

COUNTY OF CONTRA COSTA

Single Audit Reports

For the Year Ended June 30, 2013



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COUNTY OF CONTRA COSTA
Single Audit Reports
For the Year Ended June 30, 2013

Table of Contents

Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	1
Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Amended and Restated Schedule of Expenditures of Federals Awards Required by OMB Circular A-133 and Supplemental Schedules	3
Amended and Restated Schedule of Expenditures of Federal Awards	7
Notes to the Amended and Restated Schedule of Expenditures of Federal Awards.....	15
Revised Schedule of Findings and Questioned Costs	20
Status of Prior Year Findings.....	32
Supplemental Schedules:	
Supplemental Schedule of Expenditures for Federal and State Awards Prepared by the County’s Employment and Human Services Department	36
Supplemental Schedule of Revenues and Expenditures Prepared by the County’s Employment and Human Services Department-Community Services Bureau	37
Supplemental Schedule of Child Nutritional Program Revenues Prepared by the County’s Employment and Human Services Department-Community Services Bureau	47



**Independent Auditor’s 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***

To the Board of Supervisors
of the County of Contra Costa
Martinez, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Contra Costa, California (County), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements, and have issued our report thereon dated December 18, 2013. Our report includes an emphasis of a matter paragraph discussing the County’s adoption of the provisions of Governmental Accounting Standards Board Statement Nos. 60, 62, and 63. Our report also includes a reference to other auditors who audited the financial statements of the Contra Costa County Employees’ Retirement Association, First 5 Contra Costa Children and Families Commission, and the Housing Authority of the County of Contra Costa, as described in our report on the County’s financial statements. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying revised schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be a material weakness and significant deficiencies.

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. We

consider the deficiency described in the accompanying revised schedule of findings and questioned costs as item 2013-001 to be a material weakness.

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. We consider the deficiencies described in the accompanying revised schedule of findings and questioned costs as items 2013-002 and 2013-003 to be significant deficiencies.

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*.

County's Response to Findings

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

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 result 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.



Walnut Creek, California

December 18, 2013, except for the revised schedule of findings and questioned costs⁵⁰ related to amending Finding 2013-003, for which the date is March 11, 2016



**Independent Auditor’s Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance; and Report on the
Amended and Restated Schedule of Expenditures of Federal Awards Required by OMB Circular
A-133 and Supplemental Schedules**

To the Board of Supervisors
of the County of Contra Costa
Martinez, California

Report on Compliance for Each Major Federal Program

We have audited the County of Contra Costa’s, California (County), compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County’s major federal programs for the year ended June 30, 2013. The County’s major federal programs are identified in the summary of auditor’s results section of the accompanying revised schedule of findings and questioned costs.

The County’s basic financial statements include the operations of the Housing Authority of the County of Contra Costa (Housing Authority), which expended \$91,911,923 in federal awards, which is not included in the amended and restated schedule of expenditures of federal awards (SEFA) during the year ended June 30, 2013. Our audit, described below, did not include the operations of the Housing Authority because this entity engaged other auditors to perform an audit in accordance with OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Management’s Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor’s 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 with those requirements.

Basis for Qualified Opinions on the Justice Assistance Grant (JAG) Program Cluster (CFDA Nos. 16.738 and 16.804) and the Assistance to Firefighters Grant (CFDA No. 97.044)

As described in the accompanying revised schedule of findings and questioned costs, the County did not comply with the requirements regarding CFDA Nos. 16.738 and 16.804 JAG Program Cluster, as described in finding number 2013-004 for Subrecipient Monitoring, and CFDA No. 97.044 Assistance to Firefighters Grant, as described in finding number 2013-005 for Subrecipient Monitoring. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to those programs.

Qualified Opinions on the JAG Program Cluster (CFDA Nos. 16.738 and 16.804) and the Assistance to Firefighters Grant (CFDA No. 97.044)

In our opinion, except for the noncompliance described in the Basis for Qualified Opinions paragraph, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the JAG Program Cluster (CFDA Nos. 16.738 and 16.804) and the Assistance to Firefighters Grant (CFDA No. 97.044) for the year ended June 30, 2013.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying revised schedule of findings and questioned costs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies

in internal control over compliance described in the accompanying revised schedule of findings and questioned costs as items 2013-004 and 2013-005 to be material weaknesses.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying revised 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.

Amended and Restated Schedule of Expenditures of Federal Awards Required by OMB A-133 and Supplemental Schedules

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 18, 2013, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying amended and restated SEFA and supplemental schedules, as listed in the table of contents, are presented for purposes of additional analysis as required by OMB Circular A-133 and the State of California, respectively, and are not a required part of the basic financial statements. The original schedule of expenditures of federal awards dated December 18, 2013 has been amended and restated as described in Note 8. The amended and restated schedule of expenditures of federal awards and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 SEFA and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Macias Gini & O'Connell LLP

Walnut Creek, California

March 26, 2014, except for our report

on the amended and restated schedule of expenditure of federal awards,

for which the date is March 11, 2016

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COUNTY OF CONTRA COSTA
Amended and Restated Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

Federal Grantor/ Pass-Through Entity/ Grant Name	Federal CFDA No.	Pass Through Entity Number	Federal Portion Expenditures	Amount Passed to Subrecipients
U.S. Department of Agriculture				
<u>Pass through the State of California Department of Food and Agriculture</u>				
Plant and Animal Disease, Pest Control, and Animal Care				
12143 Expanded Pest Detection County Contract	10.025	11-8520-1399-CA	\$ 227,469	\$ -
Pierce's Disease Control Program-GWSS	10.025	12-8506-0484-CA	261,210	-
Detector dog teams	10.025	11-8520-1165-CA	202,734	-
Light Brown Apple Moth Detection and Regulatory	10.025	11-8520-1164-CA & 12-8506-1164-CA	41,221	-
Sudden Oak Death	10.025	11-8523-0572-CA	70,669	-
Asian Citrus Psyllid	10.025	11-8520-1211-CA and 12-8506- 1211-CA	12,375	-
		Subtotal	815,678	-
<u>Pass through State of California Department of Public Health</u>				
Supplemental Nutrition Assistance Program	10.551	N/A	723,804	163,829
<u>Pass through State of California Department of Social Services</u>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	CFLs 12/13-40	14,812,426	-
		Cluster Subtotal	15,536,230	163,829
<u>Pass through State of California Department of Education</u>				
National School Lunch Program	10.555	710074600529201	385,638	-
<u>Pass through State of California Department of Public Health</u>				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	CA 02-25-688	4,803,359	-
<u>Pass through State of California Department of Education</u>				
Child and Adult Care Food Program	10.558	220700	1,090,222	-
<u>Pass through State of California Department of Food and Agriculture</u>				
Senior Farmers Market Nutrition Program	10.576	AP-1213-07	15,000	15,000
1890 Institution Capacity Building Grants (B)	10.816	N/A	138,991	124,242
		Total U.S. Department of Agriculture	22,785,118	303,071
U.S. Department of Commerce				
<u>Pass through the Economic Development Administration</u>				
Economic Adjustment Assistance	11.307	07-79-06920	75,816	48,000
		Total U.S. Department of Commerce	75,816	48,000
U.S. Department of Housing and Urban Development				
<u>Direct Program</u>				
Community Development Block Grant / Entitlement Grants	14.218	Prior Year Ending Loan Balance	33,986,014	-
Community Development Block Grant / Entitlement Grants	14.218	N/A	4,123,770	961,796
ARRA- Community Development Block Grant ARRA Entitlement Grants (CDBG-R)	14.253	HUD B-09-UY-06-0002	92,375	92,193
		Cluster Subtotal	38,202,159	1,053,989
Supportive Housing Program	14.235	N/A	161,604	161,604
Supportive Housing Program	14.235	N/A	192,708	192,708
		Subtotal	354,312	354,312
Shelter Plus Care	14.238	N/A	501,273	501,273
Shelter Plus Care	14.238	N/A	283,096	283,096
		Subtotal	784,369	784,369
Home Investment Partnerships Program	14.239	N/A	6,426,608	-
Home Investment Partnerships Program	14.239	Prior Year Ending Loan Balance	39,839,436	-
		Subtotal	46,266,044	-
<u>Pass through City of Oakland</u>				
Housing Opportunities for Persons with AIDS	14.241	N/A	481,804	102,480
Housing Opportunities for Persons with AIDS	14.241	Prior Year Ending Loan Balance	4,126,995	-
		Subtotal	4,608,799	102,480

COUNTY OF CONTRA COSTA
Amended and Restated Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2013

Federal Grantor/ Pass-Through Entity/ Grant Name	Federal CFDA No.	Pass Through Entity Number	Federal Portion Expenditures	Amount Passed to Subrecipients
U.S. Department of Housing and Urban Development (Continued)				
<u>Direct Program</u>				
ARRA- Homelessness Prevention and Rapid Re-Housing Program	14.257	HUD S-09-UY-06-0002	\$ 1,419	\$ 1,419
<u>Pass through State of California Department of Housing and Community Development</u>				
Community Development Block Grants / State's program and Non-Entitlement Grants	14.228	09-NSPI-6254	235,204	-
Community Development Block Grants / State's program and Non-Entitlement Grants	14.228	Prior Year Ending Loan Balance	228,355	-
		Subtotal	463,559	-
<u>Pass through State of California Department of Housing and Community Emergency Solutions Grant Program</u>				
Emergency Solutions Grant Program	14.231	N/A	126,493	-
<u>Direct Programs</u>				
Emergency Solutions Grant Program	14.231	HUDE-12-UC-06-0002	269,081	141,736
Emergency Solutions Grant Program	14.231	N/A	66,045	66,045
		Subtotal	461,619	207,781
Total U.S. Department of Housing and Urban Development			91,142,280	2,504,350
U.S. Department of Justice				
<u>Pass through State of California Department of Corrections and Rehabilitation</u>				
Juvenile Accountability Block Grants	16.523	BSCC 163-12	56,431	-
<u>Pass through Violence against Women Office</u>				
Supervised Visitation, Safe Havens for Children	16.527	N/A	138,791	134,762
<u>Direct Programs</u>				
Grant to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	N/A	372,455	400,866
Grant to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	2010-WE-AX-0053	39,210	-
Grant to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	N/A	44,346	24,996
		Subtotal	456,011	425,862
<u>Pass through State of California Emergency Management Agency</u>				
Crime Victim Assistance	16.575	N/A	193,650	-
Crime Victim Assistance	16.575	CAL EMA 2-101	247,488	-
Crime Victim Assistance	16.575	UV11020070	32,441	-
Crime Victim Assistance	16.575	UV12030070	67,542	-
		Subtotal	541,121	-
<u>Pass through State of California Emergency Management Agency</u>				
Violence Against Women Formula Grants	16.588	N/A	184,238	-
Protecting Inmates and Safeguarding Communities Discretionary Grant Program	16.735	2010-RP-BX-K001	5,869	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2009 DJ-BX-0348	184,035	184,035
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2010-DJ-BX-0341	1,860	1,860
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	245,947	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	DC11 24 0070	83,993	-
ARRA- Edward Byrne Memorial Justice Assistance Grant Program / Grants to Units of Local Government	16.804	N/A	657,245	657,245
		Cluster Subtotal	1,173,080	843,140
<u>Pass through State of California Office of Emergency Services</u>				
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	CQ12 080070	6,214	-

COUNTY OF CONTRA COSTA
Amended and Restated Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2013

Federal Grantor/ Pass-Through Entity/ Grant Name	Federal CFDA No.	Pass Through Entity Number	Federal Portion Expenditures	Amount Passed to Subrecipients
U.S. Department of Justice (Continued)				
<u>Direct Programs</u>				
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	2012-MO-BX-0021	\$ 15,767	\$ -
<u>Pass through Bureau of Juvenile Justice</u>				
Second Chance Act Prisoner Reentry Initiative	16.812	2012-CZ-BX-0018	249,468	62,850
Total U.S. Department of Justice			2,826,990	1,466,614
U.S. Department of Labor				
<u>Pass through State of California Employment Development Department</u>				
Senior Community Service Employment Program	17.235	309	576,375	515,009
Workforce Investment Act Cluster:				
Workforce Investment Act - Adult Program	17.258	K386292	1,120,658	171,810
Workforce Investment Act - Adult Program	17.258	K386292	1,803,903	119,823
Workforce Investment Act - Adult Program	17.258	K282470	1,348,528	206,745
Workforce Investment Act - Adult Program	17.258	12942	153,548	-
Workforce Investment Act - Youth Activities	17.259	K386292	1,373,082	1,175,472
Workforce Investment Act - Youth Activities	17.259	K282470	567,900	486,169
Workforce Investment Act - Dislocated Worker Formula Grants	17.278	K386292	384,853	98,751
Workforce Investment Act - Dislocated Worker Formula Grants	17.278	K282470	1,353,123	89,880
Workforce Investment Act - Dislocated Worker Formula Grants	17.278	13-WO-59	117,760	916
Workforce Investment Act - Dislocated Worker Formula Grants	17.278	11-W119	9,354	-
Workforce Investment Act - Dislocated Worker Formula Grants	17.278	K282470	136,652	20,950
Workforce Investment Act - Dislocated Worker Formula Grants	17.278	K178655	7,463	-
Workforce Investment Act - Dislocated Worker Formula Grants	17.278	K282470	81,225	25,159
Cluster Subtotal			8,458,049	2,395,675
Total U.S. Department of Labor			9,034,424	2,910,684
U.S. Department of Transportation				
<u>Direct Programs</u>				
Airport Improvement Program	20.106	AIP #3-06-0050-18	2,557,551	-
Airport Improvement Program	20.106	AIP #3-06-0008-13	92,046	-
Subtotal			2,649,597	-
<u>Pass through State of California Department of Transportation</u>				
Highway Planning and Construction	20.205	SRTSLNI-5928(090)	22,744	-
Highway Planning and Construction	20.205	BRLO-5928 (068)	106,959	-
Highway Planning and Construction	20.205	HSIPHR3L-5928 (096)	96,356	-
Highway Planning and Construction	20.205	SRTSL-5928 (112)	109,233	-
Highway Planning and Construction	20.205	BRLS-5928 (067)	205,658	-
Highway Planning and Construction	20.205	HRRRL-5928 (095)	135,682	-
Highway Planning and Construction	20.205	SRTSL-5928 (086)	110,551	-
Highway Planning and Construction	20.205	HSIPL-5928 (089)	422,772	-
Highway Planning and Construction	20.205	HRRRL-5928 (084)	44,766	-
Highway Planning and Construction	20.205	BRLO-5928 (045)	80,000	-
Highway Planning and Construction	20.205	BRLO 5928 (108)	40,707	-
Highway Planning and Construction	20.205	HSIPL-5928 (105)	171,746	-
Highway Planning and Construction	20.205	STPL-5928 (106)	895,876	-
Highway Planning and Construction	20.205	BRLS-5928 (104)	7,374	-
Highway Planning and Construction	20.205	BRLS 5928 (107)	83,684	-
Highway Planning and Construction	20.205	HSIPL 5928 (110)	194,515	-
Highway Planning and Construction	20.205	STPL-5928 (111)	1,242,016	-
Subtotal Highway Planning and Construction Cluster:			3,970,639	-
<u>Pass through State of California Office of Traffic Safety</u>				
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	#20240	64,514	-
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	AL 1335	32,944	-
Subtotal			97,458	-
Total U.S. Department of Transportation			6,717,694	-

COUNTY OF CONTRA COSTA
Amended and Restated Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2013

Federal Grantor/ Pass-Through Entity/ Grant Name	Federal CFDA No.	Pass Through Entity Number	Federal Portion Expenditures	Amount Passed to Subrecipients
Institute of Museum and Library Services				
<u>Pass through California State Library</u>				
Grants to States	45.310	40-8003	\$ 4,477	\$ -
Grants to States	45.310	40-8004	4,412	-
Grants to States	45.310	40-7957	1,338	-
Grants to States	45.310	40-7958	11,841	-
Grants to States	45.310	40-8164	34,197	-
Grants to States	45.310	N/A	4,491	-
		Subtotal	60,756	-
Total Institute of Museum and Library Services			60,756	-
Small Business Administration				
<u>Pass through Humboldt State University</u>				
Small Business Development Centers	59.037	N/A	321,687	-
Total Small Business Administration			321,687	-
U.S. Department of Energy				
<u>Pass through State of California Department of Community Services and Development</u>				
ARRA- Weatherization Assistance For Low-Income Persons	81.042	09C-1806	11,196	-
Weatherization Assistance For Low-Income Persons	81.042	11C-1805	75,643	-
Total U.S. Department of Energy			86,839	-
U.S. Elections Assistance Commission				
<u>Pass through Secretary of State Office</u>				
Help America Vote Act Requirements Payments	90.401	11G-30107	510,026	-
Total U.S. Elections Assistance Commission			510,026	-
U.S. Department of Health & Human Services				
<u>Direct Programs</u>				
Hansen's Disease National Ambulatory Care Program	93.215	HSHS25801000014C	336,447	-
Substance Abuse and Mental Health Services_Projcts of Regional and National Significance	93.243	N/A	81,281	81,281
Substance Abuse and Mental Health Services_Projcts of Regional and National Significance	93.243	5H79TI023720-02	333,788	201,150
Substance Abuse and Mental Health Services_Projcts of Regional and National Significance	93.243	N/A	25,526	25,526
		Subtotal	440,595	307,957
<u>Pass through State of California Department of Aging</u>				
Special Programs for the Aging_ Title VII, Chapter 3_Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	AP-1213-07	14,805	14,805
Special Programs for the Aging_ Title VII, Chapter 2_Long Term Care Ombudsman Services for Older Individuals	93.042	AP-1213-07	53,340	53,340
Special Program for the Aging_ Title III, Part D_Disease Prevention and Health Promotion Services	93.043	AP-1213-07	55,319	35,000
National Family Caregivers Support, Title III, Part E	93.052	AP-1213-07	449,678	403,162
Aging Cluster:				
Special Programs for the Aging_ Title III, Part B_Grants for Supportive Services and Senior Centers	93.044	AP-1213-07	1,148,547	353,978
Special Programs for the Aging_ Title III, Part C_Nutrition Services	93.045	AP-1213-07	1,556,134	-
Nutrition Services Incentive Program	93.053	AP-1213-07	344,635	-
		Cluster Subtotal	3,049,316	353,978
<u>Pass through State of California DHS-Emergency Preparedness Office</u>				
Public Health Emergency Preparedness	93.069	Resolution # 81270 CMS	1,288,447	-
<u>Pass through State of California State Department of Social Services</u>				
Guardianship Assistance	93.090	CFL 11/12-18; CFL12/13-06; CFL 12/13-16; CFL 13/14-02	120,804	-
Guardianship Assistance	93.090	N/A	730,929	-
		Subtotal	851,733	-

COUNTY OF CONTRA COSTA
Amended and Restated Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2013

Federal Grantor/ Pass-Through Entity/ Grant Name	Federal CFDA No.	Pass Through Entity Number	Federal Portion Expenditures	Amount Passed to Subrecipients
U.S. Department of Health & Human Services (Continued)				
<u>Pass through Food and Drug Administration</u>				
Food and Drug Administration_Research	93.103	N/A	\$ 46,013	\$ -
<u>Pass through State Department of Health & Human Services-TBCB</u>				
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	N/A	257,687	-
<u>Pass through State Department of Mental Health</u>				
Projects for Assistance in Transition from Homeless (PATH)	93.150	2X06SM060005-09	145,072	145,072
<u>Pass through State of California Department of Health and Human Services- Child Medical Services</u>				
Disabilities Prevention	93.184	N/A	1,151,051	-
Disabilities Prevention	93.184	N/A	302,497	-
		Subtotal	1,453,548	-
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	N/A	1,099,347	-
<u>Pass through Secretary of State Office</u>				
Voting Access for Individuals with Disabilities_Grants to States	93.617	11G-26106	20,000	-
<u>Direct Programs</u>				
Basic Center Grant	93.623	N/A	200,000	200,000
Basic Center Grant	93.623	N/A	131,026	131,026
		Subtotal	331,026	331,026
<u>Pass through State of California Department of Social Services</u>				
Stephanie Tubbs Jones Child Welfare Services Program	93.645	CDSS	1,270,280	-
Foster Care - Title IV-E	93.658	CFL 11/12-18 & CFL 12/13-16	166,508	-
Foster Care - Title IV-E	93.658	CFL 12/13-09	201,750	-
Foster Care - Title IV-E	93.658	N/A	956,247	-
Foster Care - Title IV-E	93.658	N/A	2,130,681	-
Foster Care - Title IV-E	93.658	N/A	6,531,166	-
Foster Care - Title IV-E	93.658	CFL 11/12-18; CFL 12/16-16; CFL 12/13-19	1,126,817	-
Foster Care - Title IV-E	93.658	CDSS	8,256,445	-
Foster Care - Title IV-E	93.658	CFL 11/12-18 & CFL 12/13-16	292,920	-
		Subtotal	19,662,534	-
Adoption Assistance - Title IV-E	93.659	CFL 11/12-18 & CFL 12/13-16	789,877	-
Adoption Assistance - Title IV-E	93.659	N/A	6,836,368	-
Adoption Assistance - Title IV-E	93.659	CFL 11/12-18 & CFL 12/13-16	240,627	-
		Subtotal	7,866,872	-
Social Services Block Grant	93.667	CDSS	923,565	-
Social Services Block Grant	93.667	N/A	396,916	-
Social Services Block Grant	93.667	CFL 12/13-18 & CFL 12/13-36	1,291,898	-
Social Services Block Grant	93.667	N/A	56,712	-
		Subtotal	2,669,091	-
<u>Direct Programs</u>				
Child Abuse and Neglect Discretionary Activities	93.670	N/A	209,696	-
Child Abuse and Neglect Discretionary Activities	93.670	N/A	86,588	60,286
		Subtotal	296,284	60,286
<u>Pass through State of California Department of Social Services</u>				
Chafee Foster Care Independence Program	93.674	13	585,983	-
<u>Direct Programs</u>				
ARRA- Grants to Health Center Programs	93.703	N/A	500,069	-

COUNTY OF CONTRA COSTA
Amended and Restated Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2013

Federal Grantor/ Pass-Through Entity/ Grant Name	Federal CFDA No.	Pass Through Entity Number	Federal Portion Expenditures	Amount Passed to Subrecipients
U.S. Department of Health & Human Services (Continued)				
<u>Pass through State of California Department of Health</u>				
Medical Assistance Program (Medicaid; Title XIX)	93.778	CFL 11/12-18	\$ 1,114,396	\$ -
Medical Assistance Program (Medicaid; Title XIX)	93.778	CFL 11/12-18; CFL 12/13-16; CFL 12/13-19	1,689,561	-
Medical Assistance Program (Medicaid; Title XIX)	93.778	CFL 12/13-14	3,582,907	-
Medical Assistance Program (Medicaid; Title XIX)	93.778	N/A	799,513	18,160
Medical Assistance Program (Medicaid; Title XIX)	93.778	MCAC 2012-13-01 thru 2012-13-08	20,539,465	-
<u>Pass through State of California Department of Social Services</u>				
Medical Assistance Program (Medicaid; Title XIX)	93.778	N/A	4,505,531	-
		Subtotal	32,231,373	18,160
<u>Pass through State of California Department of Aging</u>				
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	HI-1213-07	158,711	-
<u>Pass through State of California Department of Health & Human Services - AIDS Office</u>				
National Bioterrorism Hospital Preparedness Program	93.889	23-385,23-404,23-405,23-431,23- 410,23-411,23-375,23-407,23-406	122,285	-
National Bioterrorism Hospital Preparedness Program	93.889	23-373,23-385,23-404,23-405,23- 431,23-410,23-411,23-374,23- 375,23-407,23-406	329,937	-
		Subtotal	452,222	-
HIV Emergency Relief Project Grants	93.914	07-65045	1,451,019	481,875
HIV Care Formula Grants	93.917	N/A	513,112	38,762
HIV Prevention Activities_Health Department Based	93.940	N/A	398,254	93,548
<u>Direct Programs</u>				
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	6H76HA00618-13-00	300,846	43,489
<u>Pass through State DHHS, CDPH, CLPPB</u>				
Childhood Lead Poisoning Prevention Projects_State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	CA02-25-668	104,592	-
<u>Pass through State of California Department of Health & Human Services - Immunize Branch</u>				
Immunization Cooperative Agreements	93.268	10-95366	422,410	108,157
Centers for Disease Control and Prevention_Investigations and Technical Assistance	93.283	N/A	33,531	-
<u>Direct Programs</u>				
Teenage Pregnancy Prevention Program	93.297	N/A	1,127,689	55,743
<u>Pass through State of California Department of Health & Human Services - MCH Branch</u>				
State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges	93.525	12E9053 A2	1,083,199	-
<u>Pass through State of California Department of Social Services</u>				
Promoting Safe and Stable Families	93.556	CFL 12/13-10 & CFL 12/13 11	697,553	-
Temporary Assistance for Needy Families (TANF)	93.558	N/A	10,312,485	-
Temporary Assistance for Needy Families (TANF)	93.558	CFL 12/13-18& CFL 12/13-36	42,470,477	-
Temporary Assistance for Needy Families (TANF)	93.558	CDSS	4,596,615	-
		Subtotal	57,379,577	-
<u>Pass through State of California Department of Child Support Services</u>				
Child Support Enforcement	93.563	1304CA4004	12,287,231	-
<u>Pass through State of California Department of Social Services</u>				
Refugee and Entrant Assistance_State Administered Programs	93.566	N/A	116,524	-

COUNTY OF CONTRA COSTA
Amended and Restated Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2013

Federal Grantor/ Pass-Through Entity/ Grant Name	Federal CFDA No.	Pass Through Entity Number	Federal Portion Expenditures	Amount Passed to Subrecipients
U.S. Department of Health & Human Services (Continued)				
<u>Pass through State of California Department of Health & Human Services</u>				
Refugee and Entrant Assistance State Administered Programs	93.566	N/A	\$ 54,998	\$ -
<u>Pass through State of California Department of Social Services</u>				
Refugee and Entrant Assistance State Administered Programs	93.566	N/A	18,691	-
		Subtotal	190,213	-
<u>Pass through Department of Community Services and Development</u>				
Low-Income Home Energy Assistance	93.568	12B-5805	106,853	-
Low-Income Home Energy Assistance	93.568	13B-5005	43,975	-
Low-Income Home Energy Assistance	93.568	13B-5005	41,626	-
Low-Income Home Energy Assistance	93.568	12B-5805	111,147	-
Low-Income Home Energy Assistance	93.568	12B-5805	92,139	-
Low-Income Home Energy Assistance	93.568	13B-5005	79,532	-
Low-Income Home Energy Assistance	93.568	12B-5805	124,754	-
Low-Income Home Energy Assistance	93.568	13B-5005	54,515	-
Low-Income Home Energy Assistance	93.568	12B-5805	68,486	-
Low-Income Home Energy Assistance	93.568	13B-5005	11,916	-
Low-Income Home Energy Assistance	93.568	13B-5005	339,879	-
Low-Income Home Energy Assistance	93.568	12B-5805	730,195	-
Low-Income Home Energy Assistance	93.568	12B-5805	46,515	-
Low-Income Home Energy Assistance	93.568	13B-5005	8,083	-
Low-Income Home Energy Assistance	93.568	11B-5706	43,691	-
		Subtotal	1,903,306	-
<u>Pass through Department of Community Services and Development</u>				
Community Services Block Grant	93.569	13F-3007	322,064	19,500
Community Services Block Grant	93.569	12F-4407	434,805	90,600
		Subtotal	756,869	110,100
<u>Pass through State Department of Education - Child Development Program</u>				
CCDF Program Cluster:				
Child Care and Development Block Grant	93.575	CSPP2045	558,566	-
Child Care and Development Block Grant	93.575	CCTR2024	390,283	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	CCTR2024	709,381	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	CAPP 2011	603,952	658,511
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	CSPP2045	1,015,254	-
		Cluster Subtotal	3,277,436	658,511
<u>Direct Programs</u>				
Head Start	93.600	09CH0375/47	17,237,099	3,130,949
Head Start	93.600	09CH0375/47	4,450,488	621,600
		Subtotal	21,687,587	3,752,549
<u>Pass through State Department of Mental Health</u>				
Block Grants for Community Mental Health Services	93.958	3B09SM010005-09S1	1,607,213	435,321
<u>Pass through State of California Department of Alcohol and Drug Programs</u>				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	07-NNA-07	3,945,736	2,097,875
Block Grants for Prevention and Treatment of Substance Abuse	93.959	07-NNA-07	1,713,193	563,607
Block Grants for Prevention and Treatment of Substance Abuse	93.959	07-NNA-07	277,619	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	07-NNA-07	376,551	308,416
Block Grants for Prevention and Treatment of Substance Abuse	93.959	07-NNA-07	1,533,554	1,463,391
		Subtotal	7,846,653	4,433,289
<u>Pass through State of California Department of Health & Human Services</u>				
Maternal and Child Health Services Block Grant to the States	93.994	N/A	750,405	-
Maternal and Child Health Services Block Grant to the States	93.994	N/A	223,338	201,594
		Subtotal	973,743	201,594
Total U.S. Department of Health & Human Services			189,627,825	12,135,724

COUNTY OF CONTRA COSTA
Amended and Restated Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2013

Federal Grantor/ Pass-Through Entity/ Grant Name	Federal CFDA No.	Pass Through Entity Number	Federal Portion Expenditures	Amount Passed to Subrecipients
U.S. Department of Homeland Security				
<u>Direct Program</u>				
Emergency Food and Shelter National Board Program	97.024	N/A	\$ 75,000	\$ 75,000
<u>Pass through State of California Office of Emergency Services</u>				
Emergency Management Performance Grants	97.042	2012-0027	145,510	-
Emergency Management Performance Grants	97.042	2011-00048	270,442	-
		Subtotal	415,952	-
<u>Direct Programs</u>				
Assistance to Firefighters Grant	97.044	N/A	4,646,174	-
Assistance to Firefighters Grant	97.044	N/A	1,750,000	925,000
		Subtotal	6,396,174	925,000
<u>Pass through State of California Office of Emergency Services</u>				
State Homeland Security Program (SHSP)	97.073	2010-0085	132,631	-
State Homeland Security Program (SHSP)	97.073	2011-SS-0077	1,166,887	-
		Subtotal	1,299,518	-
<u>Pass through State of California Office of Emergency Services</u>				
Buffer Zone Protection Program (BZPP)	97.078	2010-BF-T0-0020	395,598	-
			8,582,242	1,000,000
Total U.S. Department of Homeland Security				
Total Expenditures of Federal Awards			\$ 331,771,697	\$ 20,368,443

COUNTY OF CONTRA COSTA
Notes to the Amended and Restated Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

EX
01

1. REPORTING ENTITY

The financial reporting entity, as defined by the Governmental Accounting Standards Board (GASB), consists of the primary government, which is the County of Contra Costa, California (County), organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

Funds received under the various grant programs have been recorded within the general fund, special revenue funds, capital projects fund, and enterprise funds of the County. The County utilizes the modified accrual method of accounting for the general fund, special revenue funds, and capital projects fund and full accrual basis of accounting for the enterprise funds. Revenues and expenditures related to the value of food stamps issued under the Food Stamps Program are not reported in the County's basic financial statements as they are non-cash awards. Non-cash transactions related to the Food Donation Program are not reported in the County's basic financial statements as these represent aid-in-kind.

The accompanying schedule of expenditures of federal awards (SEFA) is presented in accordance with the requirements of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in the SEFA may differ from amounts presented in, or used in, the preparation of the County's basic financial statements.

B. Schedule of Expenditures of Federal Awards

The accompanying SEFA presents the activity of all federal financial assistance programs of the County except for the awards related to the County of Contra Costa Housing Authority (Authority) that conducted a separate single audit in accordance with OMB Circular A-133. Federal financial assistance received directly from federal agencies, as well as any federal financial assistance passed through the State of California, is included in the SEFA. The SEFA was prepared from only the accounts of various grant programs and therefore does not present the financial position, change in fund balance, or results of operations of the County.

When the County receives federal awards as a subrecipient, the pass through agency generally provides the County with a pass through number that will be referenced on the SEFA. If the pass through agency does not generate or provide such a number, the County will denote "N/A" on the SEFA in the absence of a pass through number.

COUNTY OF CONTRA COSTA
Notes to the Amended and Restated Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

3. LOAN PROGRAMS

The County has provided loans under several U.S. Department of Housing and Urban Development programs. These loans are made to carry out activities for affordable housing and economic development. The programs are administered both internally and by servicing and trust arrangements with financial institutions to collect loan repayments. The funds will be returned to the County programs upon repayment of the principal and interest and will be recorded as program income at that time. The following is a summary of the loan programs maintained by the County, including the outstanding loan receivable balances at June 30, 2013 and the total amount reported in the SEFA, which includes that outstanding balance as well as other non-loan program expenditures.

Program Title	Federal CFDA Number	Loan Receivable Outstanding as of June 30, 2013	Non-Loan Current Year Expenditures	Amount Reported in SEFA
Community Development Block Grant	14.218	\$ 34,589,759	\$ 1,514,419	\$ 36,104,178
Neighborhood Stabilization Program (NSP-1)	14.218	428,247	218,562	646,809
Neighborhood Stabilization Program (NSP-3)	14.218	1,264,487	94,310	1,358,797
Neighborhood Stabilization Program (State)	14.228	426,414	37,145	463,559
Home Investment Partnership Program	14.239	45,940,249	325,795	46,266,044
Housing Opportunities for Persons with AIDS	14.241	4,426,995	181,804	4,608,799
		<u>\$ 87,076,151</u>	<u>\$ 2,372,035</u>	<u>\$ 89,448,186</u>

4. PROGRAM FUNDED THROUGH THE STATE DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

The following table, requested by the State of California, is a summary of expenditures for selected programs funded through the State Department of Community Services and Development for the year ended June 30, 2013:

Program Title	Federal CFDA Number	Amount
ARRA- Weatherization Assistance for Low-Income Persons	81.042	\$ 11,196
Weatherization Assistance for Low-Income Persons	81.042	75,643
Low-Income Home Energy Assistance	93.568	1,903,306
Community Services Block Grant	93.569	756,869

COUNTY OF CONTRA COSTA
Notes to the Amended and Restated Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

EX
01

5. SUMMARY OF FEDERAL EXPENDITURES OF THE HOUSING AUTHORITY

The Authority's expenditures are excluded from the accompanying SEFA because they are separately audited by other auditors. The programs of the Authority for the fiscal year ended March 31, 2013 were as follows:

Program Title	Federal CFDA Number	Amount
U.S. Department of Housing and Urban Development		
Shelter Plus Care	14.238	\$ 3,224,881
Public and Indian Housing	14.850	5,393,423
Lower Income Housing Assistance Program- Section 8		
Moderate Rehabilitation	14.856	134,672
Housing Choice Voucher Program	14.871	80,008,462
Public Housing- Capital Fund Program	14.872	3,150,485
Total U.S. Department of Housing and Urban Development		\$ 91,911,923

**6. PROGRAMS FUNDED THROUGH THE STATE OFFICE OF EMERGENCY
MANAGEMENT AGENCY (CalEMA)**

The County had program audits performed by an independent auditor on the following programs passed through the State Office of Emergency Services:

Grant Title	Grant Number
Regional Anti-Drug Abuse Program	BSCC614-12
Victim Witness Assistance Program	VW12310070
Vertical Prosecution Program	VB08060070
Violence Against Women Vertical Prosecution	VV10240070
Underserved Victim Advocacy and Outreach Program	UV12030070

A copy of the audit report for the above programs can be obtained from the Office of the Auditor-Controller at 625 Court Street, Room 103, Martinez, California, 94553-1282.

COUNTY OF CONTRA COSTA
Notes to the Amended and Restated Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

EX
01

7. CLUSTER PROGRAM TOTALS

The following table summarizes clusters funded by various sources or grants whose totals are not shown on the SEFA. The following table summarizes these programs:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Expenditures</u>
<i>SNAP Program Cluster</i>		
Supplemental Nutrition Assistance Program (SNAP) Passed through State of California Department of Public Health State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.551	\$ 723,804
Passed through State of California Department of Social Services Total SNAP Program Cluster	10.561	<u>14,812,426</u> <u>\$ 15,536,230</u>
<i>CDBG Entitlement Grants Cluster</i>		
Community Development Block Grant/Entitlement Grants Direct Program	14.218	\$ 38,109,784
ARRA - Community Development Block Grant ARRA Entitlement Grants (CDBG-R) Direct Program	14.253	<u>92,375</u> <u>\$ 38,202,159</u>
Total CDBG Entitlement Grants Cluster		
<i>JAG Program Cluster</i>		
Edward Byrne Memorial Justice Assistance Grant Program Passed through State of California Emergency Management Agency ARRA- Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to Units of Local Government	16.738	\$ 515,835
Passed through State of California Emergency Management Agency Total JAG Program Cluster	16.804	<u>657,245</u> <u>\$ 1,173,080</u>
<i>WIA Cluster</i>		
Workforce Investment Act- Adult Program Passed through State of California Employment Development Department Workforce Investment Act- Youth Activities	17.258	\$ 4,426,637
Passed through State of California Employment Development Department Workforce Investment Act- Dislocated Worker Formula Grants	17.259	1,940,982
Passed through State of California Employment Development Department Total WIA Cluster	17.278	<u>2,090,430</u> <u>\$ 8,458,049</u>
<i>Aging Cluster</i>		
Special Programs for Aging_ Title III, Part B_ Grants for Supportive Services and Senior Centers Passed through State of California Department of Aging	93.044	\$ 1,148,547
Special Programs for Aging_ Title III, Part C_ Nutrition Services Passed through State of California Department of Aging	93.045	1,556,134
Nutrition Services Incentive Program Passed through State of California Department of Aging Total Aging Cluster	93.053	<u>344,635</u> <u>\$ 3,049,316</u>
<i>CCDF Program Cluster</i>		
Child Care and Development Block Grant Passed through State Department of Education- Child Development Program Child Care Mandatory and Matching Funds of the Child Care and Development Fund Passed through State Department of Education- Child Development Program	93.575	\$ 948,849
Total CCDF Program Cluster	93.596	<u>2,328,587</u> <u>\$ 3,277,436</u>

COUNTY OF CONTRA COSTA
Notes to the Amended and Restated Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

EX
01

8. REISSUANCE OF THE SINGLE AUDIT REPORT

The federal expenditures previously reported in the Schedule of Expenditures of Federal Awards for the year ended June 30, 2013 have been amended and restated for the following reasons:

Federal expenditures for the year ended June 30, 2013, as previously reported	\$ 330,688,498
Changes made to the reported federal expenditures:	
Unreported expenditures related to CFDA No. 93.525	<u>1,083,199</u>
Federal expenditures for the year ended June 30, 2013, as amended and restated	<u>\$ 331,771,697</u>

The County added federal expenditures related to CFDA No. 93.525 – State Planning and Establishment Grants for the Affordable Care Act (ACA)’s Exchanges for a federal program that was omitted from the original schedule of expenditures of federal awards. The previously unreported federal expenditures for this program amounted to \$1,083,199.

COUNTY OF CONTRA COSTA
 Revised Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2013

Section I Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
<input type="checkbox"/> Material weakness(es) identified?	Yes
<input type="checkbox"/> Significant deficiency(ies) identified?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards:

Internal control over major programs:	
<input type="checkbox"/> Material weakness(es) identified?	Yes
<input type="checkbox"/> Significant deficiency(ies) identified?	None reported

Type of auditor's report issued on compliance for major programs:	Unmodified for all major programs, except for CFDA Nos. 16.738, 16.804, and 97.044, which were qualified
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Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	Yes
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COUNTY OF CONTRA COSTA
 Revised Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2013

Section I Summary of Auditor's Results (Continued)

Identification of major programs:

- | | | |
|------|---|---|
| (1) | CFDA No. 14.239 | Home Investment Partnerships Program |
| (2) | CFDA No. 14.241 | Housing Opportunities for Persons with AIDS |
| (3) | CFDA No. 16.738
CFDA No. 16.804 | Edward Byrne Memorial Justice Assistance Grant Cluster:
Edward Byrne Memorial Justice Assistance Grant Program (JAG)
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG)
Program/Grants to Units of Local Government |
| (4) | CFDA No. 17.258
CFDA No. 17.259
CFDA No. 17.278 | Workforce Investment Act Cluster:
WIA - Adult Program
WIA - Youth Activities
WIA - Dislocated Worker Formula Grants |
| (5) | CFDA No. 93.044
CFDA No. 93.045
CFDA No. 93.053 | Aging Cluster:
Special Programs for the Aging_Title III, Part B_Grants for
Supportive Services and Senior Centers
Special Programs for the Aging_Title III, Part C_Nutrition
Services
Nutrition Services Incentive Program |
| (6) | CFDA No. 93.558 | Temporary Assistance for Needy Families (TANF) |
| (7) | CFDA No. 93.563 | Child Support Enforcement |
| (8) | CFDA No. 93.658 | Foster Care – Title IV-E |
| (9) | CFDA No. 93.659 | Adoption Assistance – Title IV-E |
| (10) | CFDA No. 93.703 | ARRA Grants to Health Center Programs |
| (11) | CFDA No. 93.778 | Medical Assistance Program (Medicaid; Title XIX) |
| (12) | CFDA No. 97.044 | Assistance to Firefighters Grant |

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

COUNTY OF CONTRA COSTA
Revised Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Section II Financial Statement Findings

Finding 2013-001 Accounting for OPEB Obligation

Regulatory or Other Criteria:

Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (GASB 45)* requires governments to calculate annual OPEB cost which should be equal to the annual required contributions of the employer (ARC) to the plan for a given year, calculated in accordance with the parameters described in GASB 45. Those parameters include a provision for amortizing the total unfunded actuarial accrued liability (UAAL) in accordance with the following requirements (GASB 45, paragraph 13.f.):

- (1) Maximum amortization period - The maximum acceptable amortization period for the total unfunded actuarial liability is thirty years. The total unfunded actuarial liability may be amortized as one amount, or components of the total may be separately amortized. When components are amortized over different periods, the individual amortization periods should be selected so that the equivalent single amortization period for all components combined does not exceed the maximum acceptable period.
- (2) Equivalent single amortization period - The equivalent single amortization period is the number of years incorporated in a weighted average amortization factor for all components of the total UAAL combined and should be calculated as follows:
 - (a) Determine the amortization factor for each component of the total UAAL using its associated amortization period and the discount rate selected in accordance with subparagraphs b and c of this paragraph.
 - (b) Calculate next year's amortization payment for each of the components by dividing each component by its associated amortization factor.
 - (c) Calculate the weighted average amortization factor by dividing the total UAAL by the sum of next year's individual amortization payments.
 - (d) Calculate the equivalent single amortization period as the number of years incorporated in the weighted average amortization factor (from c) at the discount rate used in subparagraph f(2)(a) of this paragraph.
- (3) Minimum amortization period - A significant decrease in the total UAAL generated by a change from one of the actuarial cost methods specified in subparagraph d of this paragraph to another of those methods, or by a change in the method(s) used to determine the actuarial value of assets (for example, a change from a method that spreads increases or decreases in market value over five years to a method that uses current market value), should be amortized over a period of not less than ten years. The minimum amortization period is not required when a plan is closed to new entrants and all or almost all of the plan members have retired.

COUNTY OF CONTRA COSTA
Revised Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Finding 2013-001 Accounting for OPEB Obligation (Continued)

- (4) Amortization method - The provision(s) for amortizing the total unfunded actuarial liability may be determined in level dollar amounts or as a level percentage of projected payroll of active plan members. If the level percentage of projected payroll method is used, the assumed payroll growth rate should not include an assumed increase in the number of active plan members; however, projected decreases in that number should be included if no new members are permitted to enter the plan (for example, a plan that covers only employees hired before a certain date).

GASB 45 also requires that when an employer has a net OPEB obligation, annual OPEB cost should be equal to the ARC, one year's interest on the net OPEB obligation, and an adjustment to the ARC. The interest should be calculated on the balance of the net OPEB obligation at the beginning of the year, using the investment return rate assumed in determining the ARC for that year (paragraph 13c).

Because this calculation of interest is independent of the actuarial calculation, the ARC should be adjusted to offset the amount of interest (and principal, if any) already included in the ARC for amortization of past contribution deficiencies or excess contributions of the employer. That portion of the ARC is not precisely determinable but can be reasonably approximated based on the net OPEB obligation, as discussed in paragraph 16. (GASB 45, paragraph 15)

The adjustment to the ARC should be equal to the discounted present value (ordinary annuity) of the balance of the net OPEB obligation at the beginning of the year, calculated using the *same* amortization methodology used in determining the ARC *for that year*. (The adjustment applies only for that year; a new calculation should be made each year.) That is, the adjustment should be calculated using the same (a) amortization method (level dollar or level percentage of projected payroll), (b) actuarial assumptions used in applying the amortization method, and (c) amortization period that were used in determining the ARC for that year. The adjustment should be *deducted* from the ARC if the beginning balance of the net OPEB obligation is positive (cumulative annual OPEB cost is greater than cumulative employer contributions), or *added* to the ARC if the net OPEB obligation is negative. (GASB 45, paragraph 16)

Condition Identified and Perspective:

When the County adopted the provisions of GASB 45 the County also adopted certain assumptions to be used by the actuary in computing the County's estimated other postemployment benefit (OPEB) annual required contribution. Management noted that the basis of amortizing the unfunded actuarial accrued liability was incorrect in the last two actuarial valuation reports dated January 1, 2010, and January 1, 2012. The basis should have been a level dollar amount over 30 years on a closed basis, but instead the actuary used an open basis which understated the annual required contribution and the OPEB obligation. Management also noted that OPEB obligation was not being amortized, which overstated the OPEB liability.

COUNTY OF CONTRA COSTA
Revised Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Finding 2013-001 Accounting for OPEB Obligation (Continued)

Asserted Cause:

The County was unaware that the actuary was using an incorrect basis for amortizing the UAAL.

The County had received incorrect accounting advice that they did not need to amortize the OPEB obligation and was guided by the understanding that the amortization was factored into the biennial OPEB valuation.

Effect or Potential Effect:

The errors noted above resulted in a net adjustment to the OPEB obligation at July 1, 2012, of \$177 million.

View of Responsible Officials:

When County management discovered the inaccuracies, they immediately met to determine the appropriate corrective action. The County's new actuary and new auditors were consulted and it was determined that the best course of action was to recompute and restate the prior year's net OPEB obligation. As such, an adjustment of \$177 million to the net OPEB obligation, beginning of year, was recorded in the Comprehensive Annual Financial Report for fiscal year ending June 30, 2013.

In conducting a self-assessment of why the inconsistencies occurred it was determined to be a communication gap between the County Administrator's Office and the Office of the Auditor-Controller. Neither Office detected that different OPEB data was being used. This issue is being addressed by improving communication between both offices as evidenced by the County Administrator's Office recently consulting with the Office of the Auditor-Controller prior to submitting 2014 OPEB assumptions to the Board of Supervisors. Additionally, when the 2014 OPEB information is computed for the FYE June 30, 2014, CAFR, the information will be submitted by the Office of the Auditor-Controller to the County Administrator's Office for review and approval.

COUNTY OF CONTRA COSTA
Revised Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Finding 2013-002 IT Governance and General Computer Controls

Regulatory or Other Criteria:

Information technology general controls (ITGC) are intended to establish a framework of control over all aspects of computerized processing related to financial reporting and encompass functions such as the County's information services organization and division of duties, changes to existing programs, and access to programs and data. ITGC are essential to maintaining the effectiveness of automated application controls over time.

Condition Identified and Perspective:

General computer controls over the access to programs and data should require that a mechanism or procedures be in place to identify and react to risks arising from internal and external sources. The County Department of Information Technology has not completed a formal comprehensive IT risk assessment to help identify the risks to the delivery of IT services and the accuracy and integrity of the County's financial and personnel data.

Asserted Cause and/or Effect:

A comprehensive risk assessment identifies potential threats to an IT infrastructure, prioritizes the likelihood and impact of those threats, and determines appropriate safeguards or mitigating actions.

Recommendation:

The County Chief Information Officer should plan and budget for an independent IT risk assessment to be performed to identify all the possible risks to the County IT department, the delivery of IT services, and the accuracy and integrity of the County financial and personnel data.

View of Responsible Officials:

Periodic IT control reviews are performed. The purpose of the control reviews is to document the Departments' IT policies and procedures to ensure compliance with County policy and Best IT Management Practices. Additionally, DoIT is planning for a business impact analysis by an IBM main frame consulting firm or authorized service company. It is agreed that best IT Control practices would require Department Management to submit an annual self-assessment for subsequent validation.

COUNTY OF CONTRA COSTA
Revised Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Amended Finding 2013-003 Schedule of Expenditures of Federal Awards Completeness

Regulatory or Other Criteria:

The U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* (OMB A-133), requires that the County prepare a schedule showing total expenditures for the year for each federal program. Further, OMB A-133 requires that the auditor identify and audit all high-risk type A federal programs. The County's type A programs are those with current year federal expenditures exceeding \$3,000,000.

Condition Identified and Perspective:

During our audit, we noted that the County included the following misstatements in its draft schedule of expenditures of federal awards (SEFA):

- ARRA Grants to Health Center Programs overstated expenditures by \$413,146 due to prior year expenditures being claimed twice.
- Medical Assistance Program overstated expenditures by \$1,332,631 due to an error in reportable program expenditures.
- Edward Byrne Memorial Justice Assistance Grant overstated expenditures by \$2,374 due to funds being sent back to the grantor and not expended.
- The Department of Conservation and Development overstated the amount of subrecipients by \$9,247,411 due to the Department including the expenditures paid to developers as a subrecipient. The following programs make up the \$9,247,411:
 - o \$2,908,798 was related to CFDA No. 14.218- Community Development Block Grant (including NSP)
 - o \$6,141,093 was related to CFDA No. 14.239- HOME Investment Partnership Program
 - o \$197,520 was related to CFDA No. 14.241- Housing Opportunities for Persons with AIDS
- Amendment to Finding: During fiscal year 2015, the County determined that State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges were omitted from the SEFA, which understated expenditures by \$1,083,199 due to management oversight.

Except for the finding related to the ACA program, the County subsequently corrected the breakdown of expenditure amounts reported in its fiscal year 2013 SEFA prior to its issuance. The County subsequently amended and restated the schedule of expenditures of federal awards to include the ACA program as of March 11, 2016.

COUNTY OF CONTRA COSTA
Revised Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Amended Finding 2013-003 Schedule of Expenditures of Federal Awards Completeness (Continued)

Asserted Cause and/or Effect:

County department management did not carefully review expenditures reported in the SEFA prior to being submitted to the Office of the Auditor-Controller.

The County's SEFA serves as the basis in determining the number of major programs required to be audited in a fiscal year. Inaccuracy in its SEFA reporting may result in high-risk Type A programs not being identified for testing and Type B programs not being subjected to the required audit risk assessment.

Recommendation:

The County should improve its process for reviewing expenditures reported in the SEFA by requiring department management to review and sign off program expenditures prior to being reported to the Office of the Auditor-Controller. In addition, the Office of the Auditor-Controller should reconcile the detailed listing of expenditures to the SEFA for each significant federal program prior to the County submitting such detailed listing to its external auditors.

Views of Responsible Officials:

The Office of the Auditor-Controller will incorporate the recommended management signature line on the grant inventory listing sheets sent to departments to validate that the inventory sheets were reviewed and approved by management. Additionally, the grant inventory sheets will be amended to add a column for departments to identify pass thru agencies, aiding in the identification of any County agencies erroneously categorized as pass thru agencies.

The Office of the Auditor-Controller does not have the personnel or technical resources available to reconcile the SEFA. However, there are procedures in place to promote the quality of the SEFA information being reported using available resources.

- The Board of Supervisors' agendas are reviewed to identify any federal grants that were applied for during the fiscal year. If approved grants are not on the SEFA, the appropriate department is contacted to determine why.
- The current year SEFA is compared to the prior year SEFA to determine if any programs have dropped off. Any missing programs are investigated.
- The information on the department generated grant inventory sheets is compared to the information on the department generated grant questionnaires. Any discrepancies are investigated.
- Departments are required to provide a schedule of any costs disallowed by grantors.

It has been requested that the auditors hold a work session for department program personnel to improve the accuracy of the data provided by the departments for inclusion in the SEFA.

COUNTY OF CONTRA COSTA
Revised Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Section III Findings and Questioned Costs Related to Federal Awards

Finding 2013-004 Subrecipient Monitoring

Program Identification:

Awarding Agency: United States Department of Justice
Passed Through: California Emergency Management Agency
Program Name: Edward Byrne Memorial Justice Assistance Grant Program/ARRA – Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to Units of Local Government
CFDA: 16.738 and 16.804
Award Number: All Awards
Award Year: Fiscal Year Ending June 30, 2013

Criteria:

2 CFR 176.50(c) states in part:

“A pass-through entity is responsible for:

- *During-the-Award Monitoring-* Monitoring the subrecipient’s use of federal awards through reporting, site visits, regular contact, or other means to provide reasonable assurance that subrecipient administers federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.
- *Subrecipient audits-* (1) Ensuring that subrecipients expending \$500,000 or more in federal awards during the subrecipient’s fiscal year... and that the required audits are completed within 9 months of the end of the subrecipient’s audit period; (2) issuing a management decision on audit findings within 6 months after receipt of the subrecipient’s audit report; and (3) ensuring that the subrecipient takes timely and appropriate corrective action on all audit findings. In cases of continued inability or unwillingness of a subrecipient to have the required audits, the pass-through entity shall take appropriate action using sanctions.”

OMB Circular A-133 states, in part, that the single audit report:

“...shall be submitted within the earlier of 30 days after receipt of the auditor’s report(s), or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audit.”

Condition:

For the fiscal year ended June 30, 2013, the program’s subrecipients were not properly monitored. Audit reports were not requested by the County, and no tracking mechanism existed to ensure that subrecipients took appropriate corrective action regarding audit findings. E9
01

COUNTY OF CONTRA COSTA
Revised Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Finding 2013-004 Subrecipient Monitoring (Continued)

We reviewed 8 out of 19 subrecipient files and noted that all 8 subrecipients did not submit quarterly reports as required by the Memorandum of Understanding between the County and the subrecipients. Furthermore, the County Memorandum of Understandings require that subrecipients submit quarterly reports to the County. We noted that the 8 subrecipients tested only submitted quarterly reports when reimbursement requests were filed by the subrecipient.

Asserted Cause and/or Effect:

The County did not enforce the monitoring process in place to ensure that quarterly reports were received from subrecipients as required. The County is unable to ensure that subrecipients are in compliance with Federal guidelines or whether program objectives are being met.

Additionally, the County did not review subrecipient audit reports to identify cases of subrecipient non-compliance. As a result, the County is unable to ensure that appropriate corrective action is taken in cases of subrecipient non-compliance.

Questioned Costs:

Questioned costs for the year ended June 30, 2013 related to the Edward Byrne Memorial Justice Assistance Grant Program subrecipient for the 8 files tested totaled \$192,606, representing the amount of federal funds paid to these subrecipients for the during fiscal year 2013.

Recommendation:

We recommend that the County implement a system of monitoring the timely submission of status and audit reports by subrecipients.

Management Response and Corrective Action:

On February 5, 2013, the Office of the Sheriff submitted, via email to U.S. Department of Justice representative Linda Taylor, copies of the revised *Contra Costa County Office of the Sheriff 2009 JAG Recovery Grant Reporting Guidance* document as well as the *Contra Costa County Office of the Sheriff Grant Management: Subrecipient Monitoring Policy*. The Sheriff's Office requested approval of these revised policies to ensure compliance prior to implementation. Ms. Taylor confirmed receipt of the email and stated that she would forward to the U.S. Department of Justice, Office of Justice Programs – Office of Audit, Assessments, and Management (OAMM).

On July 5, 2013, OAMM notified the County via letter that the 2010 audit report had been officially closed. The Office of the Sheriff will implement the corrective action plan to ensure proper subrecipient monitoring, record-keeping, internal operation, and accounting control for fiscal year 2013/14.

The person responsible for this corrective action is Mary Jane Robb, Sheriff's Chief of Management Services, who can be contacted at (925) 335-1557 or mrobb@co.cccounty.us.

COUNTY OF CONTRA COSTA
Revised Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Finding 2013-005 Subrecipient Monitoring

Program Identification:

Awarding Agency: United States Department of Homeland Security
Passed Through: None- Direct Award
Program Name: Assistance to Firefighters
CFDA: 97.044
Award Number: All Grants
Award Year: Fiscal Year Ending June 30, 2013

Criteria:

2 CFR 176.50(c) states in part:

“A pass-through entity is responsible for:

-*Subrecipient Audits*- (1) Ensuring that subrecipients expending \$500,000 or more in federal awards during the subrecipient’s fiscal year ... and that the required audits are completed within 9 months of the end of the subrecipient’s audit period; (2) issuing a management decision on audit findings within 6 months after the receipt of the subrecipient’s audit report; and (3) ensuring that the subrecipient takes timely and appropriate corrective action on all audit findings. In cases of continued inability or unwillingness of a subrecipient to have the required audits, the pass-through entity shall take appropriate action using sanctions.”

OMB Circular A-133 states, in part, that the single audit report:

“...shall be submitted within the earlier of 30 days after the receipt of the auditor’s report(s), or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audit.”

Condition:

Audit reports were not requested by the County, and no tracking mechanism existed to ensure that subrecipients took appropriate corrective action regarding audit findings.

Asserted Cause and/or Effect:

The County neither received nor requested audit reports from subrecipients, and did not establish a mechanism to track instances of subrecipient non-compliance and ensure implementation of corrective action. As a result the County is unable to adequately ensure subrecipient compliance with OMB Circular A-133.

Questioned Costs:

None.

COUNTY OF CONTRA COSTA
Revised Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Finding 2013-005 Subrecipient Monitoring (Continued)

Recommendation:

The County should implement policies to ensure that audit reports are received from subrecipients. In addition, the County should develop appropriate follow-up procedures to ensure that appropriate corrective actions are taken by subrecipients with regard to instances of non-compliance.

Management Response and Corrective Action:

The Memorandum of Understanding (MOU) between the Contra Costa County Fire Protection District (District) and the subrecipients did not contain a provision requiring the subrecipients to provide audit reports for the pass through agency's review. Future MOUs between the District and subrecipients will contain such a provision. If audit reports are not provided by subrecipients, the District will make inquiries to obtain any such reports.

The District's grants program manager, currently Battalion Chief Bob Atlas, who can be contacted at (925) 941-3509, will be designated to make such inquiries. Chief of Administrative Services Jackie Lorrekovich, who can be contacted at (925) 941-3312, will have oversight responsibility to review future MOUs between the District and subrecipients prior to adoption and to develop a tracking mechanism to ensure that appropriate corrective actions are taken in any cases of subrecipient non-compliance.

COUNTY OF CONTRA COSTA

Status of Prior Year Findings
For the Year Ended June 30, 2013

Financial Statement Findings

Reference Number: **FS2012-01** – *Oversight of Independently Operating Departments and Preparation of Schedule of Expenditures of Federal Awards*

Condition/Effect: The SEFA was adjusted during the performance of the audit to correct expenditures for 14 programs in an aggregate amount of \$4,382,563, including a reclassification of \$1,174,606, as a result of inaccurately reported federal expenditures submitted by independently operating departments within the County. The adjustments made to the SEFA resulted in the late identification of additional programs to be tested.

Recommendation: We understand that the County is made up of diverse departments and activities, however when the financial statements are prepared, the Office of the Auditor-Controller takes responsibility for the proper inclusion and reporting of all activities. To assist the Office of the Auditor-Controller in fulfilling this responsibility we believe the County should continually evaluate the coordination of departmental internal controls and the costs and benefits of more centralized controls to maximize their ability to fully capture all information related to financial reporting with the objective to prevent, or detect and correct, misstatements.

The need to make corrections to the SEFA during the annual audit has previously been identified as a material weakness and it appears regular training and directions for independently operating departments is needed to mitigate material errors. We recommend that the County implement the following procedures to ensure accurate SEFA reporting:

- Recommendation #1: Continue to educate program accountants on OMB Circular A-133 requirements for the SEFA.
- Recommendation #2: Regularly review and enhance the written policies and procedures that describe the necessary steps to compile the SEFA which would include reconciliation of the SEFA financial records to the general ledger in a timely manner.
- Recommendation #3: Consider the costs and benefits of (1) a centralized review process for the SEFA and (2) a requirements for all or certain departments to make quarterly reports to the Office of the Auditor-Controller identifying their SEFA monitoring procedures and their work to address compliance.

Status: In progress. See Finding 2013-003.

COUNTY OF CONTRA COSTA

Status of Prior Year Findings
For the Year Ended June 30, 2013

Federal Awards Findings

Reference Number: **FA2012-01** – *Subrecipient Monitoring*

Program Identification: Edward Byrne Memorial Justice Assistance Grant (CFDA No. 16.804, U.S. Department of Justice Program Number 2009-SB-B9-2404)

Audit Finding: During the review of the County’s compliance with subrecipients it was noted that the subrecipients did not submit quarterly reports as required by the Memorandum of Understanding between the County and the subrecipients; Quarterly reports were submitted only when reimbursement requests were filed by the subrecipient. The County does not have a monitoring process in place to ensure that all required quarterly reports are submitted to the County on a timely basis.

Status: Not corrected. See finding FA2013-004.

Reference Number: **FA2012-02** – *Reporting*

Program Identification: Anti Drug Enforcement Team Recovery Act Grant (CFDA No. 16.804, U.S. Department of Justice, Passed through California Emergency Management Agency, Program Number ZA09010070)

Audit Finding: During our review of the County’s compliance with Reporting requirements for the RADA grant it was noted that the amount originally reported in the SEFA represented the amount expended during the entire grant term (March 1, 2012 to September 30, 2012). This amount was revised to report only the expenditures incurred in fiscal year 2012 of \$189,618. The amount of federal expenditures incurred in the prior fiscal year totaled \$303,251 and was not reported in the previously issued SEFA. There would not have been an effect on major program determination for that year caused by this error.

The County’s current reporting process does not appear to be working effectively to detect misstatements in the SEFA. Due to the decentralized nature of the County, there is reliance on each department to accurately calculate and communicate federal expenditures to the Office of the Auditor- Controller using an internally developed grant log sheet. We note that there are misunderstandings as to how the grant log sheets should be completed as related to the amount of federal expenditures.

Status: Corrected.

COUNTY OF CONTRA COSTA

Status of Prior Year Findings
For the Year Ended June 30, 2013

Federal Awards Findings (Continued)

Reference Number: **FA2012-03** – *Activities Allowed and Unallowed/ Allowable Cost*

Program Identification: Workforce Investment Act Cluster (CFDA No. 17.258, 17.259, 17.278, U.S. Department of Labor, Passed Through State Employment Development Department)

Audit Finding: The County received a letter dated October 15, 2012 from the State of California Employment Development Department (EDD) related to EDD’s review of the Contra Costa County Local Workforce Investment Area’s financial management and procurement system for activities funded by Workforce Investment Act for the 2011-2012 program year. In that letter, eight findings were identified. A response dated November 20, 2012 was made by the Executive Director of the Workforce Development Board. During our testing, we noted two findings consistent with those identified by the EDD. They are as follows:

EW 81 The County allocates expense payments based on the predetermined budget instead of using the actual costs to determine the benefits received by each program. In addition, there is no reconciliation performed between the budget amount and the benefit received by each program.

EW 81 One of the items selected for testing included reimbursement for food without reasonable explanation of how the food expenditure was a necessary and reasonable cost of the administration of the WIA program.

Status: Corrected.

Reference Number: **FA2012-04** – *Procurement, Debarment, and Suspension*

Program Identification: Grants to Health Center Program- ARRA- Health Care for the Homeless (CFDA No. 93.703)

Audit Finding: The County’s procurement is centralized through Public Works Department according to the County’s Health Services personnel. However, the County’s Health Services Department currently practices decentralized procurement due to technical requirements of the projects. Compliance requirements in the area of procurement are often met through the establishment of solicitation templates, which include necessary contents that are to be followed up by the entity and/or vendors. Per review of the Public Works Department’s policies and procedures on procurement, we determined that the verification of suspended or debarred vendors is currently not performed.

Status: Corrected.

COUNTY OF CONTRA COSTA

Status of Prior Year Findings
For the Year Ended June 30, 2013

Federal Awards Findings (Continued)

Reference Number: **FA2012-05** – *Activities Allowed and Unallowed/ Allowable Cost*

Program Identification: Medical Assistance Program Grant (CFDA No. 93.778, U.S. Department of Health and Human Services, Passed Through California Department of Health, Pass Through Number (N/A))

Audit Finding: One of 40 providers selected for testing continued to receive benefit payments for two months subsequent to her last day of service charged to the program. Payments were made under the assumption that the provider continued to provide the same amount of hours of service as in the past. The County reporting procedures does not appear to be effective to ensure timely communication in the event that a provider is no longer providing services related to the program

Status: Corrected.

Reference Number: **FA2012-06** – *Oversight of Independently Operating Departments and Preparation of the SEFA*

Audit Finding: Finding FS2012-01, regarding Oversight of Independently Operating Departments and Preparation of SEFA was included in the financial statement findings section of this Revised Schedule of Findings and Questioned Costs. This financial statement finding is also relevant to the federal awards section and is being incorporated as FA 2012-06. The corrections needed for the SEFA referenced in FS2012-01 are relevant to federal awards, but not necessarily to program compliance. It would be relevant to County programs generally. The other elements of a federal award finding are detailed with FS2012-01.

Status: In progress. See finding 2013-003.

Supplemental Schedules

COUNTY OF CONTRA COSTA
Employment and Human Services Department
Supplemental Schedule of Expenditures for Federal and State Awards
For the Year Ended June 30, 2013

Federal/ State Grantor Pass-through Grantor Program Title	Catalog of Federal Domestic Assistance Number (CFDA)	Grant/ Contract Number	State Expenditures	Federal Expenditures
Federal and State Awards				
U.S. Department of Health & Human Services Passed through California Department of Aging:				
Aging Cluster				
Special Programs for Aging-Title III Part B Grants for Supportive Services and Senior Centers	93.044	AP-1213-07	\$ -	\$ 1,148,547
Special Programs for Aging Title IIIC, Nutrition Services	93.045	AP-1213-07	178,014	1,556,134
Nutrition Services Incentive Program (NSIP)	93.053	AP-1213-07	-	344,635
Subtotal Aging Cluster			<u>178,014</u>	<u>3,049,316</u>
Special Programs for Aging-Title III Part D Disease Prevention and Health Promotion Services	93.043	AP-1213-07	-	55,319
National Family Caregiver Support Title III Part E	93.052	AP-1213-07	-	449,678
Special Programs for Aging Title VII A Chapter 2 Long Term Care Ombudsman Services for Older Individuals	93.042	AP-1213-07	-	53,340
Special Programs for Aging Title VII B Chapter 3 Programs for Prevention of Elder Abuse, Neglect and Exploitation	93.041	AP-1213-07	-	14,805
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations (Health Insurance Counseling and Advocacy Program, HICAP)	93.779	HI-1213-07	-	158,711
U.S. Department of Agriculture Pass through California Department of Food and Agriculture:				
Senior Farmer's Market Coupons	10.576	AP-1213-07	-	15,000
Total Expenditures of Federal and State Awards			<u>\$ 178,014</u>	<u>\$ 3,796,169</u>
State Awards				
California Department of Aging Direct State Programs:				
Special Deposit Fund-State Facilities Citation Penalties	NA	AP-1213-07	\$ 28,175	\$ -
Skilled Nursing Facility Quality and Accountability	NA	AP-1213-07	74,290	-
HICAP Reimbursement	NA	HI-1213-07	126,461	-
HICAP FUND	NA	HI-1213-07	63,215	-
Total Expenditures State Awards			<u>\$ 292,141</u>	<u>\$ -</u>

COUNTY OF CONTRA COSTA
Employment and Human Services Department-Community Services Bureau
Supplemental Schedule of Revenue and Expenditures
DCSD Contract No. 09C-1806 DOE ARRA (CFDA # 81.042)
For the Period of July 1, 2012 through June 30, 2013

	<u>Amount</u>	<u>Total Reported Amount</u>	<u>Total Budgeted Amount</u>
REVENUE:			
Grant Revenue	\$ 46,918	\$ 46,918	\$ 5,054,300
EXPENDITURES:			
Administrative Budget:			
Administrative Costs	-	-	323,629
Program Budget:			
Client Education	-	-	167,629
Outreach	-	-	164,642
Training and Technical Assistance	-	-	197,449
Minor Vehicle and Field Eqpt (Less than \$5,000)	-	-	59,300
Major Vehicle and Field Eqpt (More than \$5,000)	-	-	66,000
Workers' Compensation	-	-	33,490
Intake	-	-	74,352
Direct Program Activities	9,982	9,982	2,602,705
Health and Safety Activities	1,214	1,214	970,204
General/Operating Expenditures	-	-	394,900
Total Program Costs	<u>11,196</u>	<u>11,196</u>	<u>4,730,671</u>
Total expenditures	<u>\$ 11,196</u>	<u>\$ 11,196</u>	<u>\$ 5,054,300</u>

COUNTY OF CONTRA COSTA
Employment and Human Services Department-Community Services Bureau
Supplemental Schedule of Revenue and Expenditures
DCSD Contract No. 11C-1805 DOE WAP (CFDA # 81.042)
For the Period of July 1, 2012 through June 30, 2013

	<u>Amount</u>	<u>Total Reported Amount</u>	<u>Total Budgeted Amount</u>
REVENUE:			
Grant Revenue	\$ 95,164	\$ 95,164	\$ 117,520
EXPENDITURES:			
Administrative Budget:			
Administrative Costs	5,805	5,805	6,969
Weatherization Program Budget:			
Training and Technical Assistance	258	258	414
Intake	2,219	2,219	2,458
Outreach	1,996	1,996	2,510
Client Education	1,112	1,112	1,383
Workers' Compensation	618	618	750
Minor Vehicle & Field Eqpt (less than \$5,000)	-	-	49
General/Operating Expenditures	2,438	2,438	2,942
Direct Program Activities	49,674	49,674	78,018
Health and Safety Activities	11,523	11,523	22,027
Total Program Costs	69,838	69,838	110,551
Total expenditures	\$ 75,643	\$ 75,643	\$ 117,520

COUNTY OF CONTRA COSTA
Employment and Human Services Department-Community Services Bureau
Supplemental Schedule of Revenue and Expenditures
DCSD Contract No. 11B-5706 (CFDA # 93.568)
LIHEAP EHA-16/INTAKE/ECIP/HEAP
For the Period of July 1, 2012 through June 30, 2013

	<u>Amount</u>	<u>Total Reported Amount</u>	<u>Total Budgeted Amount</u>
REVENUE:			
Grant Revenue	\$ 44,606	\$ 44,606	\$ 841,611
EXPENDITURES:			
Assurance 16 Budget:			
Assurance 16 Activities	-	-	234,019
Administrative Budget:			
Administrative Costs	-	-	148,367
Intake Budget:			
Intake	-	-	61,048
Outreach Budget:			
Outreach	-	-	152,619
Training and Technical Assistance:			
Training and Technical Assistance	44,606	44,606	61,048
ECIP/HEAP Program Budget:			
ECIP EHCS Cooling Service Repair/Replacement	-	-	13,527
ECIP EHCS Heating Service Repair/Replacement	-	-	92,709
ECIP EHCS Water Heater Repair/Replacement	-	-	37,318
ECIP EHCS Other Program Costs	-	-	14,724
Severe Weather Energy Assistance and	-	-	26,232
Total ECIP/HEAP Program Budget	-	-	184,510
Total expenditures	<u>\$ 44,606</u>	<u>\$ 44,606</u>	<u>\$ 841,611</u>

COUNTY OF CONTRA COSTA
Employment and Human Services Department-Community Services Bureau
Supplemental Schedule of Revenue and Expenditures
DCSD Contract No. 11B-5706 Weatherization (CFDA # 93.568)
For the Period of July 1, 2012 through June 30, 2013

	<u>Amount</u>	<u>Total Reported Amount</u>	<u>Total Budgeted Amount</u>
REVENUE:			
Grant Revenue	\$ 30,147	\$ 30,147	\$ 1,270,598
EXPENDITURES:			
Administrative Budget:			
Administrative Costs	(677)	(677)	101,086
Weatherization Program Budget:			
Intake	-	-	23,271
Outreach	-	-	47,428
Training and Technical Assistance	-	-	31,678
Direct Program Activities	(238)	(238)	1,056,327
Vehicle and Equipment	-	-	-
Workers' Compensation	-	-	10,808
Total Program Costs	<u>(238)</u>	<u>(238)</u>	<u>1,169,512</u>
Total expenditures	<u>\$ (915)</u>	<u>\$ (915)</u>	<u>\$ 1,270,598</u>

COUNTY OF CONTRA COSTA
Employment and Human Services Department-Community Services Bureau
Supplemental Schedule of Revenue and Expenditures
DCSD Contract No. 12B-5805 (CFDA # 93.568)
LIHEAP EHA-16/INTAKE/ECIP/HEAP
For the Period of July 1, 2012 through June 30, 2013

	Amount	Total Reported Amount	Total Budgeted Amount
REVENUE:			
Grant Revenue	\$ 634,298	\$ 634,298	\$ 769,318
EXPENDITURES:			
Assurance 16 Budget:			
Assurance 16 Activities	124,754	124,754	167,019
Administrative Budget:			
Administrative Costs	68,486	68,486	116,128
Intake Budget:			
Intake	106,853	106,853	122,329
Outreach Budget:			
Outreach	92,139	92,139	122,329
Training and Technical Assistance:			
Training and Technical Assistance	46,515	46,515	48,932
ECIP/HEAP Program Budget:			
ECIP EHCS Cooling Service Repair/Replacement	8,138	8,138	8,140
ECIP EHCS Heating Service Repair/Replacement	45,867	45,867	78,190
ECIP EHCS Water Heater Repair/Replacement	28,247	28,247	39,590
ECIP EHCS Other Program Costs	10,245	10,245	16,661
Automation Supplemental	18,650	18,650	50,000
Total ECIP/HEAP Program Budget	111,147	111,147	192,581
Total expenditures	\$ 549,894	\$ 549,894	\$ 769,318

COUNTY OF CONTRA COSTA
Employment and Human Services Department-Community Services Bureau
Supplemental Schedule of Revenue and Expenditures
DCSD Contract No. 12B-5805 Weatherization (CFDA # 93.568)
For the Period of July 1, 2012 through June 30, 2013

	<u>Amount</u>	<u>Total Reported Amount</u>	<u>Total Budgeted Amount</u>
REVENUE:			
Grant Revenue	\$ 777,152	\$ 777,152	\$ 817,861
EXPENDITURES:			
Administrative Budget:			
Administrative Costs	35,853	35,853	65,428
Weatherization Program Budget:			
Intake	37,022	37,022	40,892
Outreach	39,677	39,677	40,892
Training and Technical Assistance	6,229	6,229	6,462
Direct Program Activities	604,474	604,474	656,787
Workers' Compensation	6,940	6,940	7,400
Total Program Costs	<u>694,342</u>	<u>694,342</u>	<u>752,433</u>
Total expenditures	<u>\$ 730,195</u>	<u>\$ 730,195</u>	<u>\$ 817,861</u>

COUNTY OF CONTRA COSTA
Employment and Human Services Department-Community Services Bureau
Supplemental Schedule of Revenue and Expenditures
DCSD Contract No. 13B-5005 (CFDA # 93.568)
LIHEAP EHA-16/INTAKE/ECIP/HEAP
For the Period of July 1, 2012 through June 30, 2013

	Amount	Total Reported Amount	Total Budgeted Amount
REVENUE:			
Grant Revenue	\$ 121,577	\$ 121,577	\$ 711,030
EXPENDITURES:			
Assurance 16 Program Budget:			
Assurance 16 Activities	79,532	79,532	153,313
Administrative Budget:			
Administrative Costs	54,515	54,515	97,880
Intake Budget:			
Intake	11,916	11,916	166,143
Outreach Budget:			
Outreach	41,626	41,626	103,839
Training and Technical Assistance:			
Training and Technical Assistance	8,083	8,083	41,536
ECIP/HEAP Program Budget:			
ECIP EHCS Diagnostics	5,371	5,371	10,420
ECIP EHCS Cooling Service Repair/Replacement	-	-	7,500
ECIP EHCS Heating Service Repair/Replacement	18,180	18,180	58,500
ECIP EHCS Water Heater Repair/Replacement	20,424	20,424	40,549
Automation Supplemental	-	-	31,350
Total ECIP/HEAP Program Budget	43,975	43,975	148,319
Total expenditures	\$ 239,647	\$ 239,647	\$ 711,030

COUNTY OF CONTRA COSTA
Employment and Human Services Department-Community Services Bureau
Supplemental Schedule of Revenue and Expenditures
DCSD Contract No. 13B-5005 Weatherization (CFDA # 93.568)
For the Period of July 1, 2012 through June 30, 2013

	Amount	Total Reported Amount	Total Budgeted Amount
REVENUE:			
Grant Revenue	\$ 181,751	\$ 181,751	\$ 876,933
EXPENDITURES:			
Administrative Budget:			
Administrative Costs	28,569	28,569	67,585
Weatherization Program Budget:			
Intake	19,880	19,880	69,759
Outreach	15,897	15,897	43,600
Training and Technical Assistance	1,835	1,835	43,600
Direct Program Activities	253,299	253,299	563,539
Workers' Compensation	2,862	2,862	16,000
General Operating Expenditures	17,537	17,537	72,850
Total Program Costs	311,310	311,310	809,348
Total expenditures	\$ 339,879	\$ 339,879	\$ 876,933

County of Contra Costa
Employment and Human Services Department-Community Services Bureau
Supplemental Schedule of Revenue and Expenditures
DCSD Contract No. 13F-3007 CSBG (CFDA # 93.569)
For the Period of July 1, 2012 through June 30, 2013

	Amount	Total Reported Amount	Total Budgeted Amount
REVENUE:			
Grant Revenue	\$ 200,501	\$ 200,501	\$ 780,601
EXPENDITURES:			
Administrative Costs:			
Salaries & Wages	61,649	61,649	118,119
Fringe Benefits	40,293	40,293	74,839
Operating Expenses & Equipment	19,290	19,290	32,290
Out of State Travel	-	-	6,500
Other Costs	48,061	48,061	88,466
Total Administrative Costs	<u>169,293</u>	<u>169,293</u>	<u>320,214</u>
Program Costs:			
Salaries & Wages	101,937	101,937	261,063
Fringe Benefits	31,334	31,334	74,524
Subcontractor Services	19,500	19,500	124,800
Total Program Costs	<u>152,771</u>	<u>152,771</u>	<u>460,387</u>
Total expenditures	<u><u>\$ 322,064</u></u>	<u><u>\$ 322,064</u></u>	<u><u>\$ 780,601</u></u>

COUNTY OF CONTRA COSTA
Employment and Human Services Department-Community Services Bureau
Supplemental Schedule of Revenue and Expenditures
DCSD Contract No. 12F-4407 CSBG (CFDA # 93.569)
For the Period of July 1, 2012 through June 30, 2013

	<u>Amount</u>	<u>Total Reported Amount</u>	<u>Total Budgeted Amount</u>
REVENUE:			
Grant Revenue	\$ 438,497	\$ 438,497	\$ 653,846
EXPENDITURES:			
Administrative Costs:			
Salaries & Wages	53,026	53,026	85,037
Fringe Benefits	35,422	35,422	67,094
Operating Expenses & Equipment	40,309	40,309	24,993
Out of State Travel	2,007	2,007	7,200
Other Costs	70,746	70,746	98,000
Total Administrative Costs	<u>201,510</u>	<u>201,510</u>	<u>282,324</u>
Program Costs:			
Salaries & Wages	116,447	116,447	220,885
Fringe Benefits	26,248	26,248	60,637
Subcontractor Services	90,600	90,600	90,000
Total Program Costs	<u>233,295</u>	<u>233,295</u>	<u>371,522</u>
Total expenditures	<u>\$ 434,805</u>	<u>\$ 434,805</u>	<u>\$ 653,846</u>

COUNTY OF CONTRA COSTA
Employment and Human Services Department-Community Services Bureau
Supplemental Schedule of Child Nutritional Program Revenues
For the Year Ended June 30, 2013

Child Care Food Program (Federal Assistance)

The child care food program income represents the assistance received from the Federal government in relation to the maintenance of a subsidized food program. The following is a summary of the total assistance received by the County and the various child development programs to which the funds were allocated for the fiscal year ended June 30, 2013.

	Total Federal Assistance
State Funded Programs:	
General Child Care Program	\$ 137,067
Total CA Preschool Program-CSB	454,991
Other Programs:	
Head Start and Early Head Start	391,848
Total CA Preschool Program-College	106,316
Total Federal Assistance	\$ 1,090,222