance of participant files, to ensure eligibility case files contain all required documentation.

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

The Sacramento County Department of Human Assistance (DHA) administers CalFresh (SNAP) benefits according to Federal and State policy and rules. DHA's operational policies and procedures with regard to processing CalFresh applications and annual recertifications strictly adhere to Federal and State rules.

As noted in audit findings, since 2009 Sacramento County's deficiency rate continues to improve. The County has implemented several measures including training, oversight meetings, and regular, clear communication to staff, designed to improve the accuracy of receiving and maintaining the correct documentation in case files. Other activities the department has implemented to support improvement include;

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

1. Discussion of error trend reports like this audit finding with Program Managers and Supervisors. Supervisors are instructed to disseminate this information to their staff at the unit level.
2. Sacramento County continues to expand the use of Kofax transformation module to decrease the number of misfiled electronic documents. Kofax now recognizes more than 75 documents and assigns the documents to the correct case file. The software is expected to improve the accuracy of posting documents in the Filenet system.
3. Sacramento County's Case Review and Training Supervisors (CRTs) review cases, identify error trends and provide trainings at the bureau and unit level. The CRT Supervisors are assisted in identifying error trends by Staff Development, Quality Assurance/Quality Control and Program Specialists. It is anticipated that our CRT Supervisors will continue to have a positive impact on reducing errors.
4. Supervisors are required to review CalFresh cases prior to submitting them to document imaging. We have found this improves accuracy with regard to missing or inadequate verification and ensures that all required forms are in the case files.

The errors identified by OMB are being addressed. The actions taken to correct the errors are noted below:

- 1 case where the SAWS1 Form (or alternate form) was not present in the case file.  
The case has been reviewed and corrected. The missing documentation has been recreated and signed by the household.
- 1 case where the SAWS1 and SAWS 2A (or alternate forms) were not present in the case file. We noted that the SAWS 2 form was present but not signed. We also noted that there were no QR7's prepared and on file for this case for the period of 7/1/2012 – 6/30/2013.  
The required forms have been requested from the household and will be imaged into Filenet (the case file) upon receipt.

**Contact:**

Vickie O'Brien, CalFresh Program Specialist, (916) 875-3745, obrienv@saccounty.net, or  
Gloria Bedford, Administrative Services Officer II, (916) 875-3783, bedfordg@saccounty.net

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

**Finding 2013-05**

**Program:** Medicaid Cluster – Medi-Cal Assistance

**CFDA No.:** 93.778

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

**Passed-through:** California Department of Social Services

**Award Year:** 2012-2013

**Compliance Requirement:** Eligibility

**Criteria:**

Per the *March 2013 OMB A-133 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 to determine if individuals are eligible in accordance with the compliance requirements of the program.

**Condition Found:**

*Significant Deficiency, Instance of Non-Compliance* – As a result of our eligibility testing, we noted 1 case in which the annual Medi-Cal Status Report (MC-176S) was not submitted by the recipient that is required in the determination of Medi-Cal eligibility.

**Questioned Costs:**

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

**Context:**

The condition noted above was identified during our testing procedures over eligibility.

**Effect:**

Lack of supporting documentation for initial and ongoing eligibility determinations could lead to ineligible individuals receiving benefits.

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

**Cause:**

The condition is primarily caused by the County not following its policies and procedures to ensure the eligibility case files contain documentation to support eligibility.

**Recommendation:**

We recommend that the County strengthen its current policies and procedures with regards to initial and ongoing eligibility determination, required documentation, and maintenance of participant file and ensure that such policies and procedures are formally documented. This will help ensure the accuracy of the participant data and that eligibility determinations are supported by the proper documentation in the participant file.

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

Sacramento County has a formal policy and procedure in place for the completion of Medi-Cal Mid Year Status Reports (MC 176 S). The policy and procedure provides instruction to staff to ensure that we comply with state, federal and county regulations; and that eligibility determinations are completed in a timely and accurate manner.

We agree with the finding that we need to improve compliance with ensuring that the correct documentation is received and maintained in the case files. In order to improve compliance, the audit findings will be discussed at our Multi-Program meeting with program managers and supervisors on March 18, 2014. The supervisors will be instructed to share this information and reminders with staff at the unit level. Program Specialist staff will also send out reminders to staff regarding the process for completing Mid-year Status Reports.

Sacramento County recently reinstated the position of Case Review and Training Supervisor (CRT) at many of our bureaus including our service center. The CRT supervisors review cases, identify error trends and provide training at the bureau and unit level. The CRT Supervisor is assisted in identifying error trends by Staff Development, Quality Assurance/Quality Control staff and Program Specialists. It is anticipated that our CRT supervisors will have a positive impact on reducing errors.

The case found to be in error will be corrected as soon as possible. The actions being taken are noted below:

- Mid Year Status report (MS 176 S) will be mailed to the client for completion. This error was created as there was a CalFresh case attached to the Medi-Cal case. The programming in CalWIN prohibits an MC 176 S from being generated if a Quarterly Reporting request (QR7) for CalFresh has been issued in the same month. This has been reported to CalWIN support staff for resolution.

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

**Contact:**

Deborah Minter  
Medi-Cal Program Specialist  
Department of Human Assistance  
(916) 875-3509

**Finding 2013-06**

**Program:** Medicaid Cluster - 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

**Award Year:** 2012-2013

**Compliance Requirement:** Eligibility

**Criteria:**

Per the *March 2013 OMB A-133 Compliance Supplement*, agencies are required to maintain documentation to support the agency's eligibility determination, and to re-determine eligibility at least every 12 months. In addition, the State of California of Department of Social Services (CDSS) regulations also state that County's social services staff are to have a face-to-face contact at least once every 12 months, except as provided in MPP section 30-761.215 through 30-761.217, to adequately determine that the recipient continues to reside safely in their home with the IHSS services provided (MPP Section 30-761.13).

**Condition Found:**

*Material Weakness, Material Instance of Non-Compliance* – As a result of our eligibility testing, we noted the following:

- 34 cases where the recipient redetermination of eligibility was performed untimely (outside of the 12 month requirement).
- 2 cases where the Intake/Screening form (SC 333/IHSS 333) was not present.

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

**Questioned Costs:**

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

**Context:**

The condition noted above was identified during our testing procedures over eligibility.

**Effect:**

Lack of supporting documentation for initial and ongoing eligibility determinations could lead to ineligible individuals receiving benefits.

**Cause:**

The condition is primarily caused by the County not complying with program requirements to ensure the eligibility case files contain documentation to support eligibility and re-certifications.

**Recommendation:**

*We note that this is a repeat condition from the fiscal years 2008, 2009, 2010, 2011, and 2012 Single Audits.*

We recommend that the County strengthen its current policies and procedures with regards to initial and ongoing eligibility determination, required documentation, and maintenance of participant file and ensure that such policies and procedures are formally documented and strictly adhered to by County personnel. This will help ensure the accuracy of the participant data and that eligibility determinations are supported by the proper documentation in the participant file.

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

The 2 county Intake/Screening forms (SC333/IHSS333) missing from the case files may have been misplaced during the creation of new case volumes. These forms are utilized to capture initial information at time of application for services. This information is validated by the social worker as a part of the assessment for service. Therefore, the form does not impact determination of service eligibility. One of the missing forms dates back to 1995 and the other one is from 2006 both would be beyond the State's 5 1/2 year document retention period.



**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

While overdue redeterminations have been a finding for a number of years, the number of overdue redeterminations has consistently been reducing each year. In January 2011 there were 9,489 (48% of total caseload) overdue cases; in January 2012 there were 6,653 (36% of total caseload) overdue cases, and in January 2013 there were 4,174 (22% of total caseload) overdue cases. Currently the number of overdue redeterminations is 3,188 (15% of total caseload.)

Due to a hiring freeze in effect during most of FY 12-13, we were not able to fill all positions approved by the Board of Supervisors in 2012. New staff that we did bring on board helped us reduce caseloads and improve the timeliness of IHSS redeterminations. By October 2013, 90% were 6 months or less overdue and there were less than 1% of cases over twelve months overdue.

**Contact:**

Debbi Thomson (916) 876-8679 or Floridalma Valencia (916) 876-8705

**Finding 2013-07**

**Program:** Medicaid Cluster – Low Income Health Program

**CFDA No.:** 93.778

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

**Passed-Through:** California Department of Health Care Services

**Award Year:** 2012-2013

**Compliance Requirement:** Eligibility

**Criteria:**

The Social Security Act section 1115(a) Medicaid Demonstration Project (Bridge to Reform), which was approved November 1, 2010, for the State of California, established the Low Income Health Program (LIHP) in an effort to provide coverage to low-income adult populations. The program is available to adult participants who meet certain eligibility requirements including the County LIHP income requirements.

The *March 2013 OMB A-133 Compliance Supplement*, states that eligibility determinations should be performed for program participants and the participant should be determined to be eligible in accordance with the compliance requirements of the program.

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

**Condition:**

*Significant Deficiency, Instance of Non-Compliance* – During our eligibility testing of the Low Income Health Program we noted 1 case where the program participant did not meet the income eligibility requirements of the program, however the participant was incorrectly determined by the County as eligible for federal funding of the program.

**Questioned Costs:**

There are known questioned costs totaling \$1116.

**Context:**

For 1 out of 20 casesfiles tested, federal funding was improperly paid on behalf of an ineligible participant.

**Effect:**

Improper or inaccurate eligibility determinations may result in improper payments or overpayment of benefits.

**Cause:**

The condition is a result of improper eligibility determination that was not detected and corrected by the internal controls or policies and procedures over eligibility determinations.

**Recommendation:**

We recommend that the County strengthen its established policies and procedures over initial and ongoing eligibility determinations and ensure policies and procedures are adhered to in order to prevent ineligible individuals from receiving assistance.

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

Sacramento County has a formal policy and procedure in place for treatment of income for the Low Income Health Program. The policy and procedure provides instruction to staff to insure that we comply with state, federal and county regulations; and that eligibility determinations are completed in a timely and accurate manner.

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

We agree with the finding that we need to improve compliance with calculation of income to determine correct eligibility for the Low Income Health Program. In order to improve compliance, the audit findings will be discussed at our Multi-Program meeting with program managers and supervisors on March 18, 2013. The supervisors will be instructed to share this information and reminders with staff at the unit level. Program Specialist staff will also send out reminders to staff regarding the process for entering correct income information to our County automated welfare system to determine eligibility correctly.

The case found to be in error has been corrected. The actions being taken are noted below.

Budget was recalculated with the correct income information; eligibility predetermined, notice of action was issued to client

**Contact:**

Yanina Nerdinskaya  
Medi-Cal/LHIP/CMISP Program Specialist  
Department of Human Assistance  
(916) 875-3513

**Finding 2013-08**

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

**CFDA No.:** 93.558

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

**Passed-through:** California Department of Social Services

**Awarded Year:** 2012-2013

**Compliance Requirement:** Eligibility

**Criteria:**

Per *March 2013 OMB A-133 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 A-133 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.

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

**Condition Found:**

*Significant Deficiency, Instance of Noncompliance* – During our eligibility testing of the TANF case files, we noted 1 case file where Statement of Facts or SAWS 2 was not present to support the eligibility determination.

**Questioned Costs:**

There are known questioned costs totaling \$456.

**Context:**

As a result of our testwork of the specific compliance requirements related to eligibility, of the 60 case files selected it was noted that the TANF program's eligibility file noted above were not maintained in accordance with the Eligibility Assistance Standards Manual.

**Effect:**

Case data may not be reflecting applicant's current eligibility status in CalWIN or on the File Net system 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 maintained.

**Recommendation:**

*We note that this is a repeat condition from the fiscal years 2010, 2011, and 2012 Single Audits.*

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

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

Sacramento County accepts the 2012-2013 TANF audit finding.

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

We wish to note the reduced error rate experienced in the 2011-2012 TANF audit continued through this year's audit.

For audit year 2010-2011 5 cases were found in error while the 2011-2012 and 2012-2013 audits found only 1 case in error each year.

This demonstrates the ongoing efforts Sacramento County has made to diligently work towards improving the audit results and that the prior corrective actions put into place have been efficacious in reducing the error rate.

The challenge faced by Sacramento County is the implementation of the corrective actions and the timing of the subsequent audit. The corrective action plan is implemented well into the following audit year which impacts the outcomes of the corrective actions.

Prior corrective actions included 3<sup>rd</sup> party reviews of case documentation by a CalWORKs Performance Measures Supervisor, implemented in 6/2011, and ongoing reinforcement of documentation standards in 3/2013 which included:

- Memos and email alerts to all CalWORKs staff.
- Review of documentation standards with CalWORKs supervisory staff.
- Supervisor review of documentation standards in staff meetings.

Acknowledging the seriousness of reducing the error rate even further, Sacramento County will continue with the 3<sup>rd</sup> party reviews of case documentation and will add the following in order to reinforce more strongly with CalWORKs staff the need to meet standards of case documentation:

- Issue a detailed revised document to all CalWORKs staff with instructions on the CalWORKs redetermination process, documentation standards, and completion criteria.
- Review of the document will be mandated in staff meetings with all CalWORKs case workers at the bureau level.
- Require all CalWORKs line workers and supervisors, continuing and intake, to attend mandatory training on the CalWORKs redetermination process and documentation standards. The training will be monitored for compliance and attendance.
- Attendance by the CalWORKs Division Manager at all CalWORKs supervisor meetings to stress the criticality of compliance with program requirements.

**Contact:**

Colleene Miller  
CalWORKs Division Manager  
Department of Human Assistance  
(916) 875-4481

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

**Finding 2013-09**

**Program:** Foster Care – Title-IV-E

**CFDA No.:** 93.658

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

**Passed-Through:** California Department of Social Services

**Award Year:** 2012-2013

**Compliance Requirement:** Eligibility

**Criteria:**

Per the *March 2013 OMB A-133 Compliance Supplement*, Foster Care benefits may be paid on behalf of a child if the child meets the eligibility requirements of the former Aid to Families with Dependent Children (AFDC) program (i.e. meet the State-established standard of need as of July 16, 1996, prior to enactment of the Personal Responsibility and Work Opportunity Reconciliation Act).

The *March 2013 OMB A-133 Compliance Supplement*, also states that eligibility determinations should be performed for program participants and the individual should be determined to be eligible in accordance with the compliance requirements of the program.

**Condition:**

*Significant Deficiency, Instance of Non-Compliance* – As a result of our testwork, we noted 2 cases where the child was determined by the County as ineligible for federal foster care funding on the FC3 and FC3A as the child did not meet the eligibility requirements of the former Aid to Families with Dependent Children (AFDC) program. However, the two cases were inputted incorrectly as federally eligible cases within CalWIN and federal payments were issued on behalf of the ineligible child.

**Questioned Costs:**

There are known questioned costs totaling \$12,715.

**Context:**

For 2 out of 60 cases tested, federal funding was improperly paid on behalf of ineligible recipients that did not meet the federal eligibility requirements.

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

**Effect:**

Improper or inaccurate eligibility determinations may result in improper payments or overpayment of benefits.

**Cause:**

The condition is a result of improper eligibility determination was not detected and corrected by the internal controls or policies and procedures over eligibility determinations.

**Recommendation:**

We recommend that the County strengthen its established policies and procedures over initial and ongoing eligibility determinations to ensure that case files support the applicant's eligibility status.

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

Foster Care program staff and The Rushmore Group, LLC, have recently completed development of a new Foster Care case review Quality Assurance system. This system is in final testing and will be moved to production within the next two weeks. Specific review elements and causal factors have been included into the system requiring reviewers to check for proper aid types. Sacramento County intends to review approximately 30 Foster Care cases each month and staff will be instructed to correct any identified errors, including incorrect aid types.

In addition, audit findings will be reviewed with foster care staff and refresher training on entering proper aid types into CalWIN will be provided at bureau and unit meetings.

Also, the 2 cases have been corrected in the Eligibility (CALWIN) system and questioned costs noted above were adjusted out of Federal expenditure in the January 2014 Assistance claims.

**Contact Person:**

Jerry Henry  
Foster Care Program Specialist  
Department of Human Assistance  
(916) 875-1590

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

**Finding 2013-10**

**Program:** Adoption Assistance

**CFDA No.:** 93.659

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

**Passed-Through:** California Department of Social Services

**Award Year:** FY 2012-2013

**Compliance Requirement:** Allowable Costs and Activities

**Criteria:**

The *March 2013 OMB A-133 Compliance Supplement* states that funds may be expended for adoption assistance agreement subsidy payments, in accordance with the State's foster care maintenance payment rate schedule. Subsidy payments are made to adoptive parents based on the need(s) of the child and circumstances of the adopting parents (42 USC 673(a)(2)).

**Condition:**

*Significant Deficiency, Instance of Non-Compliance* – As a result of our testwork, we noted 2 instances of 60 where the payment rates were improperly calculated or incorrectly applied. As a result, the payment rates for the two cases did not agree to the State's foster care maintenance payment rate schedule. This resulted in the overpayment of the federal Adoption Assistance payments to the adoptive parent.

**Questioned Costs:**

There are known questioned costs totaling \$861.

**Context:**

2 out of 60 cases tested were determined to have used improper rates and have overpaid for Federal Adoption Assistance.

**Effect:**

Improper rate calculations may result in improper payments or overpayment of benefits.



**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

**Cause:**

The condition is a result of an improper rate determination that was not detected and corrected by the County's internal controls or policies and procedures over rate calculation.

**Recommendation:**

We recommend the County strengthen its established policies and procedures over initial and ongoing eligibility determinations to ensure that proper payment rates are utilized for assistance payments.

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

Adoption Assistance program staff and The Rushmore Group, LLC, have recently completed development of a new Adoption Assistance case review Quality Assurance system. This system is in final testing and will be moved to production within the next two weeks. Specific review elements and causal factors have been included into the system requiring reviewers to check for improperly calculated and incorrectly applied AAP rates. Sacramento County intends to review approximately 30 AAP cases each month and staff will be instructed to correct any identified errors, including improperly calculated or incorrectly applied AAP rates.

CalWIN currently requires a manual input of AAP rates but it is being updated to an automatic process that will assist staff in the calculation of AAP rates. This new programming is scheduled to be rolled out to production in CalWIN Release 37B which is scheduled for 06/16/2014.

In addition, audit findings will be reviewed with AAP staff and refresher training on calculating and applying AAP rates will be provided at bureau and unit meetings.

Meanwhile, overpayment claims have been created CALWIN and that the Federal portion of the overpaid benefits will be refunded in subsequent Assistance claims.

**Contact:**

Jerry Henry  
Foster Care Program Specialist  
Department of Human Assistance  
(916) 875-1590

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

**Finding 2013-11**

**Program:** Public Benefit Land Conveyance

**CFDA No.:** 12.Unknown

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

**Passed-Through:** N/A

**Award Year:** 2012-2013

**Compliance Requirement:** Equipment and Real Property Management

**Criteria:**

OMB Circular A-133, *Audits of States, Local Governments, and Non-profit organizations*, Subpart B, Section .310 requires the auditee to prepare a schedule of expenditures of federal awards. Subpart B, Section .205(a) determines the expenditure of a federal award pertaining to certain events including the receipt of property or equipment, or the receipt of surplus property. Subpart B Section .205(g) determines that non-cash assistance such as donated equipment or property, or donated surplus property should be valued at the fair market value at the time of receipt or the assessed value provided by the Federal Agency.

The *March 2013 Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* requires that property and equipment obtained under federal awards be added to the property records of the recipient including the following information: description, source, who holds title, acquisition date and cost, percentage of federal participation in the cost, location, condition, disposition data, the date of disposal, and method used to determine current fair market value.

**Condition:**

*Significant Deficiency, Instance of Non-Compliance* – The County’s draft of the Schedule of Expenditures of Federal Awards (SEFA) did not include the value of 14 parcels of donated property received by the Department of Defense (US Air Force) through the Economic Development Conveyance (EDC) pursuant to the Base Realignment and Closure Act (BRAC) between July 1, 2012 and June 30, 2013. The County has taken procedures subsequently to value the properties and has adjusted the SEFA in the amount of \$9,492,685.

The County further did not appropriately record the assets received in accordance with the federal requirements regarding property and equipment donations to ensure that they are appropriately tracked and recorded in the property records of the County.

**Questioned Costs:**

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

**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

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

**Context:**

As a result of our testwork, it was noted that the value of 14 parcels transferred from the Department of Defense were not properly recorded in the equipment and property records and on the draft SEFA at fair market value in accordance with OMB A-133 compliance during fiscal year 2012-2013.

**Effect:**

Not properly including all transfers of donated real property including all the required information in the property records can result in the noncompliance with federal regulations regarding federal property and equipment. Also, not including all donations of property on the Schedule of Expenditures of Federal Awards may result in the understatement and incorrect reporting of federal expenditures.

**Cause:**

The condition is primarily caused by the County not enforcing policies and procedures in place to ensure that all receipts of donated property are appropriately recorded in the property and equipment records and are appropriately reported on the Schedule of Expenditures of Federal Awards.

**Recommendation:**

We recommend that the County strengthen its policies and procedures over receipt of donated real property from the federal government or other outside agencies and ensure they are appropriately recorded in the property records and are properly reported on the Schedule of Expenditures of Federal Awards.

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

In the future, Community Development-Economic Development and Marketing will work with the Department of General Services-Real Estate and the Department of Finance-Auditor-Controller to ensure donated property contributed to the County of Sacramento is properly accounted for and assessed at fair market value in accordance with professional accounting standards and the County of Sacramento's policies and procedures on its financial records. Staff has been informed of the County of Sacramento's policies and procedures related to the receipt of donated property.

**Contact:**

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**COUNTY OF SACRAMENTO, CALIFORNIA  
SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2013**

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>
2012-01	Long Term Financial Plan	N/A	N/A	Partially Implemented – See Finding 2013-01
2012-02	Daily Cash Reconciliation	N/A	N/A	Partially Implemented – See Finding 2013-02
2012-03	Placing Capital Assets into Service	N/A	N/A	Implemented
2012-04	Recording Accreted Interest	N/A	N/A	Implemented
2012-05	Supplemental Nutrition Assistance Program (SNAP) Cluster	10.561	Special Tests and Provision – ADP System for SNAP	Not Implemented – See finding 2013-04
2012-06	Medicaid Cluster – Medi-Cal Assistance	93.778	Eligibility	Not Implemented – See finding 2013-05
2012-07	Medicaid Cluster - In-Home Supportive Services	93.778	Eligibility	Not Implemented – See finding 2013-06
2012-08	Medicaid Cluster - In-Home Supportive Service	93.778	Allowable Costs and Activities	Implemented
2012-09	Temporary Assistance for Needy Families (TANF)	93.558	Eligibility	Not Implemented – See finding 2013-08
2012-10	Foster Care – Title-IV-E (includes ARRA)	93.658	Eligibility	Not Implemented - See finding 2013-09
2012-11	Adoption Assistance	93.659	Eligibility	Implemented
2012-12	Foster Care (includes ARRA) and Adoption Assistance	93.658, 93.659	Allowable costs and activities	Implemented
2012-13	Supportive Housing Program	14.235	Subrecipient Monitoring	Implemented