COUNTRY OF IMPERIAL

CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED JUNE 30, 2018

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