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**AUDITOR-CONTROLLER**

**COUNTY OF IMPERIAL**  
**CORRECTIVE ACTION PLAN**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Compiled by: Auditor-Controller  
County of Imperia, California.

**COUNTY OF IMPERIAL, CALIFORNIA**

**CORRECTIVE ACTION PLAN**

**FOR THE YEAR ENDED JUNE 30, 2018**

**I. FINANCIAL STATEMENT FINDINGS**

**Finding 2018-001**

**Schedule of Expenditures of Federal Awards Reporting**

**Management's or Department's Response:**

We concur.

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

The County will review all information provided by departments to ensure that all expenditures reported on the Federal Schedule are in compliance with OMB guidelines and all federal expenditures are reported on the SEFA.

**Name of Responsible Person:**

Josue G. Mercado, Auditor-Controller

**Implementation Date:**

April 2019

**Finding 2018-002**

**Year End Cutoff**

**Management's or Department's Response:**

We concur.

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

The County will establish procedures to ensure all subsequent disbursements and receipts will be reported after the year end cutoff date.

**Name of Responsible Person:**

Josue G. Mercado, Auditor-Controller

**Implementation Date:**

April 2019

**COUNTY OF IMPERIAL, CALIFORNIA**

**CORRECTIVE ACTION PLAN**

**FOR THE YEAR ENDED JUNE 30, 2018**

**Finding 2018-003**

**Financial Reporting**

**Management's or Department's Response:**

We concur.

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

The County has already implemented all adjustments and will be implementing a disclosure check list to ensure proper fund classification.

**Name of Responsible Person:**

Josue G. Mercado, Auditor-Controller

**Implementation Date:**

April 2019

**COUNTY OF IMPERIAL, CALIFORNIA**

**CORRECTIVE ACTION PLAN**

**FOR THE YEAR ENDED JUNE 30, 2018**

**II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**Finding 2018-004**

**Program:** Child Support Enforcement

**CFDA No.:** 93.563

**Federal Agency:** Department of Health and Human Services

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

**Award Year:** FY 2017-18

**Compliance Requirement:** Allowable Costs/Cost Principles, Cash Management

**Management's or Department's Response:**

We concur.

**View or Responsible Officials and Corrective Action:**

The Imperial County Department of Child Support Services (ICDCSS) is awaiting a determination from the State Department of Child Support Services after a standard audit conducted earlier this year as to whether these tuition reimbursement benefits (Imperial County employee benefits agreed upon and contained in the respective collective bargaining agreements) are allowable costs. Should these costs be ineligible, ICDCSS will work with the County Auditor's Office and Executive Office to find an alternative funding source for this employee benefit.

**Name of Responsible Person:**

Liza Barraza, Director of Child Support Services

**Implementation Date:**

April 2019

**Finding 2018-005**

**Program:** Child Support Enforcement, WIA, HIDTA, Homeland Security

**CFDA No.:** 93.563, 17.258, 17.259, 17.278, 95.001, 97.067

**Federal Agency:** Department of Health and Human Services, U.S. Department of Labor, Executive Office of the President, U.S. Department of Homeland Security

**Passed-Through:** State Department of Social Services, State Department of Employment Development, Governor's Office of Homeland Security

**Award Year:** FY 2017-18

**Compliance Requirements:** Allowable Costs, Cash Management

**Management's or Department's Response:**

We concur.

**COUNTY OF IMPERIAL, CALIFORNIA**

**CORRECTIVE ACTION PLAN**

**FOR THE YEAR ENDED JUNE 30, 2018**

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

*Child Support Enforcement* – The ICDCSS will be reviewing and working with the County Auditor’s Office to improve the internal control process to ensure that already established County cash management procedures are followed in accordance with 2 CFR Section 200.305 requirements.

*WIA* – ICWDO will implement and formalize its written policies and procedures for cash requests. ICWDO will review its policies and internal control procedures related to cash management requirements and allowable costs in accordance with 2 CFR Section 200.305.

*HIDTA and Homeland Security* – The Imperial County Sheriff’s Office Fiscal Department will be reviewing and improving the internal control process to ensure that already established County cash management procedures are followed in accordance with 2 CFR Section 200.305 requirements.

**Name of Responsible Person:**

*Child Support Enforcement* – Liza Barraza, Director of Child Support Services

*WIA* – Priscilla Lopez, Director of Workforce and Economic Development Services

*HIDTA and Homeland Security* – Raymond Loera, Sheriff-Coroner

**Implementation Date:**

April 2019

**Finding 2018-006**

**Program:** Workforce Investment Opportunity Act Cluster

**CFDA No.:** 17.258, 17.278, 17.259

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

**Passed-Though:** California Employment Development Department

**Award Year:** FY 2017-18

**Compliance Requirements:** Allowable Costs/Cost Principles

**Management’s or Department’s Response:**

We concur.

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

The ICWDO had errors while inputting staff time worked under the different funds to allocate expenditures to the correct funds. Fiscal Department is in charge of entering all the hours worked from staff to a Cost Allocation report and was not reconciled to verify effectiveness. ICWDO will follow Vavrinek, Trine, Day & Co. LLP (VTD) recommendation to enhance procedures to ensure the accuracy of payroll cost charged to the program by having a second person to verify the information and reconciling the hours charged to the program by approving the totals on the report. ICWDO will ensure that all past timesheets will be reviewed for completeness and accuracy and be signed by the Fiscal Manager or ICWDO Director. In addition, ICWDO will modify the procedures in the Payroll/Timekeeping with an internal procedure.

**COUNTY OF IMPERIAL, CALIFORNIA**

**CORRECTIVE ACTION PLAN**

**FOR THE YEAR ENDED JUNE 30, 2018**

**Name of Responsible Person:**

Priscilla Lopez, Director of Workforce and Economic Development Services

**Implementation Date:**

April 2019

**Finding 2018-007**

**Program:** Workforce Investment Opportunity Act Cluster

**CFDA No.:** 17.258, 17.278, 17.259

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

**Passed-Though:** California Employment Development Department

**Award Year:** FY 2017-18

**Compliance Requirements:** Matching, Level of Effort, and Earmarking

**Management's or Department's Response:**

We concur.

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

The reason why reports for 18-19 do not meet the 75% Out of School youth is that ICWDO is behind in the WIOA Youth Grant Expenditures for Fiscal Year 18-19. ICWDO was utilizing K8106178, 2017 contract. The 2018 K9110013 contract had zero expenditures for FY 18-19. The Employment Development Department issued an Information Notice Dated March 29, 2019 number WSIN18-30 that waives the 80 percent obligation requirement for PY 18-19. Even though the waiver is for PY 18-19, our 2018 Contract K9110013 is not fully expended as of today and expires June 30, 2020.

**Name of Responsible Person:**

Priscilla Lopez, Director of Workforce and Economic Development Services

**Implementation Date:**

April 2019

**Finding 2018-008**

**Program:** Workforce Investment Opportunity Act Cluster

**CFDA No.:** 17.258, 17.278, 17.259

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

**Passed-Though:** California Employment Development Department

**Award Year:** FY 2017-18

**Compliance Requirements:** Procurement, Suspension, and Debarment

**Management's or Department's Response:**

We concur.

**COUNTY OF IMPERIAL, CALIFORNIA**

**CORRECTIVE ACTION PLAN**

**FOR THE YEAR ENDED JUNE 30, 2018**

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

The Imperial County Workforce Development Board followed the local Procurement Policy referenced on 2 CFR 200.318 General Procurement Standards and complies with the Uniform Guidance (WIOA Section 184 (a) (3)). The contract was awarded as a sole source to San Diego State University (SDSU) but was intended to contract with individual SDSU students. For future projects, the Workforce Development Board will keep sufficient documentation to demonstrate that procurement satisfies either competitive bidding requirements or the sole source procurement process.

**Name of Responsible Person:**

Priscilla Lopez, Director of Workforce and Economic Development Services

**Implementation Date:**

April 2019

**Finding 2018-009**

**Program:** Workforce Investment Opportunity Act Cluster

**CFDA No.:** 17.258, 17.278, 17.259

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

**Passed-Though:** California Employment Development Department

**Award Year:** FY 2017-18

**Compliance Requirements:** Allowable Costs/Cost Principles, Cash Management

**Management's or Department's Response:**

We concur.

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

ICWDO is working in coherence with Social Services on a Welfare to Work a Social Service required program. This is a cost reimbursement basis where WIOA bills Social Services one month later. In the future, ICWDO will eliminate non-WIOA expenditures on WIOA cash requests for reimbursement. ICWDO will implement procedures for the cash request and management requirements within the different awarded funds.

**Name of Responsible Person:**

Priscilla Lopez, Director of Workforce and Economic Development Services

**Implementation Date:**

April 2019