

COUNTY OF SACRAMENTO, CALIFORNIA

**Single Audit Report
(Uniform Guidance)**

For the Fiscal Year Ended June 30, 2018

COUNTY OF SACRAMENTO, CALIFORNIA

**SINGLE AUDIT REPORT
(UNIFORM GUIDANCE)**

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

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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, California (County), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 29, 2018. Our report included an emphasis of matter regarding the County's adoption of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective July 1, 2017.

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. 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from 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*.

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.

Vavrinick, Trine, Day & Co. LLP

Sacramento, California
November 29, 2018



VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

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 (County) compliance with the types of compliance requirements described in the OMB 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, 2018. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 Major Federal Program

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 major federal programs for the year ended June 30, 2018.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2018-001 and 2018-002. 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 and separate corrective action plan. 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 the Uniform Guidance, 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 certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2018-001 and 2018-002 that we consider to be significant deficiencies.

The County's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and separate corrective action plan. 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.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated November 29, 2018, which contained unmodified opinions on those financial statements. Our report included an emphasis of matter regarding the County's adoption of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective July 1, 2017. 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 the Uniform Guidance 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 22, 2019

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018**

FEDERAL GRANTOR PASSED THROUGH GRANT PROGRAM TITLE/CLUSTER	FEDERAL CFDA NUMBER	DIRECT/PASS-THROUGH AGENCY GRANT NUMBER	FEDERAL EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
<u>SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) CLUSTER</u>				
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF PUBLIC HEALTH</u>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	16-10169	\$ 1,797,003	\$ 883,175
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF SOCIAL SERVICES</u>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - SNAP				
E&T 50% Participant Reimbursement - CalFresh Employment or Training Program Supply of Service	10.561	187CACA4S2520	20,665	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - SNAP				
E&T 50% - CalFresh Employment or Training Program	10.561	187CACA4S2519	848,757	532,017
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program- SNAP				
Employment & Training (E&T) 100% - CFET	10.561	187CACA4S2519	598,447	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - SNAP				
State Administrative Expense - CalFresh	10.561	187CACA4S2514	31,870,482	147,828
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - CalFresh				
(Food Stamps) – CalWIN Project	10.561	187CACA4S2514	1,426,750	-
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) CLUSTER TOTAL			<u>36,562,104</u>	<u>1,563,020</u>
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE</u>				
Plant and Animal Disease, Pest Control, and Animal Care - European Grape Vine (I)	10.025	16-0698-SF	61,070	-
Plant and Animal Disease, Pest Control, and Animal Care - European Grape Vine (II)	10.025	17-0549-004-SF	60,256	-
Plant and Animal Disease, Pest Control, and Animal Care - Glassy-winged Sharpshooter (GWSS)	10.025	16-0503-SF	213,296	-
Plant and Animal Disease, Pest Control, and Animal Care - Canine Surveillance-Call Center	10.025	17-0633-000-SA	40,779	-
Plant and Animal Disease, Pest Control, and Animal Care - Canine Surveillance Program	10.025	17-0215-005-SF	380,443	-
Plant and Animal Disease, Pest Control, and Animal Care - Light Brown Apple Moth - Detection	10.025	14-0154-014-SF	7,857	-
Plant and Animal Disease, Pest Control, and Animal Care - Light Brown Apple Moth - Regulatory	10.025	17-0154-032-SF	42,419	-
Plant and Animal Disease, Pest Control, and Animal Care - Sudden Oak Death (SOD)	10.025	17-0213-034-SF	62,738	-
Plant and Animal Disease, Pest Control, and Animal Care - Pest Detection	10.025	17-0148	435,062	-
CATALOG TOTAL			<u>1,303,920</u>	<u>-</u>
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF EDUCATION</u>				
School Breakfast Program - State Nutrition Program (SNP)	10.553	02227-SN-34-R	240,918	-
Summer Food Service Program - Summer Lunch	10.559	CN170418	4,664	-
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF PUBLIC HEALTH</u>				
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	15-10107	5,201,773	-
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>43,313,379</u>	<u>1,563,020</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, 2018**

FEDERAL GRANTOR PASSED THROUGH GRANT PROGRAM TITLE/CLUSTER	FEDERAL CFDA NUMBER	DIRECT/PASS-THROUGH AGENCY GRANT NUMBER	FEDERAL EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS
<u>U.S. DEPARTMENT OF DEFENSE</u>				
<u>DIRECT PROGRAMS</u>				
Public Benefit Land Conveyance- Mather Dam	12.U01	Mather Dam	\$ 2,750,110	\$ -
Defense Environmental Restoration Program - Environmental Services Cooperative Agreement (ESCA I)	12.U02	FA8903-09-2-0002	1,831,951	-
Defense Environmental Restoration Program - Environmental Services Cooperative Agreement (ESCA II)	12.U02	McClellan Foset #2 ESCA	1,543,885	-
Defense Environmental Restoration Program - Environmental Services Cooperative Agreement (ESCA III)	12.U02	McClellan Foset #3 ESCA	6,662,174	-
CATALOG TOTAL			<u>12,788,120</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF DEFENSE			<u>12,788,120</u>	<u>-</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
<u>DIRECT PROGRAMS</u>				
Continuum of Care Program - Volunteers of America - Adolfo Transitional Housing Program for Emancipated Youth	14.267	CA0130L9T031609	261,725	261,725
<u>COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG) ENTITLEMENT GRANTS CLUSTER</u>				
<u>PASSED THROUGH SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY</u>				
Community Development Block Grants/Entitlement Grants - (CDBG I)	14.218	B-17-UC-06-0005	52,087	-
Community Development Block Grants/Entitlement Grants - (CDBG II)	14.218	B-16-UC-06-0005	85,202	-
Community Development Block Grants/Entitlement Grants - (CDBG III)	14.218	B-17-UC-06-0005	16,529	-
Community Development Block Grants/Entitlement Grants - (CDBG IV)	14.218	B-17-UC-06-0005	6,808	-
Community Development Block Grants/Entitlement Grants - (CDBG V)	14.218	B-17-UC-06-0005	59,004	-
Community Development Block Grants/Entitlement Grants - (CDBG VI)	14.218	B-17-UC-06-0005	988,424	-
Community Development Block Grants/Entitlement Grants - (CDBG VII)	14.218	B-16-UC-06-0005	90,711	-
Community Development Block Grants/Entitlement Grants - (CDBG VIII)	14.218	B-16-UC-06-0005	174,585	-
Community Development Block Grants/Entitlement Grants - (CDBG IX)	14.218	B-15-UC-06-0005	10,264	-
Community Development Block Grants/Entitlement Grants - (CDBG X)	14.218	B-14-UC-06-0005	79,075	-
COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG) ENTITLEMENT GRANTS CLUSTER TOTAL			<u>1,562,689</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>1,824,414</u>	<u>261,725</u>
<u>U.S. DEPARTMENT OF THE INTERIOR</u>				
<u>DIRECT PROGRAMS</u>				
Wild Horse and Burro Resource Management - Wild Horse Training Grant (I)	15.229	L13AC00086	37,907	-
Wild Horse and Burro Resource Management - Wild Horse Training Grant (II)	15.229	L17AC000241	107,761	-
CATALOG TOTAL			<u>145,668</u>	<u>-</u>
Partners for Fish and Wildlife - Partners for Fish and Wildlife 2012	15.631	F12AS00014	220	-
TOTAL U.S. DEPARTMENT OF INTERIOR			<u>145,888</u>	<u>-</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, 2018**

FEDERAL GRANTOR PASSED THROUGH GRANT PROGRAM TITLE/CLUSTER	FEDERAL CFDA NUMBER	DIRECT/PASS-THROUGH AGENCY GRANT NUMBER	FEDERAL EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS
<u>U.S. DEPARTMENT OF JUSTICE</u>				
<u>DIRECT PROGRAMS</u>				
Domestic Cannabis Eradication and Suppression Program (DCESP I)	16.U01	2017-38	\$ 34,005	\$ -
Domestic Cannabis Eradication and Suppression Program (DCESP II)	16.U01	2018-36	15,881	-
CATALOG TOTAL			49,886	-
Missing Children's Assistance - Internet Crimes Against Children	16.543	2016-MC-FX-K020	362,464	-
Drug Court Discretionary Grant Program - Adult Drug Court Discretionary Grant	16.585	2014-DC-BX-0003	42,076	-
Public Safety Partnership and Community Policing Grants - Community Oriented Policing Services (COPS) Anti-Gang Initiative Program	16.710	2015-GV-WX-0006	178,278	-
PREA Program: Demonstration Projects to Establish "Zero Tolerance" Cultures for Sexual Assault in Correctional Facilities - Prison Rape Elimination Act (PREA)	16.735	2015-RP-BX-0001	119,765	-
Edward Byrne Memorial Justice Assistance Grant Program - Sacramento Multiple Advocate Resource Team (SMART) Policing Homeless Initiative	16.738	2016-WY-BX-0001	251,530	-
Edward Byrne Memorial Justice Assistance Grant Program - Justice Assistance Grant (JAG)	16.738	2016-DJ-BX-0431	241,650	-
CATALOG TOTAL			493,180	-
DNA Backlog Reduction Program - 2015 DNA Capacity Enhancement and Backlog Reduction Program	16.741	2015 DN BX 0111	43,078	-
DNA Backlog Reduction Program - 2016 DNA Capacity Enhancement and Backlog Reduction Program	16.741	2016 DN BX 0021	302,918	-
CATALOG TOTAL			345,996	-
Second Chance Act Reentry Initiative- 2nd Chance Auto	16.812	2016-RV-BX-0002	286,921	-
Equitable Sharing Program- DOJ Asset Forfeiture	16.922	N/A	367,065	-
<u>PASSED THROUGH BOARD OF STATE AND COMMUNITY CORRECTIONS (BSCC)</u>				
Juvenile Justice and Delinquency Prevention- Juvenile Accountability Evidence Based Practices	16.540	BSCC 223-16	9,794	-
Residential Substance Abuse Treatment for State Prisoners (RSAT)	16.593	BSCC 528-17	235,750	-
<u>PASSED THROUGH GOVERNOR'S OFFICE OF EMERGENCY SERVICES</u>				
Crime Victim Assistance - County Victim Services Program	16.575	XC 16 01 0340	788,475	674,919
Crime Victim Assistance - Human Trafficking and Advocacy (I)	16.575	HA 16 03 0340	51,981	-
Crime Victim Assistance - Human Trafficking and Advocacy (II)	16.575	HA 17 04 0340	73,471	-
Crime Victim Assistance - Unserved/Underserved Victim Advocacy/Outreach	16.575	UV 16 02 0340	168,779	-
Crime Victim Assistance - Victim Witness Assistance Program (I)	16.575	VW 16 35 0340	801,784	-
Crime Victim Assistance - Victim Witness Assistance Program (II)	16.575	VW 17 36 0340	1,002,260	-
CATALOG TOTAL			2,886,750	674,919
Violence Against Women Formula Grants - Violence Against Women Vertical Prosecution	16.588	VV 17 09 0340	218,000	-
Paul Coverdell Forensic Sciences Improvement Grant Program - Paul Coverdell FSIA (CA Coverdell I)	16.742	CQ 16 12 0340	13,288	-
Paul Coverdell Forensic Sciences Improvement Grant Program - Paul Coverdell FSIA (CA Coverdell II)	16.742	CQ 17 13 0340	21,843	-
CATALOG TOTAL			35,131	-
TOTAL U.S. DEPARTMENT OF JUSTICE			5,631,056	674,919

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, 2018**

FEDERAL GRANTOR PASSED THROUGH GRANT PROGRAM TITLE/CLUSTER	FEDERAL CFDA NUMBER	DIRECT/PASS-THROUGH AGENCY GRANT NUMBER	FEDERAL EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
<u>DIRECT PROGRAMS</u>				
Airport Improvement Program (I)	20.106	3-06-0204-056-2016	\$ 776,949	\$ -
Airport Improvement Program (II)	20.106	3-06-0363-019-2016	226,300	-
Airport Improvement Program (III)	20.106	3-06-0363-020-2017	2,264,537	-
Airport Improvement Program (IV)	20.106	3-06-0205-012-2017	1,016,680	-
CATALOG TOTAL			<u>4,284,466</u>	<u>-</u>
<u>HIGHWAY PLANNING AND CONSTRUCTION CLUSTER</u>				
<u>PASSED THROUGH STATE DEPARTMENT OF TRANSPORTATION</u>				
Highway Planning and Construction - Regional Surface Transportation Program (I)	20.205	STPL-6498(001)	159,078	-
Highway Planning and Construction - Regional Surface Transportation Program (II)	20.205	STPL-6498(002)	305,627	-
Highway Planning and Construction - Moving Ahead for Progress in the 21st Century Act (MAP-21 I)	20.205	03-5924R	12,647,151	-
Highway Planning and Construction - Moving Ahead for Progress in the 21st Century Act (MAP-21 II)	20.205	03-5924R	4,778,690	-
HIGHWAY PLANNING AND CONSTRUCTION CLUSTER TOTAL			<u>17,890,546</u>	<u>-</u>
<u>HIGHWAY SAFETY CLUSTER</u>				
<u>PASSED THROUGH STATE DEPARTMENT OF TRAFFIC SAFETY</u>				
National Priority Safety Programs - Alcohol and Drug Impaired Driver Vertical Prosecution Program (I)	20.616	DI 18021	179,297	-
National Priority Safety Programs - Alcohol and Drug Impaired Driver Vertical Prosecution Program (II)	20.616	DI 1709	159,986	-
National Priority Safety Programs - Multilingual Child Passenger Safety Program	20.616	OP 1708	36,673	-
HIGHWAY SAFETY CLUSTER TOTAL			<u>375,956</u>	<u>-</u>
<u>PASSED THROUGH STATE DEPARTMENT OF TRANSPORTATION</u>				
Formula Grants for Rural Areas - Federal Transit Administration (FTA) 5311 - 2017	20.509	64B017-00514	277,878	-
Formula Grants for Rural Areas - Federal Transit Administration (FTA) 5311 - 2018	20.509	64B019-00821	284,225	-
			<u>562,103</u>	<u>-</u>
<u>PASSED THROUGH STATE DEPARTMENT OF TRAFFIC SAFETY</u>				
Selective Traffic Enforcement Program (STEP I)	20.608	PT 17104	33,839	-
Selective Traffic Enforcement Program (STEP II)	20.608	PT 18067	82,929	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated - Impaired Driving Awareness and Education Campaign (I)	20.608	AL 1726	45,067	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated - Impaired Driving Awareness and Education Campaign (II)	20.608	AL 18026	102,249	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated - Forensic Laboratory Impairment Program	20.608	AL 1725	8,425	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated - Intensive Probation Supervision For High Risk Felony & Repeat DUI Offender (I)	20.608	AL1707	89,356	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated - Intensive Probation Supervision For High Risk Felony & Repeat DUI Offender (II)	20.608	AL18013	414,799	-
CATALOG TOTAL			<u>776,664</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>23,889,735</u>	<u>-</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>				
<u>PASSED THROUGH CALIFORNIA STATE WATER RESOURCES BOARD</u>				
Superfund Technical Assistance Grants (TAG) for Community Groups at National Priority List (NPL) Sites Local Oversight Program	66.806	D17-08-004	380,825	-
TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY			<u>380,825</u>	<u>-</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, 2018**

FEDERAL GRANTOR PASSED THROUGH GRANT PROGRAM TITLE/CLUSTER	FEDERAL CFDA NUMBER	DIRECT/PASS-THROUGH AGENCY GRANT NUMBER	FEDERAL EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS
<u>U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES</u>				
<u>HEALTH CENTER PROGRAM CLUSTER</u>				
<u>DIRECT PROGRAMS</u>				
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless and Public Housing Primary Care) - McKinney Homeless Grant	93.224	H80CS00045	\$ 1,463,109	\$ -
HEALTH CENTER PROGRAM CLUSTER TOTAL			<u>1,463,109</u>	<u>-</u>
HIV Emergency Relief Projects Grants - Ryan White Part A (I)	93.914	H89HA00048	2,331,580	2,015,533
HIV Emergency Relief Projects Grants - Ryan White Part A (II)	93.914	H89HA00048	599,587	458,991
CATALOG TOTAL			<u>2,931,167</u>	<u>2,474,524</u>
Substance Abuse and Mental Health Services Projects of Regional and National Significance - Room for Dads Project	93.243	5H79TI026101-03	192,500	192,500
<u>MEDICAID CLUSTER</u>				
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES</u>				
Medical Assistance Program - Child Health Disability Protection (CHDP) - Medi-Cal and Foster Care	93.778	2017-2018	1,212,609	-
Medical Assistance Program - Medi-Cal	93.778	1705CA5ADM	36,184,323	-
Medical Assistance Program - Medi-Cal - CalWin Project	93.778	1705CA5ADM	3,964,605	-
Medical Assistance Program - Medi-Cal - Outreach and Enrollment - AB 82	93.778	1705CA5ADM	78,659	73,006
SUBTOTAL			<u>41,440,196</u>	<u>73,006</u>
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF SOCIAL SERVICES</u>				
Medical Assistance Program - Adult Protective Services	93.778	County 34	5,726,964	169,021
Medical Assistance Program - Child Welfare Services - Title XIX	93.778	County 34	2,061,105	-
Medical Assistance Program - Community Services Block Grant (CSBG)	93.778	County 34	496,099	4,276
Medical Assistance Program - In-Home Support Services (IHSS)	93.778	County 34	14,302,253	415,281
Medical Assistance Program - Local Dental Pilot Projects - Dental Transformation Initiative (LDPP-DTI)	93.778	16-93574	1,317,677	469,853
Medical Assistance Program - Area 4 Agency on Aging (A4AA)	93.778	1100-46-01-18	74,048	-
SUBTOTAL			<u>23,978,146</u>	<u>1,058,431</u>
MEDICAID CLUSTER TOTAL			<u>65,418,342</u>	<u>1,131,437</u>
<u>TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) CLUSTER</u>				
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF SOCIAL SERVICES</u>				
Temporary Assistance for Needy Families - Child Welfare Service - WA (TANF)	93.558	County 34	\$ 12,417,111	\$ -
Temporary Assistance for Needy Families - CalWORKS (TANF)	93.558	1801CATANF	77,705,011	4,407,383
Temporary Assistance for Needy Families - CalWORKS (TANF) - Approved Relative Care (ARC)	93.558	County 34	118,970	-
Temporary Assistance for Needy Families - CalWORKS (TANF) - CalWIN Project	93.558	1801CATANF	552,659	-
Temporary Assistance for Needy Families - CalWORKS (TANF) - Federal	93.558	1801CATANF	37,601,285	-
Temporary Assistance for Needy Families - CalWORKS (TANF) - Fraud Incentives	93.558	1801CATANF	136,900	-
Temporary Assistance for Needy Families - CalWORKS (TANF) - Stage One Child Care	93.558	1801CATANF	8,926,707	-
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) CLUSTER Total			<u>137,458,643</u>	<u>4,407,383</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, 2018**

FEDERAL GRANTOR PASSED THROUGH GRANT PROGRAM TITLE/CLUSTER	FEDERAL CFDA NUMBER	DIRECT/PASS-THROUGH AGENCY GRANT NUMBER	FEDERAL EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS
<u>U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES (CONTINUED)</u>				
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES</u>				
<u>MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING CLUSTER</u>				
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program California Home Visiting Program (CHVP)	93.505	15-10167 A02	\$ 846,518	\$ 17,256
MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING CLUSTER TOTAL			<u>846,518</u>	<u>17,256</u>
Community-Based Child Abuse Prevention Grants- Child Abuse Prevention and Treatment Act (CAPT) Title II Children's Health Insurance Program- California Children's Services (CCS) - Target Low-Income Children's Program (TLICP)	93.590	7205000-17-345	51,521	51,521
	93.767	County 34	780,105	-
HIV Prevention Activities Health Department Based - HIV Prevention Program	93.940	15-10945	642,886	278,112
Block Grants for Community Mental Health Services - Substance Abuse and Mental Health Services Administration (SAMHSA)	93.958	County 34	2,730,925	2,560,705
Block Grants for Prevention and Treatment of Substance Abuse Alcohol & Drug - Substance Abuse Prevention & Treatment (SAPT)	93.959	17-94151	10,541,203	6,926,789
Maternal and Child Health Services Block Grant to the States- California Children's Services - Medi-Cal Title XIX	93.994	County 34	3,845,113	29,704
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF PUBLIC HEALTH</u>				
Maternal and Child Health Services Block Grant to the States - Black Infant Health (BIH)	93.994	201734	283,862	-
Maternal and Child Health Services Block Grant to the States - Maternal, Child & Adolescent Health (MCAH) CATALOG TOTAL	93.994	201734	<u>234,596</u>	<u>20,328</u>
			<u>4,363,571</u>	<u>50,032</u>
Public Health Emergency Preparedness- Public Health Emergency Preparedness (PHEP I)	93.069	17-10184	1,167,867	-
Public Health Emergency Preparedness- Public Health Emergency Preparedness (PHEP II) CATALOG TOTAL	93.069	14-10532 A05	<u>441,191</u>	<u>97,622</u>
			<u>1,609,058</u>	<u>97,622</u>
Affordable Care Act (ACA) Personal Responsibility Education Program - California Personal Responsibility Education Program (CA PREP)	93.092	15-10305 A01	187,791	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs - Tuberculosis (TB) Program	93.116	TB Base Award	415,774	-
Immunization Cooperative Agreements - Immunization Assistance Program (IAP)	93.268	17-10341	411,529	-
State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke - Center for Disease Control 1305 Prevention First	93.757	14-10944 A03	165,253	-
National Bioterrorism Hospital Preparedness Program - Hospital Preparedness Program (HPP I)	93.889	14-10532 A05	105,610	-
National Bioterrorism Hospital Preparedness Program - Hospital Preparedness Program (HPP II) CATALOG TOTAL	93.889	17-10184	<u>391,789</u>	<u>-</u>
			<u>497,399</u>	<u>-</u>
HIV Care Formula Grants - HIV Care Program Part B & Minority AIDS Initiative (MAI)	93.917	15-11070 A02	925,916	820,977
HIV Care Formula Grants - HIV Care Program (X08) CATALOG TOTAL	93.917	16-10855	<u>1,362,840</u>	<u>1,203,223</u>
			<u>2,288,756</u>	<u>2,024,200</u>
Refugee and Entrant Assistance State/Replacement Designee Administered Programs - Refugee Health Assessment Program	93.566	17-34-90899-00	1,348,474	-
Refugee and Entrant Assistance State/Replacement Designee Administered Programs - Refugee Health Promotion Project	93.566	17-34-90893-00	26,564	-

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, 2018**

FEDERAL GRANTOR PASSED THROUGH GRANT PROGRAM TITLE/CLUSTER	FEDERAL CFDA NUMBER	DIREC T/PASS-THROUGH AGENCY GRANT NUMBER	FEDERAL EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES (CONTINUED)				
PASSED THROUGH CALIFORNIA DEPARTMENT OF SOCIAL SERVICES				
Refugee and Entrant Assistance State/Replacement Designee Administered Programs - Refugee and Entrant Assistance (RCA I)	93.566	1801CARCMA	\$ 1,069,874	\$ -
Refugee and Entrant Assistance State/Replacement Designee Administered Programs - Refugee and Entrant Assistance (RCA II)	93.566	1801CARCMA	9,839	-
Refugee and Entrant Assistance State/Replacement Designee Administered Programs - Refugee and Entrant Assistance (RCA) - CalWIN Project	93.566	1801CARCMA	2,956	-
CATALOG TOTAL			<u>2,457,707</u>	<u>-</u>
Guardianship Assistance - Kinship Guardianship Assistance Program Title IV-E (Kin-GAP) 18+	93.090	1801CAGARD	219,511	-
Guardianship Assistance - Kinship Guardianship Assistance Payment Title IV-E (Fed-GAP) 4T	93.090	1801CAGARD	3,163,043	-
Guardianship Assistance - Kinship Guardianship Program - Title IV-E (Kin-GAP IV-E)	93.090	1801CAGARD	340,874	-
CATALOG TOTAL			<u>3,723,428</u>	<u>-</u>
Promoting Safe and Stable Families (PSSF)	93.556	County 34	1,036,492	96,940
Promoting Safe and Stable Families (PSSF) – Monthly Caseworker visits	93.556	County 34	63,968	-
CATALOG TOTAL			<u>1,100,460</u>	<u>96,940</u>
Community Services Block Grant - Adult Protective Services Community Services Block Grant (APS-CSBG)	93.569	County 34	345,591	-
Stephanie Tubbs Jones Child Welfare Services Program - Child Welfare Services - Title IV-B	93.645	County 34	2,048,242	-
Stephanie Tubbs Jones Child Welfare Services Program - Group Home Monthly Visits	93.645	County 34	116,456	-
CATALOG TOTAL			<u>2,164,698</u>	<u>-</u>
Foster Care Title IV-E - CalWIN Project	93.658	1801 CAFOST	102,838	-
Foster Care Title IV-E - Child Welfare Services Outcome Improvement Project (CWSOIP) - COHORT	93.658	County 34	422,039	-
Foster Care Title IV-E - Child Welfare Services (CWS) - Title IV-E California Well-Being Project	93.658	County 34	40,410,475	939,497
Foster Care Title IV-E - Child Welfare Services - Title IV-E	93.658	County 34	5,522,995	1,180,199
Foster Care Title IV-E - Community Care Licensing (CCL) - Foster Family Homes (FFH)	93.658	County 34	194,697	194,697
Foster Care Title IV-E - Aid to Families with Dependent Children (AFDC)	93.658	1801CAFOST	1,434,850	-
Foster Care Title IV-E - Aid to Families with Dependent Children (AFDC) - Foster Care	93.658	1801CAFOST	22,652,537	-
Foster Care Title IV-E - Emergency Assistance Foster Care	93.658	1801CAFOST	2,474,888	-
Foster Care Title IV-E - Emergency Assistance Foster Care - Residentially Based Services (RBS)	93.658	1801CAFOST	37,669	-
Foster Care Title IV-E - Residentially Based Services (RBS)	93.658	1801CAFOST	53,682	-
Foster Care Title IV-E - Extended Foster Care 18+	93.658	1801CAFOST	2,926,529	-
Foster Care Title IV-E - Program (I)	93.658	1701CAFOST	1,941,846	-
Foster Care Title IV-E - Program (II)	93.658	1801CAFOST	6,863,858	-
Foster Care Title IV-E - Foster Parent Training & Recruitment (AB2129)	93.658	County 34	28,610	-
Foster Care Title IV-E - Kinship Program	93.658	County 34	116,653	-
CATALOG TOTAL			<u>85,184,166</u>	<u>2,314,393</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, 2018**

FEDERAL GRANTOR PASSED THROUGH GRANT PROGRAM TITLE/CLUSTER	FEDERAL CFDA NUMBER	DIRECT/PASS-THROUGH AGENCY GRANT NUMBER	FEDERAL EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS
<u>U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES (CONTINUED)</u>				
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF SOCIAL SERVICES (CONTINUED)</u>				
Adoption Assistance - Title IV-E	93.659	County 34	\$ 1,992,994	\$ -
Adoption Assistance - Title IV-E	93.659	1801CAADPT	24,678,824	-
Adoption Assistance - Title IV-E	93.659	1801CAADPT	540,547	-
Adoption Assistance - Title IV-E - 18+ Program	93.659	1801CAADPT	14,650	-
CATALOG TOTAL			<u>27,227,015</u>	<u>-</u>
Social Services Block Grant - Child Welfare Services - Title XX	93.667	County 34	3,415,468	-
Social Services Block Grant - AFDC Foster Care Title XX	93.667	1801SACOSR	2,055,655	-
CATALOG TOTAL			<u>5,471,123</u>	<u>-</u>
John H. Chafee Foster Care Program for Successful Transition to Adulthood - Independent Living Program	93.674	County 34	633,917	324,870
<u>PASSED THROUGH CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES</u>				
Child Support Enforcement	93.563	1804CACSES	21,218,083	-
TOTAL U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES			<u>382,522,238</u>	<u>22,948,284</u>
<u>U.S. CORPORATION FOR NATIONAL & COMMUNITY SERVICE</u>				
<u>FOSTER GRANDPARENT/SENIOR COMPANION CLUSTER</u>				
<u>DIRECT PROGRAMS</u>				
Foster Grandparent Program - Foster Grandparent Program (FGP)	94.011	17SFPCA001	431,335	-
Senior Companion Program (SCP)	94.016	16SCPCA001	99,555	-
FOSTER GRANDPARENT/SENIOR COMPANION CLUSTER TOTAL			<u>530,890</u>	<u>-</u>
Retired and Senior Volunteer Program - Retired and Senior Volunteer Program	94.002	16SRPCA003	185,003	-
TOTAL U.S. CORPORATION FOR NATIONAL & COMMUNITY SERVICE			<u>715,893</u>	<u>-</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 (I)	95.001	G16CV0002A	629,459	-
High Intensity Drug Trafficking Areas Program - Central Valley California High Intensity Drug Trafficking Area (II)	95.001	G17CV0002A	1,652,964	-
High Intensity Drug Trafficking Areas Program - Central Valley California High Intensity Drug Trafficking Area (III)	95.001	G18CV0002A	365,491	-
CATALOG TOTAL			<u>2,647,914</u>	<u>-</u>
TOTAL EXECUTIVE OFFICE OF THE PRESIDENT			<u>2,647,914</u>	<u>-</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
<u>DIRECT PROGRAMS</u>				
Boating Safety Financial Assistance - Law Enforcement Equipment Grant Program	97.012	C16L0607	51,598	-
Boating Safety Financial Assistance - Marine Law Enforcement Training Reimbursement Program	97.012	2018-0263	1,472	-
CATALOG TOTAL			<u>53,070</u>	<u>-</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, 2018**

FEDERAL GRANTOR PASSED THROUGH GRANT PROGRAM TITLE/CLUSTER	FEDERAL CFDA NUMBER	DIRECT/PASS-THROUGH AGENCY GRANT NUMBER	FEDERAL EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS
<u>U.S. DEPARTMENT OF HOMELAND SECURITY (CONTINUED)</u>				
<u>PASSED THROUGH GOVERNOR'S OFFICE OF EMERGENCY SERVICES</u>				
Flood Mitigation Assistance- Federal Emergency Management Agency Flood Mitigation Assistance Grant	97.029	2014-1001	\$ 52,564	\$ -
Emergency Management Performance Grants - Emergency Management Performance Grant (EMPG)	97.042	2017-0007	432,866	-
Homeland Security Grant Program (I)	97.067	2016-0102	897,162	-
Homeland Security Grant Program (II)	97.067	2015-00078	811,163	-
Homeland Security Grant Program (III)	97.067	2016-0102	1,772,242	-
Homeland Security Grant Program - UASI 2016	97.067	2016-00102	531,130	-
Homeland Security Grant Program - SHSGP 2015	97.067	2015-SS-00078	8,238	-
CATALOG TOTAL			4,019,935	-
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			4,558,435	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 478,417,897	\$ 25,447,948

See accompanying notes to the schedule of expenditures of federal awards.

COUNTY OF SACRAMENTO, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the County of Sacramento California (County) under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for the governmental funds and the accrual basis of accounting for the proprietary funds. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – 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 4 – 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.

NOTE 5 – INDIRECT COST RATE

The County elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2018**

I. SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Noted
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major federal programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) 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 2 CFR 200.516(a)?	Yes

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Programs or Clusters</u>
10.561	Supplemental Nutrition Assistance Program (SNAP) Cluster
12.U01, 12.U02	Department of Defense Programs
20.205	Highway, Planning, and Construction Cluster
93.659	Adoption Assistance
93.667	Social Services Block Grant
93.563	Child Support Enforcement

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 3,000,000
Auditee qualified as low-risk auditee?	Yes

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

II. FINANCIAL STATEMENT FINDINGS

None reported.

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

The following findings represent significant deficiencies, and/or instances of noncompliance, including questioned costs, required to be reported in accordance with the Uniform Guidance.

Finding 2018-001

Program: Adoption Assistance – Title IV-E

CFDA No.: 93.659

Federal Agency: Department of Health and Human Services

Passed-Through: California Department of Social Services

Award Year: FY 2017-2018

Compliance Requirement: Allowable Costs/Cost Principles

Criteria:

The Office of Management and Budget (OMB) *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.

Condition Found:

Significant Deficiency, Instance of Non-Compliance – As a result of our testwork, we noted 4 instances of 40 where the payment rates were improperly calculated or incorrectly applied. As a result, the payment rates for the four cases did not agree to the State’s foster care maintenance payment rate schedule. This resulted in the over/under payment of the federal Adoption Assistance payments to the adoptive parent.

Questioned Costs:

There are known questioned costs totaling \$246.

Context:

4 out of 40 cases tested were determined to have used improper rates and were either overpaid or underpaid for federal Adoption Assistance.

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

Effect:

Improper rate calculations may result in improper payments of benefits.

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.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

Finding 2018-002

Program: Supplemental Nutrition Assistance Program (SNAP) Cluster

CFDA No.: 10.561

Federal Agency: Department of Agriculture

Passed-through: California Department of Social Services

Award Year: FY 2017-2018

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

Criteria:

The Office of Management and Budget (OMB) *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 - As a result of our participant case files testing, we noted the following:

- 1 case out of 40 in which the semi-annual SAR 7 was not present in the case file
- 1 case out of 40 in which the Statement of Facts was not present in the case file

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 2 of 40 SNAP program's case files tested were not properly maintained in accordance with OMB 2 CFR part 200 compliance requirements during fiscal year 2017-2018.

**COUNTY OF SACRAMENTO, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

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 continued 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 errors, inaccurate benefit calculations, benefit overpayments, or increased error rates for the County.

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 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:

See separate corrective action plan.

**COUNTY OF SACRAMENTO, CALIFORNIA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2018**

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 Name/Description	CFDA No.	Compliance Requirement	Status of Corrective Action
2017-001	General Fund Unassigned Fund Balance	N/A	N/A	Implemented
2017-002	Adoption Assistance – Title IV-E	93.659	Eligibility	Implemented
2017-003	Child Support Enforcement	93.563	Cash Management	Implemented
2017-004	Homeland Security Grant Program	97.067	Cash Management	Implemented