

SAN BERNARDINO COUNTY AUDITOR-CONTROLLER/TREASURER/TAX COLLECTOR INTERNAL AUDITS DIVISION



HUMAN SERVICES DEPARTMENT: FY21 SINGLE AUDIT FOLLOW-UP

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**Human Services Department:
FY21 Single Audit Follow-Up**

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November 2, 2022

Diana Alexander, Assistant Executive Officer
Human Services
385 North Arrowhead Avenue
San Bernardino, CA 92415-0120

RE: Human Services Department – FY21 Single Audit Follow-Up

We have completed a follow-up audit of the implementation of the recommendation noted in the San Bernardino County Single Audit Report for the fiscal year ended June 30, 2021 (FY21) for the Human Services Department (Department). The objective of the audit was to determine if corrective actions for the Department’s FY21 Single Audit finding have been implemented. We conducted our audit in accordance with the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors.

We have provided a status of the audit finding identified in the Single Audit report issued on April 29, 2022. The Department has implemented corrective actions for the finding from the original audit report.

We sent a draft report to the Department on October 13, 2022.

We would like to express our appreciation to the personnel at the Human Services Department who assisted and cooperated with us during this engagement.

Respectfully submitted,

Ensen Mason CPA, CFA
Auditor-Controller/Treasurer/Tax Collector
San Bernardino County

By
Denise Mejico, CFE
Chief Deputy Auditor

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San Bernardino County Audit Committee

Date Report Distributed: November 2, 2022

EM:DLM:DLS:oac

FY21 Single Audit Follow-Up

Title 2 U.S. Code of Federal Regulations (CFR) 200 "*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*" (Uniform Guidance) requires nonfederal entities that expend \$750,000 or more of federal awards in a fiscal year to have a single or program specific audit. Eide Bailly, LLP, conducted the County's FY21 Single Audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Eide Bailly, LLP issued the report on April 29, 2022. In accordance with the Uniform Guidance, the auditee is responsible for follow-up and corrective action on all audit findings.

Scope and Objective

Our audit examined the Human Services Department (Department) policies, procedures, and other corrective actions as of the date of fieldwork, June 7, 2022.

The objective of this follow-up audit was to determine if the corrective actions for the Department's FY21 Single Audit finding, as contained in the *San Bernardino County FY21 Single Audit Report*, issued on April 29, 2022, have been implemented.

Methodology

In achieving the audit objective, the following audit procedures were performed, including but not limited to:

- Review of the Department's policies and procedures.
- Interviews of Department staff on policies, procedures, and processes relevant to the areas being reviewed.
- Walk-through of activities to determine whether the Department implemented the new processes.
- Examination of original documents related to areas being reviewed.
- Examination of a sample of notification letters to determine whether the appropriate corrective action was taken by the Department.



Prior Finding 2021-005

Program: COVID-19 Foster Care Title IV-E

CFDA No.: 93.658

Federal Grantor: U.S. Department of Health and Human Services

Passed-through: California Department of Social Services

Award No. and Year: 1946001347-A7 (2021)

Compliance Requirements: Subrecipient Monitoring

Type of Finding: Significant Deficiency in Internal Control and Instance of Non-Compliance

For each subrecipient sample selected for testing, we noted the County (Human Services Department) did not identify at the time of subaward, the required elements of the subaward in accordance with 2 CFR 200.332(a) of the Uniform Guidance.

Recommendation:

We recommend that the County continue to update and implement current subrecipient policies and procedures to ensure that all required award information at 2 CFR Section 200.332(a) is communicated to subrecipients at the time of subaward in accordance with 2 CFR 200.331(a) of the Uniform Grant Guidance.

Current Status: Implemented

The Department updated and implemented current subrecipient policies and procedures to ensure that all award information required by 2 CFR Section 200.332(a) was communicated to subrecipients. The Department distributed notification letters to all agencies identified as subrecipients in the third quarter of FY22 that contained the award information required by 2 CFR Section 200.332(a). Testing was performed on a random sample of 10 notification letters to determine whether all the award information required by 2 CFR Section 200.332(a) was present in the notification letters. There were no exceptions noted in our testing. Additional award notifications will be provided to subrecipients once the final, certified federal expenditures for the current fiscal year are available.