

COUNTY OF SACRAMENTO, CALIFORNIA

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

For the Fiscal Year Ended June 30, 2014

COUNTY OF SACRAMENTO, CALIFORNIA

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Board of Supervisors
County of Sacramento, California

We have audited, in accordance with the 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 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, 2014, and the related notes to the financial statements which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 16, 2015. 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 also included an emphasis of matter regarding the County experiencing significant financial stress in numerous areas as evidenced by the General Fund Unassigned Fund Balance deficit of \$38.99 million at June 30, 2014. In addition, our report included an emphasis of matter paragraph regarding the County's adoption of Governmental Accounting Standards Board (GASB) No. 65 – *Items Previously Reported As Assets and Liabilities* and GASB Statement No. 70 - *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. Lastly, our report included an emphasis of matter paragraph regarding a change in the County's period of availability for recognizing governmental fund revenues as measurable and available from 365 days to 120 days.

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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2014-01, 2014-02, 2014-03 and 2014-04 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.

Vavrinik, Trine, Day & Co. LLP

Sacramento, California
January 16, 2015



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH FEDERAL MAJOR 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 direct and material effect on each of the County's major federal programs for the year ended June 30, 2014. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the First 5 Sacramento Commission (Commission), which received \$1,641,186 of federal awards, which is not included in the schedule during the year ended June 30, 2014. Our audit, described below, did not include the operations of the Commission because they engaged other auditors to perform an audit in accordance with OMB Circular A-133.

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.

Opinion on Each of the 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 auditors' results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2014.

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 2014-005 and 2014-006. 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 is 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.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2014-006 that we consider to be a significant deficiency.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 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, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated January 16, 2015, which contained unmodified opinions on those financial statements. Our report included an emphasis of a matter regarding the uncertainties regarding the future outcome of litigation for which management asserts the ultimate outcome cannot presently be determined. Our report also included an emphasis of matter regarding the County experiencing significant financial stress in numerous areas as evidenced by the General Fund Unassigned Fund Balance deficit of \$38.99 million at June 30, 2014. In addition, our report included an emphasis of matter regarding the County's adoption of Governmental Accounting Standards Board (GASB) No. 65 – *Items Previously Reported As Assets and Liabilities* and GASB Statement No. 70 - *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. Lastly, our report included an emphasis of matter regarding a change in the County's period of availability for recognizing governmental fund revenues as available from 365 days to 120 days. 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.

Vavrinik, Trine, Day & Co. LLP

Sacramento, California
March 20, 2015

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE:</u>				
Plant and Animal Disease, Pest Control, and Animal Care:				
Canine Team	10.025	13-0336-SF	\$ 194,668	\$ 192,921
European Grape Vine Moth (EGVM) (I)	10.025	12-0491-SF	4,674	1,331
European Grape Vine Moth (EGVM) (II)	10.025	13-0529-SF	2,391	1,888
Glassy-winged Sharpshooter (GWSS)	10.025	12-0112-SF1	456,526	213,296
High Risk Pest Exclusion	10.025	13-0162	61,960	60,270
Light Brown Apple Moth Detection (LBAM) (I)	10.025	13-0431-SF	11,756	4,763
Light Brown Apple Moth Detection (LBAM) (II)	10.025	12-0426-SF	11,564	4,093
Light Brown Apple Moth Detection Technical Assistance of Specialty Crops Program (LBAM) (TASC)	10.025	13-0545-SF	4,812	3,879
Light Brown Apple Moth Regulatory (LBAM) (I)	10.025	12-0520-SF1	87,724	28,804
Light Brown Apple Moth Regulatory (LBAM) (II)	10.025	13-0485-SF	74,116	35,883
Light Brown Apple Moth Regulatory (LBAM) (III)	10.025	13-0329-SF	20,105	20,105
Pest Detection	10.025	13-0095	348,304	320,574
Sudden Oak Death (SOD)	10.025	13-0296-SF	18,330	18,330
CATALOG TOTAL			<u>1,296,930</u>	<u>906,137</u>
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF PUBLIC HEALTH:</u>				
Special Supplemental Nutrition Program for Women, Infants, and Children:				
Women, Infants and Children (WIC)	10.557	11-10497	5,300,741	5,300,741
CATALOG TOTAL			<u>5,300,741</u>	<u>5,300,741</u>
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program:				
Supplemental Nutrition Assistance Program - Education (SNAP - ED)	10.561	13-20491	3,377,316	1,209,076
CATALOG TOTAL			<u>3,377,316</u>	<u>1,209,076</u>
TOTAL PASSED THROUGH CALIFORNIA DEPARTMENT OF PUBLIC HEALTH:			<u>8,678,057</u>	<u>6,509,817</u>
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF SOCIAL SERVICES:</u>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program:				
CalFresh - California Work Opportunity and Responsibility to Kids Information Network (CalWIN) Project	10.561		2,009,549	2,009,549
CalFresh Supplemental Nutrition Assistance Program (SNAP)	10.561		29,907,454	29,907,454
CATALOG TOTAL			<u>31,917,003</u>	<u>31,917,003</u>
TOTAL PASS-THROUGH PROGRAMS:			<u>41,891,990</u>	<u>39,332,957</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>41,891,990</u>	<u>39,332,957</u>
<u>U.S. DEPARTMENT OF DEFENSE</u>				
<u>DIRECT PROGRAMS:</u>				
Public Benefit Land Conveyance:				
Mather Dam	12.000		900,000	176,627
Parcel "M" McKinney Act Public Benefit Conveyance (PBC)	12.000	067-0010-100	1,000	1,000
CATALOG TOTAL			<u>901,000</u>	<u>177,627</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, 2014**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<u>U.S. DEPARTMENT OF DEFENSE (CONTINUED)</u>				
<u>DIRECT PROGRAMS:</u>				
Community Economic Adjustment Assistance for Establishment, Expansion, Realignment, or Closure of a Military Installation:				
Environmental Services Cooperative Agreement III	12.607	FA89030820001	\$ 11,200,000	\$ 1,371
Environmental Services Cooperative Agreement IV	12.607	FA89030920002	23,493,475	1,735,159
Finding of Suitability for Early Transfer (FOSET) #2 Environmental Services Cooperative Agreement V	12.607		24,782,891	2,656,327
McClellan Gateway 3 & 5 Overlay Project	12.607	SP0453-08-02	5,600,000	1,157,478
CATALOG TOTAL			<u>65,076,366</u>	<u>5,550,335</u>
TOTAL DIRECT PROGRAMS:			<u>65,977,366</u>	<u>5,727,962</u>
TOTAL U.S. DEPARTMENT OF DEFENSE			<u>65,977,366</u>	<u>5,727,962</u>
<u>U.S. DEPARTMENT OF HUD</u>				
<u>DIRECT PROGRAMS:</u>				
Community Development Block Grants/Entitlement Grants:				
DHA - Comprehensive Alcohol Treatment Center (Community Development Block Grant)	14.218	B-14-UC-16-005	150,000	150,000
CATALOG TOTAL			<u>150,000</u>	<u>150,000</u>
Supportive Housing Program:				
Lutheran Social Services (LSS) - Adolfo Permanent Housing (PH) Emancipated Youth (I)	14.235	CA0129B9T031104	497,726	2,584
Lutheran Social Services (LSS) - Adolfo Permanent Housing (PH) Emancipated Youth (II)	14.235	CA0129L9T031205	518,496	144,024
Lutheran Social Services (LSS) - Saybrook Apartments (I)	14.235	CA0150L9T031205	514,160	130,426
Lutheran Social Services (LSS) - Teen Transitional Housing Connections (2)	14.235	CA0135L9T031205	281,092	66,833
Lutheran Social Services (LSS) - Transitional Housing For Families (I)	14.235	CA0155L9T031205	233,470	76,530
Lutheran Social Services (LSS) - Transitional Housing For Youth (I)	14.235	CA0156B9T031104	178,849	39,968
Mather Community Campus (I)	14.235	CA0139L9T031205	3,119,953	2,634,299
Mather Community Campus (II)	14.235	CA0139B9T031104	3,061,636	528,425
Volunteers of America (VOA) - Adolfo Transitional Housing For Emancipated Youth (II)	14.235	CA0130L9T031205	264,779	212,195
CATALOG TOTAL			<u>8,670,161</u>	<u>3,835,284</u>
TOTAL DIRECT PROGRAMS:			<u>8,820,161</u>	<u>3,985,284</u>
<u>PASSED THROUGH STATE DEPARTMENT OF TRANSPORTATION:</u>				
Community Development Block Grants/Entitlement Grants:				
Community Development Block Grant (CDBG) (I)	14.218		174,000	174,000
Community Development Block Grant (CDBG) (II)	14.218		432,000	432,000
Community Development Block Grant (CDBG) (III)	14.218		30,351	30,351
CATALOG TOTAL			<u>636,351</u>	<u>636,351</u>
TOTAL PASS-THROUGH PROGRAMS:			<u>636,351</u>	<u>636,351</u>
TOTAL U.S. DEPARTMENT OF HUD			<u>9,456,512</u>	<u>4,621,635</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, 2014**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<u>U.S. DEPARTMENT OF THE INTERIOR</u>				
<u>DIRECT PROGRAMS:</u>				
Wild Horse and Burro Resource Management:				
Wild Horse Training Grant	15.229	L13AC00086	\$ 61,238	\$ 2,429
CATALOG TOTAL			<u>61,238</u>	<u>2,429</u>
California Water Security and Environmental Enhancement:				
CalFed Water Use Efficiency Grant	15.533	R14AS00020	551,563	551,563
CATALOG TOTAL			<u>551,563</u>	<u>551,563</u>
TOTAL DIRECT PROGRAMS:			<u>612,801</u>	<u>553,992</u>
TOTAL U.S. DEPARTMENT OF THE INTERIOR			<u>612,801</u>	<u>553,992</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>				
<u>DIRECT PROGRAMS:</u>				
Domestic Cannabis Eradication and Suppression Program:				
Domestic Cannabis Eradication and Suppression Program (DCESP) (I)	16.2014-39	2014-39	48,000	48,000
Domestic Cannabis Eradication and Suppression Program (DCESP) (II)	16.2014-39	2014-39	50,000	2,983
CATALOG TOTAL			<u>98,000</u>	<u>50,983</u>
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program:				
Intellectual Property Enforcement Program (I)	16.580	2012-DG-BX-0007	205,258	36,233
CATALOG TOTAL			<u>205,258</u>	<u>36,233</u>
Local Law Enforcement Grants Program:				
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.592	2012-DJ-BX-1220	239,497	239,497
CATALOG TOTAL			<u>239,497</u>	<u>239,497</u>
State Criminal Alien Assistance Program:				
State Criminal Alien Assistance Program	16.606	2013-AP-BX-0158	594,914	594,914
CATALOG TOTAL			<u>594,914</u>	<u>594,914</u>
Public Safety Partnership and Community Policing Grants:				
Community Oriented Policing Services (COPS) Hiring Program 2010	16.710	2010ULWX0006	21,382,750	978,198
Community Oriented Policing Services (COPS) Hiring Program 2011	16.710	2011ULWX0004	11,306,450	4,054,204
Internet Crimes Against Children (I)	16.710	2010-MC-CX-K003	983,415	35,471
Internet Crimes Against Children (II)	16.710	2013-MC-FX-K004	347,736	279,249
CATALOG TOTAL			<u>34,020,351</u>	<u>5,347,122</u>
DNA Backlog Reduction Program:				
Forensic Casework DNA Backlog Reduction Program - FY 2011	16.741	2011-DN-BX-K436	586,429	255,289
Forensic Casework DNA Backlog Reduction Program - FY 2012	16.741	2012-DN-BX-0022	540,386	125,003
Forensic Casework DNA Backlog Reduction Program - FY 2013	16.741	2013-DN-BX-0060	480,632	56,731
CATALOG TOTAL			<u>1,607,447</u>	<u>437,023</u>
Second Chance Act Reentry Initiative:				
Second Chance Act Technology Careers Demonstration Projects for Incarcerated Adults & Juveniles	16.812	2013-RV-BX-0001	747,057	358,573
Office of Juvenile Justice Delinquency and Prevention (OJJDP) - FY10 Second Chance Act Adults & Juvenile				
Offender Reentry Demonstration Projects	16.812	2010-CZ-BX-0068	380,273	380,273
CATALOG TOTAL			<u>1,127,330</u>	<u>738,846</u>
TOTAL DIRECT PROGRAMS:			<u>37,892,797</u>	<u>7,444,618</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, 2014**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<u>U.S. DEPARTMENT OF JUSTICE (CONTINUED)</u>				
<u>PASSED THROUGH BOARD OF STATE & COMMUNITY CORRECTIONS (BSCC):</u>				
Juvenile Accountability Block Grants:				
FY 2010 -11 Juvenile Accountability Block Grant (JABG) - Evidence Based Practices (EBP) Project	16.523	CSA 208-11	\$ 300,000	\$ 130,838
FY 2011-12 Juvenile Accountability Block Grant (JABG)	16.523	BSCC 173-13	97,360	97,360
CATALOG TOTAL			<u>397,360</u>	<u>228,198</u>
Juvenile Justice and Delinquency Prevention Allocation to States:				
Enhanced Disproportional Minority Contact Technical Assistance Project (DMC TAP) (II)	16.540	BSCC 361-12	150,000	110,169
Title II Sustaining Effective Treatment and Supervision (SETS) (I)	16.540	BSCC 391-13	197,174	111,716
Title II Sustaining Effective Treatment and Supervision (SETS) (II)	16.540	BSCC 391-12&13	197,174	100,363
CATALOG TOTAL			<u>544,348</u>	<u>322,248</u>
Edward Byrne Memorial Justice Assistance Grant Program:				
Anti-Drug and Child Abuse Enforcement Team Program (I)	16.738	BSCC 619-12	541,531	326,682
Anti-Drug and Child Abuse Enforcement Team Program (II)	16.738	BSCC 619-13	522,404	354,737
CATALOG TOTAL			<u>1,063,935</u>	<u>681,419</u>
TOTAL PASSED THROUGH BOARD OF STATE & COMMUNITY CORRECTIONS (BSCC):			<u>2,005,643</u>	<u>1,231,865</u>
<u>PASSED THROUGH CALIFORNIA DEPART. OF CORRECTIONS & REHAB.:</u>				
Juvenile Accountability Block Grants				
CATALOG TOTAL	16.523	CSA 203-13	24,444	22,000
			<u>24,444</u>	<u>22,000</u>
<u>PASSED THROUGH GOVERNOR'S OFFICE OF EMERGENCY SERVICES:</u>				
Crime Victim Assistance:				
Unserved/Underserved Victim Advocacy and Outreach (I)	16.575	UV12030340	116,420	19,500
Unserved/Underserved Victim Advocacy and Outreach (II)	16.575	UV13040340	125,000	114,589
Victim Witness Assistance Program	16.575	VW13320340	369,061	369,061
CATALOG TOTAL			<u>610,481</u>	<u>503,150</u>
Violence Against Women Formula Grants:				
Violence Against Women Vertical Prosecution	16.588	VV13050340	215,488	215,488
CATALOG TOTAL			<u>215,488</u>	<u>215,488</u>
Residential Substance Abuse Treatment for State Prisoners:				
Residential Substance Abuse Treatment (RSAT) Program	16.593	BSCC 528-13	185,285	113,658
CATALOG TOTAL			<u>185,285</u>	<u>113,658</u>
Edward Byrne Memorial Justice Assistance Grant Program:				
Anti-Human Trafficking Task Force Program	16.738	HF12010340	476,829	283,829
CATALOG TOTAL			<u>476,829</u>	<u>283,829</u>
Paul Coverdell Forensic Sciences Improvement Grant Program:				
Paul Coverdell Forensic Science Improvement Program (FSIA) (I)	16.742	CQ12080340	19,827	12,499
Paul Coverdell Forensic Science Improvement Program (FSIA) (II)	16.742	CQ13090340	21,777	9,859
CATALOG TOTAL			<u>41,604</u>	<u>22,358</u>
TOTAL PASSED THROUGH GOVERNOR'S OFFICE OF EMERGENCY SERVICES:			<u>1,529,687</u>	<u>1,138,483</u>
TOTAL PASS-THROUGH PROGRAMS:			<u>3,559,774</u>	<u>2,392,348</u>
TOTAL U.S. DEPARTMENT OF JUSTICE:			<u>41,452,571</u>	<u>9,836,966</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, 2014**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
<u>DIRECT PROGRAMS:</u>				
Airport Improvement Program:				
Airport Improvement Program 0204-51	20.106	3-06-0204-51	\$ 800,000	\$ 151,308
Airport Improvement Program 0204-52	20.106	3-06-0204-52	8,081,772	8,081,772
Airport Improvement Program 0205-11	20.106	3-06-0205-11	613,789	13,789
Airport Improvement Program 0363-18	20.106	3-06-0363-18	<u>2,017,800</u>	<u>1,248,773</u>
CATALOG TOTAL			<u>11,513,361</u>	<u>9,495,642</u>
TOTAL DIRECT PROGRAMS:			<u>11,513,361</u>	<u>9,495,642</u>
<u>PASSED THROUGH SACRAMENTO AREA COUNCIL OF GOVERNMENTS (SACOG):</u>				
Job Access And Reverse Commute Program:				
2007 Federal Transportation Administration (FTA) Section 5316 Job Access And Reverse Commute (JARC) Program	20.516	CA-37-X114	52,199	52,199
2008 Federal Transportation Administration (FTA) Section 5316 Job Access And Reverse Commute Program (JARC)	20.516	CA-37-X119	814,880	814,880
2009 Federal Transportation Administration (FTA) Section 5316 Job Access And Reverse Commute Program (JARC)	20.516	CA-37-X142	<u>591,548</u>	<u>336,006</u>
CATALOG TOTAL			<u>1,458,627</u>	<u>1,203,085</u>
New Freedom Program:				
2009 Federal Transportation Administration (FTA) Section 5317 New Freedom Program	20.521	CA-37-X043	152,275	152,275
2011/12 Federal Transportation Administration (FTA) Section 5317 New Freedom Program	20.521	CA-37-X072	<u>100,000</u>	<u>43,747</u>
CATALOG TOTAL			<u>252,275</u>	<u>196,022</u>
TOTAL PASSED THROUGH SACRAMENTO AREA COUNCIL OF GOVERNMENTS (SACOG):			<u>1,710,902</u>	<u>1,399,107</u>
<u>PASSED THROUGH SACRAMENTO REGIONAL TRANSIT DISTRICT (SACRT):</u>				
Job Access And Reverse Commute Program:				
2005 Federal Transportation Administration (FTA) Section 3037 Job Access and Reverse Commute (JARC) Prog	20.516	CA-37-X065	<u>622,580</u>	<u>622,580</u>
CATALOG TOTAL			<u>622,580</u>	<u>622,580</u>
<u>PASSED THROUGH STATE DEPARTMENT OF TRAFFIC SAFETY:</u>				
Alcohol Impaired Driving Countermeasures Incentive Grants I:				
Alcohol and Drug Impaired Driver Vertical Prosecution and Community Awareness	20.601	AL1318	970,000	233,509
Traffic Safety Resource Prosecutor Program (TSRP) (I)	20.601	AL1376	<u>442,342</u>	<u>105,167</u>
CATALOG TOTAL			<u>1,412,342</u>	<u>338,676</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated:				
Intensive Probation Supervision for High-Risk Felony & Repeat DUI Offenders	20.608	AL1459	423,300	383,477
Traffic Safety Resource Prosecutor Program (TSRP) (III)	20.608	AL1376	<u>663,512</u>	<u>125,216</u>
CATALOG TOTAL			<u>1,086,812</u>	<u>508,693</u>
National Priority Safety Programs:				
Alcohol and Drug Impaired Driver Vertical Prosecution Program	20.616	DII416	1,162,704	790,445
Enhanced Forensic Laboratory Support for DUI Enforcement in Sacramento County	20.616	DII401	43,969	21,158
Traffic Safety Resource Prosecutor Program (TSRP) (II)	20.616	DII415	<u>1,085,339</u>	<u>721,706</u>
CATALOG TOTAL			<u>2,292,012</u>	<u>1,533,309</u>
TOTAL PASSED THROUGH STATE DEPARTMENT OF TRAFFIC SAFETY:			<u>4,791,166</u>	<u>2,380,678</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, 2014**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<u>U.S. DEPARTMENT OF TRANSPORTATION (CONTINUED)</u>				
<u>PASSED THROUGH STATE DEPARTMENT OF TRANSPORTATION:</u>				
Highway Planning and Construction:				
Safe, Accountable, Flexible, Efficient Transportation Equity Act - A Legacy for Users (SAFETEA-LU) (Road Fund)	20.205	03-5924R	\$ 3,961,613	\$ 3,961,613
Safe, Accountable, Flexible, Efficient Transportation Equity Act - A Legacy for Users (SAFETEA-LU) (Sales Tax Fund)	20.205	03-5924R	4,185,377	4,185,377
CATALOG TOTAL			<u>8,146,990</u>	<u>8,146,990</u>
Formula Grants for Rural Areas:				
Federal Transit Administration 5311	20.509	6414134	346,094	346,094
CATALOG TOTAL			<u>346,094</u>	<u>346,094</u>
TOTAL PASSED THROUGH STATE DEPARTMENT OF TRANSPORTATION:			<u>8,493,084</u>	<u>8,493,084</u>
TOTAL PASS-THROUGH PROGRAMS:			<u>15,617,732</u>	<u>12,895,449</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION:			<u>27,131,093</u>	<u>22,391,091</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>				
<u>DIRECT PROGRAMS:</u>				
Climate Showcase Communities Grant Program:				
River Friendly Landscaping to Reduce Greenhouse Gases (GHGs)	66.041	AF-83452801-0	486,668	45,453
CATALOG TOTAL			<u>486,668</u>	<u>45,453</u>
TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY:			<u>486,668</u>	<u>45,453</u>
<u>U.S. DEPARTMENT OF ENERGY</u>				
<u>DIRECT PROGRAMS:</u>				
Energy Efficiency and Conservation Block Grant Program (EECBG):				
ARRA - CA Energy Efficiency and Conservation Block Grant	81.128	DE-EE0000900	5,364,600	277,315
CATALOG TOTAL			<u>5,364,600</u>	<u>277,315</u>
TOTAL U.S. DEPARTMENT OF ENERGY:			<u>5,364,600</u>	<u>277,315</u>
<u>U.S. DEPARTMENT OF HEALTH & HUMAN SVCS.</u>				
<u>DIRECT PROGRAMS:</u>				
Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care):				
McKinney Homeless Grant	93.224	H80CS00045	985,000	985,000
CATALOG TOTAL			<u>985,000</u>	<u>985,000</u>
HIV Emergency Relief Project Grants:				
Ryan White Part A (I)	93.914	H89HA00048	2,934,919	2,621,050
Ryan White Part A (II)	93.914	H89HA00048	3,273,229	690,063
CATALOG TOTAL			<u>6,208,148</u>	<u>3,311,113</u>
TOTAL DIRECT PROGRAMS:			<u>7,193,148</u>	<u>4,296,113</u>
<u>PASSED THROUGH AREA 4 AGENCY ON AGING:</u>				
Special Programs for the Aging Title III, Part B, Grants for Supportive Services and Senior Centers:				
Area 4 Agency on Aging (A4AA)	93.044	31-10-34-14	48,885	48,885
Area 4 Agency on Aging (A4AA) Mental Health (Loneliness)	93.044	31-10-34-14	72,731	39,756
CATALOG TOTAL			<u>121,616</u>	<u>88,641</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, 2014**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<u>U.S. DEPARTMENT OF HEALTH & HUMAN SVCS (CONTINUED)</u>				
<u>PASSED THROUGH CALIFORNIA DEPART. OF CORRECTIONS & REHAB.:</u>				
Medical Assistance Program:				
Low Income Health Program - Inmate Eligibility Program (I)	93.778	ICHC.12165	\$ 895	\$ 895
CATALOG TOTAL			<u>895</u>	<u>895</u>
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES:</u>				
Projects for Assistance in Transition from Homelessness (PATH):				
Projects for Assistance in Transition from Homelessness (PATH)	93.150		426,879	426,879
CATALOG TOTAL			<u>426,879</u>	<u>426,879</u>
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	126,110	80,572
Children Affected by Methamphetamine (CAM)	93.243	1H79TI023291-01	321,052	321,052
CATALOG TOTAL			<u>447,162</u>	<u>401,624</u>
Centers for Disease Control and Prevention Investigations and Technical Assistance				
Centers for Disease Control and Prevention (CDC) BioSense 2.0	93.283	1U500E000015-01	468,312	188,906
CATALOG TOTAL			<u>468,312</u>	<u>188,906</u>
Affordable Care Act Medicaid Emergency Psychiatric Demonstration:				
Medicaid Emergency Psychiatric Demonstration Project	93.537		2,172,933	2,172,933
CATALOG TOTAL			<u>2,172,933</u>	<u>2,172,933</u>
Children's Health Insurance Program				
California Children's Services (CCS) - Healthy Families / Children's Health Insurance Program (Title XXI)	93.767		644,153	446,062
CATALOG TOTAL			<u>644,153</u>	<u>446,062</u>
Medical Assistance Program:				
Alcohol & Drug Medi-Cal	93.778	12-89198	5,631,692	5,631,692
County Based Medi-Cal Administrative Activities (CMAA)	93.778	13-90007	4,000,000	2,017,508
Child Health Disability Protection (CHDP) - Medi-Cal and Foster Care	93.778	2013-2014	2,385,635	1,278,080
Low Income Health Program	93.778	11-15909-SA-14	340,858	340,858
Low Income Health Program-Healthcare Claim	93.778	11-15909-SA-14	29,091,997	29,091,997
Low Income Health Program Administrative Activities	93.778	11-15909-SA-14	200,834	200,834
Targeted Case Management (TCM)	93.778	34-1318	300,900	106,332
CATALOG TOTAL			<u>41,951,916</u>	<u>38,667,301</u>
HIV Prevention Activities - Health Department Based:				
AIDS MG - HIV Prevention Program	93.940	13-20248 A01	1,528,681	570,047
CATALOG TOTAL			<u>1,528,681</u>	<u>570,047</u>
Block Grants for Community Mental Health Services:				
Substance Abuse & Mental Health Services Administration (SAMHSA)	93.958	7202900-15-104R	2,050,159	2,050,159
CATALOG TOTAL			<u>2,050,159</u>	<u>2,050,159</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, 2014**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<u>U.S. DEPARTMENT OF HEALTH & HUMAN SVCS (CONTINUED)</u>				
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES:</u>				
Block Grants for Prevention and Treatment of Substance Abuse:				
Alcohol & Drug - Substance Abuse Prevention & Treatment	93.959	12-89188	\$ 6,758,572	\$ 6,758,572
CATALOG TOTAL			<u>6,758,572</u>	<u>6,758,572</u>
Maternal and Child Health Services Block Grant to the States:				
California Children's Services	93.994		3,337,567	3,337,567
CATALOG TOTAL			<u>3,337,567</u>	<u>3,337,567</u>
TOTAL PASSED THROUGH CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES:			<u>59,786,334</u>	<u>55,020,050</u>
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF PUBLIC HEALTH:</u>				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements:				
Hospital Preparedness Program (HPP)	93.074	EPO 13-37	564,198	489,843
Public Health Emergency Preparedness (PHEP)	93.074	EPO 13-37	1,859,885	1,413,047
CATALOG TOTAL			<u>2,424,083</u>	<u>1,902,890</u>
Project Grants and Cooperative Agreements for Tuberculosis Control Programs:				
Tuberculosis Program - Augmentation	93.116		28,569	28,569
Tuberculosis Program	93.116		474,769	474,090
CATALOG TOTAL			<u>503,338</u>	<u>502,659</u>
Immunization Cooperative Agreements:				
Immunization Assistance Program (IAP)	93.268	13-20306	417,948	400,913
CATALOG TOTAL			<u>417,948</u>	<u>400,913</u>
Refugee and Entrant Assistance - State Administered Programs:				
Refugee Health Assessment Program	93.566	13-34-90840-00	567,582	567,582
CATALOG TOTAL			<u>567,582</u>	<u>567,582</u>
Medical Assistance Program:				
School Based Medi-Cal Administrative Activities (SMAA)	93.778	13-90007	5,000,000	1,781,554
CATALOG TOTAL			<u>5,000,000</u>	<u>1,781,554</u>
HIV Care Formula Grants:				
HIV Care Program (Part B & Minority AIDS Initiative (MAI))	93.917	13-20067 A01	2,859,909	1,140,246
CATALOG TOTAL			<u>2,859,909</u>	<u>1,140,246</u>
Maternal and Child Health Services Block Grant to the States:				
Black Infant Health (BIH)	93.994	201334	413,489	378,952
California Home Visiting Program (North & South)	93.994	201334	1,971,498	1,826,545
Maternal, Child & Adolescent Health (MCAH)	93.994	2013-34	197,220	161,654
CATALOG TOTAL			<u>2,582,207</u>	<u>2,367,151</u>
TOTAL PASSED THROUGH CALIFORNIA DEPARTMENT OF PUBLIC HEALTH:			<u>14,355,067</u>	<u>8,662,995</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, 2014**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<u>U.S. DEPARTMENT OF HEALTH & HUMAN SVCS (CONTINUED)</u>				
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF SOCIAL SERVICES:</u>				
Guardianship Assistance:				
Kinship Guardianship Assistance Payment Program (Kin-GAP) 18+ Federal	93.090		\$ 63,162	\$ 63,162
Kinship Guardianship Assistance Payment Program (Kin-GAP) - Aid Code 4T (Assistance)	93.090		2,391,531	2,386,661
Kinship Guardianship Assistance Payment Program (Kin-GAP) IV - E Eligible (Administration)	93.090		227,312	227,312
CATALOG TOTAL			<u>2,682,005</u>	<u>2,677,135</u>
Promoting Safe and Stable Families:				
Promoting Safe and Stable Families (PSSF)	93.556	County 34	1,122,625	1,122,625
Promoting Safe and Stable Families (PSSF) - Monthly Caseworker Visits	93.556		167,995	167,995
CATALOG TOTAL			<u>1,290,620</u>	<u>1,290,620</u>
Temporary Assistance for Needy Families:				
California Work Opportunity and Responsibility to Kids (CalWORKS) - (Administration)	93.558		68,647,501	68,647,501
California Work Opportunity and Responsibility to Kids (CalWORKS) - (Assistance)	93.558		41,233,907	41,233,907
California Work Opportunity and Responsibility to Kids (CalWORKS) - California Work Opportunity and Responsibility to Kids Information Network (CalWIN) Project	93.558		1,174,612	1,174,612
Fraud Recovery Incentives	93.558		392,890	392,890
Child Welfare Services - Emergency Assistance (EA) Temporary Assistance for Needy Families (TANF)	93.558	County 34	12,416,111	12,416,111
Stage One Child Care	93.558		10,691,078	10,691,078
CATALOG TOTAL			<u>134,556,099</u>	<u>134,556,099</u>
Child Support Enforcement:				
Child Support Administration	93.563	1304CA4004	20,338,544	20,338,544
Child Support Administration-Early Intervention	93.563	1304CA4004	571,500	377,190
CATALOG TOTAL			<u>20,910,044</u>	<u>20,715,734</u>
Refugee and Entrant Assistance - State Administered Programs:				
Refugee Cash Assistance (RCA) - California Work Opportunity and Responsibility to Kids Information Network (CalWIN) Project	93.566		829	829
Refugee Cash Assistance (RCA) & Other Refugee Program (Assistance)	93.566		642,509	642,509
Refugee Cash Assistance (RCA) & Other Refugee Program (Administration)	93.566		32,768	32,768
CATALOG TOTAL			<u>676,106</u>	<u>676,106</u>
Low-Income Home Energy Assistance:				
Low-Income Home Energy Assistance Program (LIHEAP)	93.568		6,652	6,195
Low-Income Home Energy Assistance Program (LIHEAP) - California Work Opportunity and Responsibility to Kids Information Network (CalWIN) Project	93.568		1,010	1,010
CATALOG TOTAL			<u>7,662</u>	<u>7,205</u>
Stephanie Tubbs Jones Child Welfare Services Program:				
Child Welfare Services - Title IV-B	93.645	County 34	1,987,402	1,987,402
Group Home Monthly Visits	93.645	County 34	151,870	151,870
CATALOG TOTAL			<u>2,139,272</u>	<u>2,139,272</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, 2014**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<u>U.S. DEPARTMENT OF HEALTH & HUMAN SVCS (CONTINUED)</u>				
Foster Care - Title IV-E:				
Aid to Families with Dependent Children (AFDC) Foster Care (Administration)	93.658		\$ 1,244,914	\$ 1,244,914
Aid to Families with Dependent Children (AFDC) Foster Care (Assistance)	93.658		17,220,604	17,220,604
Community Care Licensing (CCL) - Foster Family Homes (FFH)	93.658	County 34	287,838	287,838
Child Welfare Services Outcome Improvement Project (CWSOIP) - COHORT1	93.658	County 34	392,842	392,842
Child Welfare Services - Title IV-E	93.658	County 34	21,092,370	21,092,370
Family Children Care Home	93.658		76,455	76,455
Foster Care - Residentially Based Services (RBS)	93.658		326,911	326,911
Emergency Assistance Foster Care	93.658		1,881,302	1,881,302
Emergency Assistance Foster Care - Residentially Based Services (RBS)	93.658		122,946	122,946
Extended Foster Care 18+	93.658		2,786,684	2,786,684
Foster Parent Training & Recruitment (AB 2129)	93.658	County 34	153,321	153,321
Kinship Program	93.658	County 34	41,438	41,438
CATALOG TOTAL			<u>45,627,625</u>	<u>45,627,625</u>
Adoption Assistance:				
Adoption 18+ Federal	93.659		5,754	5,754
Adoption Assistance	93.659	County 34	2,215,202	2,215,202
Adoption Assistance Program (AAP)	93.659		23,043,306	23,043,306
Adoption Program Administrative	93.659		363,791	363,791
CATALOG TOTAL			<u>25,628,053</u>	<u>25,628,053</u>
Social Services Block Grant:				
Aid To Families with Dependent Children (AFDC) - Foster Care - Title XX	93.667		2,055,665	2,055,665
California Work Opportunity and Responsibility to Kids (CalWORKS) - Title XX	93.667		2,181,277	2,181,277
Child Welfare Services - Title XX	93.667	County 34	3,415,468	3,415,468
CATALOG TOTAL			<u>7,652,410</u>	<u>7,652,410</u>
Chafee Foster Care Independence Program:				
Independent Living Program	93.674	County 34	708,721	708,721
CATALOG TOTAL			<u>708,721</u>	<u>708,721</u>
Medical Assistance Program:				
Adult Protective Services	93.778	County 34	3,634,477	3,634,477
Child Welfare Services - Title XIX	93.778	County 34	3,985,440	2,363,872
Community Services Block Grant (CSBG)	93.778	County 34	246,305	246,305
In-Home Support Services (IHSS)	93.778	County 34	10,761,663	10,761,663
Medi-Cal Administrative	93.778		27,431,078	27,431,078
Medi-Cal Assistance - California Work Opportunity and Responsibility to Kids Information Network (CalWIN) Project	93.778		4,119,177	4,119,177
CATALOG TOTAL			<u>50,178,140</u>	<u>48,556,572</u>
TOTAL PASSED THROUGH CALIFORNIA DEPARTMENT OF SOCIAL SERVICES:			<u>292,056,757</u>	<u>290,235,552</u>
TOTAL PASS-THROUGH PROGRAMS:			<u>366,320,669</u>	<u>354,008,133</u>
TOTAL U.S. DEPARTMENT OF HEALTH & HUMAN SVCS:			<u>373,513,817</u>	<u>358,304,246</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, 2014**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<u>U.S. CORPORATION FOR NATIONAL & COMM. SVC.</u>				
<u>DIRECT PROGRAMS:</u>				
Retired and Senior Volunteer Program:				
Corporation for National & Community Service (CNCS) Retired Senior Volunteer Program (III)	94.002	13-SRPCA008	\$ 171,435	\$ 85,595
Retired Senior Volunteer Program	94.002	13SRPCA008	104,358	104,358
CATALOG TOTAL			<u>275,793</u>	<u>189,953</u>
Foster Grandparent Program:				
Corporation for National & Community Service (CNCS) Foster Grandparents Program	94.011	11SFPCA004	1,310,735	219,797
Foster Grandparent Program (FGP)	94.011	14SFPCA003	198,171	198,171
CATALOG TOTAL			<u>1,508,906</u>	<u>417,968</u>
Senior Companion Program:				
Corporation for National & Community Service (CNCS) Senior Companion Program (II)	94.016	13-SCPCA001	101,875	53,280
Senior Companion Program (SCP)	94.016	13SCPCA001	46,101	46,101
CATALOG TOTAL			<u>147,976</u>	<u>99,381</u>
TOTAL DIRECT PROGRAMS:			<u>1,932,675</u>	<u>707,302</u>
TOTAL U.S. CORPORATION FOR NATIONAL & COMM. SVC.:			<u>1,932,675</u>	<u>707,302</u>
<u>EXECUTIVE OFFICE OF THE PRESIDENT</u>				
<u>DIRECT PROGRAMS:</u>				
High Intensity Drug Trafficking Areas Program:				
Central Valley California High Intensity Drug Trafficking Area (HIDTA) (I)	95.001	G13CV0002A	2,842,552	935,480
Central Valley California High Intensity Drug Trafficking Area (HIDTA) (VII)	95.001	G12CV0002A	3,685,552	2,800,721
Central Valley California High Intensity Drug Trafficking Area (HIDTA) (VI)	95.001	G11CV0002A	3,865,040	268,316
Central Valley California High Intensity Drug Trafficking Area (HIDTA) (II)	95.001	G14CV0002A	2,508,304	73,125
CATALOG TOTAL			<u>12,901,448</u>	<u>4,077,642</u>
TOTAL DIRECT PROGRAMS:			<u>12,901,448</u>	<u>4,077,642</u>
TOTAL EXECUTIVE OFFICE OF THE PRESIDENT:			<u>12,901,448</u>	<u>4,077,642</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
<u>DIRECT PROGRAMS:</u>				
Port Security Grant Program:				
FY 2012 Port Security Grant Program	97.056	EMW2013PU00068S	46,000	23,558
CATALOG TOTAL			<u>46,000</u>	<u>23,558</u>
Law Enforcement Officer Reimbursement Agreement Program (II)	97.090	HSTS0213HSLR136	313,900	156,950
CATALOG TOTAL			<u>313,900</u>	<u>156,950</u>
TOTAL DIRECT PROGRAMS:			<u>359,900</u>	<u>180,508</u>
<u>PASSED THROUGH CALIFORNIA STATE PARKS:</u>				
Port Security Grant Program:				
Law Enforcement Equipment Grant Program	97.056	C8956111	65,000	581
CATALOG TOTAL			<u>65,000</u>	<u>581</u>
<u>PASSED THROUGH GOVERNOR'S OFFICE OF EMERGENCY SERVICES:</u>				
Emergency Management Performance Grants:				
Emergency Management Performance Grant (EMPG)	97.042	2013-0047	474,483	474,483
CATALOG TOTAL			<u>474,483</u>	<u>474,483</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, 2014**

FEDERAL GRANTOR PASS THROUGH GRANT PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT NUMBER	AWARD AMOUNT	FEDERAL EXPENDITURES
<u>U.S. DEPARTMENT OF HOMELAND SECURITY (CONTINUED)</u>				
Homeland Security Grant Program:				
FY 2012 Homeland Security Grant Program (I)	97.067	2012-SS-00123	\$ 2,900,000	\$ 2,530,747
FY 2013 Homeland Security Grant Program	97.067	2013-0110	2,500,000	19,411
FY 2011 Metropolitan Medical Response System (MMRS)	97.067	2011-SS-0077	281,693	112,824
FY 2012 Metropolitan Medical Response System (MMRS)	97.067	2012-SS-00123	385,421	251,366
FY 2011 State Homeland Security Grant Program (SHSGP) (II)	97.067	2011-SS-0077	3,150,000	2,296,434
FY 2011 State Homeland Security Grant Program (SHSGP) (I)	97.067	2011-SS-0077	<u>1,771,630</u>	<u>768,458</u>
CATALOG TOTAL			<u>10,988,744</u>	<u>5,979,240</u>
TOTAL PASSED THROUGH GOVERNOR'S OFFICE OF EMERGENCY SERVICES:			<u>11,463,227</u>	<u>6,453,723</u>
<u>PASSED THROUGH MARINE EXCHANGE OF THE SAN FRANCISCO BAY REGION:</u>				
Port Security Grant Program:				
FY 2008 Port Security Grant Program	97.056	2008-GB-T8-K063	518,769	514,892
FY 2010 Port Security Grant Program	97.056	EMW2010PUT0K050	301,215	2,332
FY 2011 Port Security Grant Program	97.056	EMW2011PUK00351	<u>117,475</u>	<u>2,154</u>
CATALOG TOTAL			<u>937,459</u>	<u>519,378</u>
<u>PASSED THROUGH YOLO COUNTY</u>				
Homeland Security Grant Program:				
FY 2012 Homeland Security Grant Program (II)	97.067	2012-SS-000123	<u>99,219</u>	<u>22,816</u>
CATALOG TOTAL			<u>99,219</u>	<u>22,816</u>
TOTAL PASS-THROUGH PROGRAMS:			<u>12,564,905</u>	<u>6,996,498</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY:			<u>12,924,805</u>	<u>7,177,006</u>
TOTAL DIRECT PROGRAMS			153,054,925	36,791,831
TOTAL PASS-THROUGH PROGRAMS			<u>440,591,421</u>	<u>416,261,736</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 593,646,346</u>	<u>\$ 453,053,567</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards

COUNTY OF SACRAMENTO, CALIFORNIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 – GENERAL

The accompanying schedule of expenditures of federal awards (SEFA) for the fiscal year ended June 30, 2014, 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, CALIFORNIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

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:

PROGRAM TITLE	FEDERAL CFDA NUMBER	PROJECT NAME	PASS- THROUGH AMOUNT
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Supplemental Nutrition Assist. Program – Education (SNAP – ED)	\$ 366,798
Community Development Block Grants/ Entitlement Grants	14.218	Comprehensive Alcohol Treatment Center (CDBG)	148,401
Supportive Housing Program	14.235	Lutheran Social Services (LSS)-Adolfo Permanent Housing (PH) Emancipated Youth (I)	2,584
	14.235	Lutheran Social Services (LSS)-Adolfo Permanent Housing (PH) Emancipated Youth (II)	140,539
	14.235	Lutheran Social Services (LSS)-Saybrook Apartments (I)	126,507
	14.235	Lutheran Social Services (LSS)-Teen Transitional Housing Connections (II)	64,043
	14.235	Lutheran Social Services (LSS)-Transitional Housing For Families (I)	73,933
	14.235	Lutheran Social Services (LSS)-Transitional Housing For Youth (I)	38,923
	14.235	Mather Community Campus (I)	2,743,917
	14.235	Mather Community Campus (II)	507,549
	14.235	Volunteers of America (VOA)-Adolfo Transitional Housing For Emancipated Youth (II)	203,535
Juvenile Accountability Block Grants	16.523	Juvenile Accountability Block Grant	22,000
Formula Grants for Rural Areas	20.509	Federal Transit Administration 5311	346,094
Job Access and Reverse Commute Program	20.516	2005 Federal Transportation Administration (FTA) Section 3037 Job Access and Reverse Commute (JARC) Program	355,921
		2008 Federal Transportation Administration (FTA) Section 5316 Job Access and Reverse Commute Program (JARC)	236,994
		2009 Federal Transportation Administration (FTA) Section 5316 Job Access and Reverse Commute Program (JARC)	284,418
New Freedom Program	20.521	2009 Federal Transportation Administration (FTA) Section 5317 New Freedom Program	38,412

COUNTY OF SACRAMENTO, CALIFORNIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 6 – AMOUNT PROVIDED TO SUBRECIPIENTS (CONTINUED)

PROGRAM TITLE	FEDERAL CFDA NUMBER	PROJECT NAME	PASS- THROUGH AMOUNT
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	Alcohol and Drug Impaired Driver Vertical Prosecution and Community Awareness	58,762
		Traffic Safety Resource Prosecutor Program (TSRP) (I)	100,517
		Traffic Safety Resource Prosecutor Program (TSRP) (III)	116,833
		Alcohol and Drug Impaired Driver Vertical Prosecution Program	202,263
		Traffic Safety Resource Prosecutor Program (TSRP) (II)	695,336
Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	Public Health Emergency Preparedness (PHEP)	4,848
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	California Strategic Prevention Framework State Incentive Grant (SPF-SIG)	60,036
		Children Affected by Methamphetamine (CAM)	286,109
Affordable Care Act Medicaid Emergency Psychiatric Demonstration	93.537	Medicaid Emergency Psychiatric Demonstration Project	2,172,933
Promoting Safe and Stable Families	93.556	Promoting Safe and Stable Families (PSSF)	96,940
Foster Care Title IV-E	93.658	Child Welfare Services – Title IV-E	159,986
	93.658	Child Welfare Services Outcome Improvement Project (CWSOIP)-COHORT	22,361
Chafee Foster Care Independence Program	93.674	Independent Living Program	227,143
Medical Assistance Program	93.778	Alcohol & Drug Medi-Cal	5,184,776
	93.778	County Based Medi-Cal Administrative Activities (CMAA)	1,969,860
	93.778	Low Income Health Program Administrative Activities	155,112
	93.778	Low Income Health Program-Healthcare Claim	29,091,997
	93.778	School Based Medi-Cal Administrative Activities (SMAA)	1,781,554
National Bioterrorism Hospital Preparedness Program Program	93.889	Hospital Preparedness Program (HPP)	65,105
HIV Emergency Relief Project Grants	93.914	Ryan White Part A (I)	2,379,143
	93.914	Ryan White Part A (II)	524,014
HIV Care Formula Grants	93.917	HIV Care Program (Part B & Minority AIDS Initiative (MAI))	1,019,960
Block Grants for Community Mental Health Services	93.958	Substance Abuse & Mental Health Srv. Admin. (SAMHSA)	2,050,159
Block Grants for Prevention and Treatment of Substance Abuse	93.959	Alcohol & Drug-Substance Abuse Prevention & Treatment	3,232,896

**COUNTY OF SACRAMENTO, CALIFORNIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 6 – AMOUNT PROVIDED TO SUBRECIPIENTS (CONTINUED)

PROGRAM TITLE	FEDERAL CFDA NUMBER	PROJECT NAME	PASS- THROUGH AMOUNT
High Intensity Drug Trafficking Areas Program	95.001	Central Valley California High Intensity Drug Trafficking Area (I)	935,480
	95.001	Central Valley California High Intensity Drug Trafficking Area (II)	73,125
	95.001	Central Valley California High Intensity Drug Trafficking Area (VII)	2,800,721
Homeland Security Grant Program	97.067	FY 2011 State Homeland Security Grant Program (SHSGP) (I)	<u>568,685</u>
		Total Provided To Subrecipients	<u>\$ 61,737,222</u>

**COUNTY OF SACRAMENTO, CALIFORNIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014**

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>
Supplemental Nutrition Assistance Program (SNAP) Cluster			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	California Department of Public Health California Department of Social Services	\$ 1,209,076 31,917,003
		Cluster Total	<u>\$ 33,126,079</u>
CDBG – Entitlement Grants Cluster			
Community Development Block Grants/Entitlement Grants	14.218	California Department of Transportation N/A (direct program)	\$ 636,351 150,000
		Cluster Total	<u>\$ 786,351</u>
JAG Program Cluster			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Board of State & Community Corrections California Governor's Office of Emergency Services	\$ 681,419 283,829
		Cluster Total	<u>\$ 965,248</u>
Highway Planning and Construction Cluster			
Highway Planning and Construction	20.205	California Department of Transportation	\$ 8,146,990
		Cluster Total	<u>\$ 8,146,990</u>
Transit Services Programs Cluster			
Job Access and Reverse Commute Program	20.516	Sacramento Regional Transit District (SACRT) Sacramento Area Council of Governments (SACOG)	622,580 1,203,085
New Freedom Program	20.521	Sacramento Area Council of Governments (SACOG)	196,022
		Cluster Total	<u>\$ 2,021,687</u>

COUNTY OF SACRAMENTO, CALIFORNIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 7 – PROGRAM/CLUSTER TOTALS (CONTINUED)

PROGRAM TITLE	FEDERAL CFDA NUMBER	Pass Through Agency	Amount
Highway Safety Cluster			
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	State Department of Traffic Safety	338,676
		Cluster Total	<u>\$ 338,676</u>
Aging Cluster			
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	Area 4 Agency on Aging	\$ 88,641
		Cluster Total	<u>\$ 88,641</u>
Health Centers Cluster			
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)	\$ 985,000
		Cluster Total	<u>\$ 985,000</u>
TANF Cluster			
Temporary Assistance for Needy Families (TANF) State Programs	93.558	State Department of Social Services	\$ 134,556,099
		Cluster Total	<u>\$ 134,556,099</u>
Medicaid Cluster			
Medical Assistance Program (Medicaid)	93.778	State Department of Correction & Rehabilitation	\$ 895
		State Department of Health Care Services	38,667,301
		State Department of Public Health	1,781,554
		State Department of Social Services	48,556,572
		Cluster Total	<u>\$ 89,006,322</u>
Foster Grandparent/Senior Companion Cluster			
Foster Grandparent Program	94.011	N/A (Direct program)	\$ 417,968
Senior Companion Program	94.016	N/A (Direct program)	99,381
		Cluster Total	<u>\$ 517,349</u>

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

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 federal programs:	
Material weakness(es) identified?	No
Significant deficiencies identified?	Yes
Type of auditors' report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section .510(a)?	Yes

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
93.558	Temporary Assistance for Needy Families
93.563	Child Support Enforcement
93.658	Foster Care
93.659	Adoption Assistance
93.778	Medicaid Cluster
93.914	HIV Emergency Relief Project Grants
93.959	Block Grants for Prevention and Treatment of Substance Abuse
95.001	High Intensity Drug Trafficking Areas Program
97.067	Homeland Security Grant Program

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, 2014**

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 2014-001

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 declined to an unassigned fund balance deficit of \$38.99 million as compared to an unassigned fund balance of \$0 in the prior year.

Although the County adopted a revised reserve and reinvestment policy during fiscal year 2011, the policy does not specifically address long term financial planning and how the County will address increasing fund balance reserves for the general fund.

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, 2014**

II. FINANCIAL STATEMENT FINDINGS (CONTINUED)

While the County does prepare a General Fund Five Year Sensitivity Analysis, this analysis does not adequately address how the County will address increasing the General Fund's unassigned fund balance or to repay interfund loans with a timely basis.

Context:

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

Cause:

These Interfund Advances 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 unassigned 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.

Effect:

There may be significant financial consequences as a result of the County's negative unassigned fund balance.

Recommendation:

This is a repeat condition from Fiscal Year 2009, 2010, 2011, 2012, and 2013

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 deficit unassigned fund balance of \$38.99 million, 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's current budget approach is for staff to identify annual budget 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 develops and recommends a balanced budget to the Board of Supervisors. At that time, staff also provides the Board with a Five Year General Fund Sensitivity Analysis that puts budget year

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

II. FINANCIAL STATEMENT FINDINGS (CONTINUED)

expenditure and revenue decisions in a longer-term context. 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.

Using this approach, the County has been able to repay a portion of the Interfund Transfers in each of the last four fiscal years and has included an additional repayment in the FY2014-15 Adopted Budget. All-told, by the end of FY2014-15 the General Fund will have repaid approximately 35% of the original Interfund Transfer amount. The following table summarizes the status of the Interfund Transfers to-date:

Original Interfund Transfer to General Fund	FY2010-11 Repayment	FY2011-12 Repayment	FY2012-13 Repayment	FY2013-14 Repayment	FY2014-15 Budgeted Repayment	Projected Balance at the End of FY2014-15
\$77,652,349	\$3,000,000	\$3,500,000	\$100,000	\$9,799,957	\$11,200,000	\$50,052,392

Finding 2014-002

COUNTY TREASURY INVESTMENT ALLOCATION

Criteria:

Interest, dividends and other investment income, including changes in fair value, should be accurately recorded and allocated by the County Treasury pool to each respective fund in accordance with generally accepted accounting principles.

Condition:

Significant Deficiency – The County of Sacramento operates the County Treasury pool which is used to invest the funds of the County, school districts, joint power authorities, and other special districts whose funds are held and invested by the County Treasurer. Interest and investment earnings from the County Treasury pool are allocated out to the pool participants quarterly based on their average cash position in the pool for the period.

During the period ended June 30, 2014, it was noted that the Treasury pool had over apportioned interest and investment earnings for the year ended June 30, 2014 and several prior periods due to an accounting error in the reconciliation process. The cumulative impact of the error resulted in an over apportionment over several fiscal periods and included County funds and external pool participants.

Context:

The overall result was a cumulative over apportionment of \$9.4 million to participants of the County Treasury pool.

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

II. FINANCIAL STATEMENT FINDINGS (CONTINUED)

Cause:

The accounting error was due to the treatment of unamortized discounts and premiums in the apportionment calculation. These premiums typically would be amortized over the life of the individual investment however in the investment tracking system, premiums and discounts were netted against investment receivables. In order to prevent negative receivables in the general ledger and in the apportionment process, the amounts were artificially eliminated through an accounting entry to increase interest receivable and revenues which would be reversed in the subsequent period. This resulted in more interest being allocated than earned to the participants of the treasury pool.

Additionally, the County did not have adequate procedures in place to ensure the proper review and oversight of the reconciliation and apportionment of the Treasury pool. The County also did not have clear policies and procedures in place documenting the necessary steps and procedures in order to properly calculate and distribute the interest and investment earnings of the County pool.

Effect:

The effect of this error resulted in the inaccurate distribution of pool investment earnings to the pool participants.

Recommendation:

We recommend the County implement clear policies and procedures over the performance of the Treasury pool reconciliation and interest apportionment process. We also recommend that the County ensure that adequate review and oversight is performed over the apportionment prior to distribution to participants. We further recommend that the County work with pool participants, county management, and county counsel to determine the appropriate means to recapture the past over apportionments that have occurred.

Views of Responsible Officials and Planned Corrective Actions:

The Department of Finance has modified year-end processes and methodology to ensure that this error does not occur going forward, including implementation of policies and procedures over the performance of the Treasury pool reconciliation. In addition, Department of Finance is in the process of evaluating and testing accounting structure changes on the pool fund in our financial system (COMPASS) to record amortization and accretion on a more frequent basis allowing us to carry accumulated amortization and accretion in the accounting record rather than a year-end entry based on investment portfolio reports in the allocation work papers.

Department of Finance has contacted the entities in the Treasury pool regarding the repayment of the funds in fiscal year 2015-16, and is working with the various Treasury pool participants on the return of the over allocated pool funds.

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

II. FINANCIAL STATEMENT FINDINGS (CONTINUED)

Finding 2014-003

DEPARTMENTAL BANK ACCOUNTS – MISAPPROPRIATION OF ASSETS

County Policy requires that departments receive authorization from the Department of Finance in order to open outside bank accounts in order to meet departmental business needs. The County requires that the department safeguard the assets within the account and perform monthly bank reconciliations to ensure the account reconciles to the accounting records.

Condition:

Significant Deficiency – The County has certain departments that use outside bank accounts (rather than the Treasury pool) to meet their business needs of providing services to residents and citizens of the County.

During the year ended June 30, 2014, the Department of Human Assistance had two bank accounts that were subject to external misappropriation of assets due to unauthorized check payments that remained undetected for several weeks. As a result an estimated amount of over \$30,000 was removed through these unauthorized payments.

The County did not have internal controls in place to ensure that the bank accounts had check validations against the accounting records or general ledger to identify inappropriate or illicit activities. The County also did not have other common fraud prevention tools in place such as positive pay reconciliation which is a type of check reconciliation tool offered by banks.

Context:

As a result, over \$30,000 was misappropriated by individuals submitting unapproved checks for payment against the County on the Department of Human Assistance Bank accounts.

Cause:

The bank accounts maintained by the department did not have check validations performed that could have prevented the external misappropriation of assets.

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

II. FINANCIAL STATEMENT FINDINGS (CONTINUED)

Effect:

The County's cash and investment accounts may be at risk of theft or loss if accounts do not have check validations performed or other fraud prevention tools in place.

Recommendation:

We recommend that the County Department of Finance identify all bank accounts that are used by the outside departments and ensure that appropriate controls and procedures are in place for all such accounts. We further recommend that the County consider the usage of fraud prevention tools (such as Positive Pay) on the departmental accounts to assist in ensuring that transactions processed by the bank were originally authorized by the County.

Views of Responsible Officials and Planned Corrective Actions:

Department of Finance has identified the bank accounts outside of the County Treasury through cash questionnaires sent out annually to County Departments. Bank reconciliations are requested to be submitted annually with the department cash questionnaire. In addition, the Department of Finance, Internal Audits Unit, in the past 1-1/2 years has conducted cash reviews on cash held outside of the County Treasury, and it is projected to cycle through each department/district cash review about every 2-3 years. Department of Finance will also develop policies and procedures for checking accounts held outside the Treasury.

FINDING 2014-004

PERIOD OF AVAILABILITY / UNAVAILABLE REVENUE

Criteria:

In accordance with generally accepted accounting principles, governmental funds should recognize non-exchange revenues in the accounting period in which they become both measurable and available to finance expenditures in the same fiscal year. The County has elected to apply a one hundred and twenty day (120) period of availability for purposes of defining the "measurable and available" criteria of this accounting principle, whereby revenues meeting accrual requirements collected outside of this period are reported as unavailable revenue.

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

II. FINANCIAL STATEMENT FINDINGS (CONTINUED)

Condition Found:

Significant Deficiency – During fiscal year 2014, the County elected to change its period of availability for recognizing non-exchange revenues from three hundred sixty five days (365) one hundred and twenty days (120). As a result, the County was required to record a prior period adjustment to reflect the change in accounting policy in the beginning fund balance of the governmental funds.

As a result of our audit procedures over the County's revenue recognition for non-exchange revenues, we identified receivables and related revenues that were recorded as of June 30, 2014, that had not received payment within 120 days after the end of the fiscal year, however revenue recognition was not properly reported as deferred inflows of resources. We also tested the County's retroactive application of the new accounting policy as of June 30, 2013, and identified receivables and related revenues which had not received payment within 120 days after the end of the prior fiscal year; however, revenue recognition was not properly deferred.

Context:

The condition noted above was identified during our audit procedures over governmental fund revenues and receivables.

Cause:

The County did not have policies and procedures in place to ensure that all accrued receivables collected outside of the newly adopted period of availability were properly reported as deferred inflows of resources on the governmental funds balance sheet or properly reflected in the beginning fund balance.

Effect:

The condition described above resulted in audit adjustments to deferred inflows of resources and beginning fund balance in the governmental funds balance sheet.

Recommendation:

We recommend that the County implement policies and procedures to ensure that all year end receivables are recorded in accordance with the newly adopted period of availability of 120 days.

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

II. FINANCIAL STATEMENT FINDINGS (CONTINUED)

View of Responsible Officials and Planned Corrective Action:

The County reviewed its year-end procedures for recording receivables and revenues. The Department of Finance and the Budget Analysts will be working with County departments to ensure receivables are recorded in accordance with the adopted period of availability of 120 days.

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

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 2014-005

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: FY 2013-2014

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

Criteria:

The *March 2014 Office of Management and Budget (OMB) OMB Circular 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:

Instance of Non-Compliance - As a result of our eligibility testing, we noted 1 case out of 60 in which the SAWS 2A was not present in the case file which is required in the determination of SNAP eligibility.

Questioned Costs:

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

Context:

As a result of our testwork of specific requirements related to special test and provisions, it was noted that one of the sixty SNAP program's case files tested were not properly maintained in accordance with OMB A-133 compliance requirements during fiscal year 2013-2014.

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

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 2011, 2012 and 2013 Single Audits.

We recommend that the County strengthen its established policies and procedures with regard to initial and ongoing eligibility determination, required documentation, maintenance of participant files, and ensure that policies and procedures are formally documented and strictly adhered to by County personnel.

Views of Responsible Officials and Planned Corrective Actions:

Thank you for providing Sacramento County Department of Human Assistance (DHA) with valuable feedback from the 2013-2014 Single Audit. Your office noted that one of the 60 SNAP program's case files tested was cited as incorrect. Specifically, you found that the case was not properly maintained in accordance with OMB A-133 compliance requirements.

To address the audit's identified condition, Sacramento County will continue to reinforce with eligibility staff the importance of ensuring all SNAP beneficiaries are provided the required forms, and the information contained on the forms is thoroughly explained, understood and signed by the beneficiaries.

Other activities the department has implemented to strengthen the established policies and procedures with regard to initial and ongoing eligibility determination, required documentation, maintenance of participant files, and ensure that policies and procedures are formally documented include:

1. Discussing the audit findings with Program Managers and Supervisors.

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

2. Reinforcing the responsibility for Supervisors to review SNAP cases prior to submitting the case to be imaged.
3. Reinforcing with staff the need to include case comments when interacting with SNAP applicants and beneficiaries or maintaining the case file.

Please contact Lester Heatley, Division Manager, at 875-3670, or heatleyl@saccounty.net, or Vicki O'Brien, CalFresh Program Specialist, at 916 875-3745, or obrien@saccounty.net if you require additional information or have questions.

FINDING 2014-006

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 Health Services

Award Year: FY 2013-2014

Compliance Requirement: Eligibility

Criteria: Per the *March 2014 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:

Significant Deficiency, Instance of Non-Compliance – As a result of our eligibility testing, we noted the following:

- 24 cases where the recipient redetermination of eligibility was performed untimely (outside of the 12 month requirement).

Questioned Costs:

There are no questioned costs as a result of the findings.

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

Context:

The condition noted above was identified in 24 of 60 cases selected during our testing procedures over eligibility. The County charges administrative expenditures associated with the determination of eligibility to the State while the State pays the amounts out to providers. The federal portion of administrative expenses associated with the In-Home Supportive Services Program represents \$10,761,663 of the total \$89,006,322 of Medical Administrative Activities presented on the Schedule of Federal Awards.

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 following its policies and procedures 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 2009, 2010, 2011, 2012, and 2013 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:

Sacramento County was phased into the IHSS statewide CMIPS II system in November, 2013. During the transition period, productivity did not diminish and staff continued to maintain the progress that had been made to reduce the number of overdue reassessments. CDSS allows counties to have a minimum 80% of compliance rate; Sacramento County is at an average rate of 88.02%.

Starting in late 2014, we have been able to fill social worker vacancies and have started to hire staff for positions approved by the Board of Supervisors. In March 2015, a work plan was implemented with all staff that proposes to eliminate overdue reassessments by March, 2016.

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

Contact:

Debbi Thomson - 876-8679 or Floridalma Valencia – 876-8705

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2014**

Summarized below is the current status of corrective action on audit findings reported in the prior year schedule of audit findings and questioned costs.

Finding No.	Program	CFDA No.	Compliance Requirement	Status of Corrective Action
2013-01	Long Term Financial Plan	N/A	N/A	Not Implemented – See Finding 2014-001
2013-02	Daily Cash Reconciliation	N/A	N/A	Implemented
2013-03	Offline Journal Entries	N/A	N/A	Implemented
2013-04	Supplemental Nutrition Assistance Program (SNAP) Cluster	10.561	Special Tests and Provision – ADP System for SNAP	Not Implemented – See Finding 2014-005
2013-05	Medicaid Cluster – Medi-Cal Assistance	93.778	Eligibility	Implemented
2013-06	Medicaid Cluster - In-Home Supportive Services	93.778	Eligibility	Not Implemented – See finding 2014-006
2013-07	Medicaid Cluster – Low Income Health Program	93.778	Eligibility	Implemented
2013-08	Temporary Assistance for Needy Families (TANF)	93.558	Eligibility	Implemented
2013-09	Foster Care – Title-IV-E	93.658	Eligibility	Implemented
2013-10	Adoption Assistance	93.659	Allowable costs and activities	Implemented
2013-11	Public Benefit Land Conveyance	12.Unknown	Equipment and Real Property Management	Implemented