

January 23, 2024

Board of Supervisors
Kern County Administrative Center
1115 Truxtun Avenue
Bakersfield, CA 93301

DECEMBER 31, 2023 COMPLIANCE AND ACCOUNTABILITY REPORT**Fiscal Impact: None**

County Ordinance Code 2.01.010 requires the County Administrative Office to report on the Compliance and Accountability function no later than 45 days after December 31, 2023 on departmental compliance issues for the period July 1, 2023 through December 31, 2023.

COMPLIANCE REQUIREMENTS AND RESPONSIBILITIESBoard of Supervisors' Audit Requirements

Government Code Section 25250 requires the Board of Supervisors to at least biennially examine and audit, or cause to be audited, the financial accounts and records of all officers having responsibility for the care, management, collection, or disbursement of money belonging to the County or money received or disbursed by them under authority of law. The Board has selected to have the Auditor-Controller perform some of those audits on its behalf, and also considers the engagements performed by others such as independent external Certified Public Accountants (CPA) auditors, Grand Jury, Chief Information Technology Officer, and other agencies to fulfill the requirements. In general, they aim to determine the accuracy of information, provide insight and propose recommendations to improve. The scope depends on the focus and extent of a particular engagement that may be based on financial, compliance, operational, or investigative and may vary significantly depending on the department.

County Department's Response and Corrective Action Plan

County departments are responsible for responding directly to auditors and developing a corrective action plan to mitigate findings and attain the recommendations. The corrective action plan is required to be submitted to the County Administrative Office within 45 days of an audit report. All departments responded and/or submitted their required corrective action plans for their audits listed in this report. Additionally, the departments must also provide documentation including written procedures that will help to improve the internal controls that contributed to the findings.

County Administrative Office's Post Audit Reviews

The responsibility of the County Administrative Office is to monitor and report to your Board the status of a department's compliance after the issuance of an audit report. The Compliance Division reviews audit findings and recommendations with departments, identifies probable solutions to the weaknesses and deficiencies identified, and ensures the resolution is documented. Most departments achieve compliance on findings identified in the audit reports within the first six months. If a specific finding is not completely achieved or documented, it is indicated as "In Progress" and the Compliance division continues to work with the department until remediated. The County Administrative Office performs follow-up reviews and provides an update on "In Progress" items on the next Compliance and Accountability Report to your Board.

AUDIT, REVIEW, ASSESSMENT, AGREED UPON PROCEDURE, MONITORING, AND OTHER ENGAGEMENTS

Auditor-Controller

The Board of Supervisors, by resolution dated June 13, 1956, adopted Government Code Section 26883 that gave the Board of Supervisors the power to require the Auditor-Controller to perform the audits of any department, office, board or institution under the Board of Supervisor's control. To fulfill the Government Code requirements and provide additional fiscal oversight, the Auditor-Controller primarily performs compliance audits of each County department based on an audit plan approved by the Board of Supervisors. The compliance audits include assessing the adequacy of internal controls and examining, on a test basis, compliance with statutory requirements and the policies and procedures applicable to the department. In April 2017, the Auditor-Controller transitioned to audits of compliance and internal controls in conformance with the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing. The standards require that they perform their engagements with proficiency and due professional care; that the internal audit function is subject to a program of quality assurance; and that the results of engagements are communicated. On occasion, the Auditor-Controller's audit division has also performed additional auditing services and other agreed upon procedures.

The post audit review summaries, which are required if the audit report contains findings and recommendations, are provided in Attachment A. The following audits had audit reports issued by the Auditor-Controller and/or corrective action plans due during this reporting period:

Report	Board Date	Plan Due Date*	Attachment Page*
General Services for FYE June 30, 2021 and 2020	9/12/23	10/27/23	A-1
Treasurer-Tax Collector - Statement of Money for Quarter 4 FY 2022-23	9/26/23	Not Required	Not Required
Countywide Employee Performance Evaluation Reports (EPR) as of September 28, 2022	10/10/23	11/27/23	A-2
Countywide Inventory for FYE June 30, 2023	11/28/23	Not Required	Not Required
Agriculture and Measurement Standards- Prior Finding	11/28/23	Not Required	Not Required

* A corrective action plan or attachment is not required for reports that did not include any findings.

As of December 31, 2023, the Auditor-Controller had additional pending audits that were not yet completed. Due to staffing issues, the Auditor-Controller's Office has not been able to maintain the regular department audit schedule. We have been in contact with the newly elected Auditor-Controller and the plan to mitigate the delays includes issuing the current audits in-progress and re-evaluating the way audits are performed going forward to ensure a more active presence in departments and a more focused review of high-risk areas. We will provide a status update on the following in-progress audits and any additional developments for the June 30, 2024 Compliance and Accountability Report:

Report
Airports- Prior Findings
Airports- Special Audit
County Administrative Office
Countywide Purchase Card Transaction
Employers' Training Resource
Kern County Fire Department
Treasurer -Tax Collector 1 st and 2 nd Quarter Cash Count

Independent External CPA Auditors

On June 4, 2019, the Board of Supervisors approved the selection of independent external CPA auditors Clifton Larson Allen LLP to perform audits specified in the Request for Proposal. The independent external CPA auditors primarily perform financial audits for additional fiscal oversight and other requirements, including the Government Code. Financial audits express opinions on the financial statements in accordance with Generally Accepted Auditing Standards and Government Auditing Standards. Standards require that they perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The auditor considers internal controls relevant to the preparation and fair presentation of the financial statements to design appropriate audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the internal controls. On occasion, the independent external CPA auditors also perform additional auditing services and other agreed upon procedures.

Clifton Larson Allen issued the following reports and/or their corrective action plans were due during this reporting period:

Report	Board Date	Plan Due Date*	Attachment Page*
Airports - Passenger Facility Charge Program	7/18/23	8/7/23	A-3
Countywide Single Audit FYE June 30, 2022	8/22/23	10/21/23	A-4
Probation / District Attorney / Sheriff - California Office of Emergency Services, Board of State and Community Corrections, Office of Traffic Safety, Department of Justice, and Parks and Recreation Grants Fiscal Year Ended June 30, 2022	8/22/23	Not Required	Not Required
Public Works - Ford City-Taft Heights Sanitation District for FYE June 30, 2021 and 2020	9/12/23	11/15/23	A-5
Kern County Deferred Compensation Plans for FYE June 30, 2022	9/12/23	Not Required	Not Required
Public Works - County Services Areas for FYE June 30, 2021 and 2020	9/26/23	Not Required	Not Required
Assessor-Recorder - California Electronic Recording Transaction Network Authority FYE June 30, 2022	11/7/23	Not Required	Not Required
Automobile, Workers' Compensation, Disability, and Healthcare Insurance Fraud Program Grants FYE June 30, 2023	11/28/23	Not Required	Not Required
Public Health - Proposition 10 – Black Infant Health for FYE June30, 2023	11/28/23	Not Required	Not Required
Public Health - Proposition 10 – Nurse Family Partnership for FYE June30, 2023	11/28/23	Not Required	Not Required
Public Health - Proposition 10 – Medically Vulnerable Care Coordination for FYE June30, 2023	11/28/23	Not Required	Not Required

* A corrective action plan or attachment is not required for reports that did not include any findings.

Clifton Larson Allen had begun fieldwork on audits that were not completed or still under their review before finalizing. The following in progress audits are expected to be completed and reported on the next June 30, 2024, Compliance and Accountability Report.

Report
Assessor-Recorder - California Electronic Recording Transaction Network Authority FYE June 30, 2023
Countywide Single Audit FYE June 30, 2023
Public Works - Kern Sanitation Authority FYE June 30, 2021

Report
Treasurer- Tax Collector- Deferred Compensation Programs FYE June 30, 2023

Grand Jury

Government Code affirms that financial examinations or audits may be performed in coordination with the investigations conducted by the Grand Jury. The Board of Supervisors may resolve to accept the Grand Jury reports in lieu of its own separate examination if such reports are found to fulfill some or all of the requirements of the Government Code. Upon the issuance of a report, the Board of Supervisors and a department's elected official (if applicable) must respond to the Presiding Judge within 90 and 60 days, respectively.

The following reports were issued by the Grand Jury and/or the responses provided during this reporting period:

Report	Report Date	Elected Official Response Date*	Board of Supervisors Response Date
Code Compliance The Good, The Bad, and The Ugly	6/1/23	N/A	8/8/23
Sheriff/Coroner's Office, 21 st Century Facility for 21 st Century Demands	6/29/23	8/4/23	8/22/23
Kern County Children and Families Commission- First 5 Kern	6/12/23	N/A	8/22/23

* An elected official response is not applicable for departments that have an appointed (not elected) department head.

Information Security

Kern County Ordinance Section 2.01.010 assigns the function of Information Security to the County Administrative Office, under the responsibility of the Chief Information Technology Officer or designee. The Chief Information Officer or designee is tasked with the responsibility of conducting security assessments of the County's security environment. The security assessment covers all information technology (IT) environments' controls that provide security defense and a proactive security posture. The assessment includes different technologies, such as, networking, servers, workstations, mobile devices, wireless networks, and security standards. The multiple layers of security configurations and maintenance cover different threat vectors of the IT environment. The requirements also ensure departments are protecting the minimum standard level of security enforced through the Kern County IT Policy and Standards.

As of December 31, 2023, the Chief Information Technology Officer initiated fieldwork on assessments that were not completed and are in progress. The following in progress assessment is expected to be completed and reported on the next June 30, 2024 Compliance and Accountability Report:

Report
District Attorney
County Administrative Office
Countywide Communications
Farm and Home
General Services
Grand Jury
Human Resources

Other External Agencies

In addition to the above-mentioned reports, other reports have been issued from other external agencies. They include audits, reviews, assessments, agreed upon procedures, monitoring, and other reports that aim to determine the accuracy of information, provide insight, or recommendations to improve. Typically, they are primarily

performance based but may vary significantly depending on the scope of the particular engagement and may also be financial or compliance based. Departments are responsible for filing these reports with the Board of Supervisors, County Administrative Office, and Auditor-Controller. Departments are also required to respond directly to the agency within 30 days and are expected to resolve all findings and/or recommendations identified.

The following reports were issued by other external agencies during this reporting period and/or corrective action plans due during this reporting period:

Report	Prepared by	Report Date	Corrective Action Plan*
Department of Human Services Special Investigative Unit (SIU) Compliance Review	California Department of Social Services	6/15/23	Received
District Attorney Grants Performance Assessment	California Office of Emergency Services	6/22/23	Received
Auditor-Controller Apportionment and Allocation of Property Tax Revenues for Period of July 1, 2017 to June 30, 2022	State Controller's Office	7/27/23	Not Required
Probation – Kern Cross Roads Facility Inspection 2022	Juvenile Justice and Delinquency Prevention Commission	8/30/23	Not Required
Probation –Apex Academy Facility Inspection 2022	Juvenile Justice and Delinquency Prevention Commission	8/30/23	Not Required
Department of Human Services – Resource Family Approval Biennial Review 2023	California Department of Social Services	10/6/23	Not Required
Department of Human Services – Adoption Assistance Program Monitoring Review	California Department of Social Services	10/13/23	Received
Probation - Targeted Case Management Medi-Cal Cost Report Review FYE 6/30/2020	California Department of Health Care Services	10/13/23	Not Required
Probation – Standards and Training for Corrections (STC) Program Review	Board of State and Community Corrections	10/27/23	Not Required
Department of Human Services- California Work Opportunity and Responsibility to Kids (CalWORKs) Eligibility Case File Review	California Department of Social Services	11/6/23	Received
Aging and Adult Services- Quality Assurance Monitoring Review of In-Home Supportive Services (IHSS) Program	California Department of Social Services	11/28/23	Received

* A corrective action plan is not required for reports that did not include any findings.

As of December 31, 2023, external agencies had also begun fieldwork on other audits that were not completed or still under their review before finalizing. The following audits were in progress and are expected to be completed and reported on the next June 30, 2024 Compliance and Accountability Report:

Report	Prepared by
Behavioral Health and Recovery Services – FY 14-15 Short-Doyle Medi-Cal Cost Audit	California Department of Health Care Services
Aging and Adult Services Nutrition Services Program	Health and Human Services, Office of Inspector General

Report	Prepared by
Probation / Public Health Services - 2003/2004 Targeted Case Management Medi-Cal Cost Disallowance Deferral	California Department of Health Care Services
Department of Human Services Social Security Representative Payee	Disability Rights of California Agency
Aging and Adult – Social Security Representative Review	Disability Rights of California Agency
Department of Human Services- CalFresh Management Evaluation Review for Federal Fiscal Year (FFY) 2024	California Department of Social Services
Aging and Adult Services – Planning and Service Area Audit	California Department of Aging
Auditor-Controller Employment Tax Return Examination for Calendar Year 2021	Internal Revenue Service
Aging and Adult- Financial Support Review (FSR) for FY 2023-24	California Department of Aging
Board of State and Community Corrections (BSCC) 2023-2024 Inspection of Central Receiving, Pre-Trial, and Justice Facility	Board of State and Community Corrections
District Attorney- Workers Compensation Insurance Fraud Grant Program	California Department of Insurance
District Attorney- Automobile Insurance Fraud Grant Program	California Department of Insurance
District Attorney- Disability and Healthcare Insurance Fraud Grant Program	California Department of Insurance
Mandated Cost Claims for Domestic Violence Arrest Policies and Standards Program	State Controller's Office
Behavioral Health and Recovery Services -Drug Medi-Cal Organized Delivery System and Mental Health Plan External Quality Review	Behavioral Health Concepts, Inc, External Quality Organization

FOLLOW-UP REVIEWS

County Administrative Office's Follow-up Reviews

In addition to the new audits listed in this report that went to your Board in the past six months, separate follow-up report on outstanding, unresolved audit findings from the June 30, 2023 Compliance and Accountability Report that are over six months old are provided as Attachments B and C. Our office continues to work with departments on resolution, pursuing adequate documentation of remedial proof, and will report to your Board all previous in-progress items until fully resolved. It is imperative that department heads are proactive in this process, as they are ultimately responsible for the success of their department's internal control processes.

CONCLUSION

The proactive and diligent efforts of the Board of Supervisors, County Administrative Office, auditors, and each County department have been a vital part of providing transparent and accountable County operations. As required by County ordinance, this report provides your Board with an update on audit compliance. This office will continue to work with departments in reaching resolution of the audit findings and report their compliance on the next June 30, 2024 Compliance and Accountability Report.

Board of Supervisors
Compliance and Accountability Report for December 31, 2023
January 23, 2024
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Therefore, IT IS RECOMMENDED that your Board receive and file the December 31, 2023 Compliance and Accountability Report.

Sincerely,



James L. Zervis
Chief Administrative Officer

JZ:SH:COMPL December 2023 Report

Attachments
cc: All Department Heads

December 31, 2023
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: General Services

Audit Period: For Fiscal Years Ended June 30, 2021 and 2020

Corrective Action Plan Received: Yes
Issued by: Kern County Auditor-Controller

Department [Budget Unit]	Audit Report Date	Finding [Violation]	CAO Comments	Previous Estimated Date of Compliance	Current Status	Current Estimated Date of Compliance
General Services [1610]	9/12/2023	Finding: Emergency and Safety Procedures [Internal Controls, Kern County Policy and Procedures Manual section 1602, 1604, 1607] -The department's Emergency Preparedness Plan does not have all the components required; Evacuation drill has not been performed; evacuation maps are not posted; employees don't know where Safety Data Sheets are located and could not answer what the acronym IIPP (Injury Illness Prevention Program) stands for.	Building wide evacuation drills were not conducted during the pandemic, but on October 19, 2023, County departments conducted a facility evacuation drill. The department is currently working on all other compliance requirements. Compliance will be monitored and reported.	N/A	Pending	6/30/2024
General Services [1610]	9/12/2023	Finding: Claims Lag Time [Admin bulletin NO.9. California Government Code section 927.4]The department has not processed invoice payments for twenty two of 89 claims selected for review. The responsible parties did not submit the invoices to the accounts payable staff timely.	The division had high turn-over. Now the division is fully staffed. Procedures were updated to include the division's Manager or designee to review invoices within 24 hours of receipt and confirm goods/services were received and to approve invoices for payment within 48 hours. Lag has improved; however, the department is working on an acceptable lag time. Compliance will be monitored and reported.	N/A	Pending	6/30/2024
General Services [1610]	9/12/2023	Finding: Accruing Grants Revenue [Internal Controls, Kern County Policy and Procedures Manual section 909.1 and 909.4]The department did not accrue grant revenue for fiscal years 2019-20, 2020-21 and 2021-22. The total revenue was \$135,320.14	An accountant position was added whose duties include revenue generation, project tracking and grant monitoring and reimbursements. The accountant will also review grant expenses with construction staff. Compliance will be monitored and reported.	N/A	Pending	6/30/2024

December 31, 2023
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: County Wide Employee Performance Evaluation
Audit Period: As of September 28, 2022

Corrective Action Plan Received: Yes
Issued by: Kern County Auditor-Controller

Department [Budget Unit]	Audit Report Date	Finding [Violation]	CAO Comments	Previous Estimated Date of Compliance	Current Status	Current Estimated Date of Compliance
Animal Services [2760]	10/10/2023	Finding: Six Employee Performance Reports (EPRs) not conducted timely [Internal Controls , Kern County Policy and Administrative Procedures Manual section 136 (KCAPPM 136)]	The department created a procedure and assigned an employee to distribute, follow up and track completed and outstanding EPRs. The department still not current on EPRs. Compliance will continue to be monitored.	N/A	Pending	6/30/2024
County Counsel [1210]	10/10/2023	Finding: Nine Employee Performance Reports (EPRs) not conducted timely [Internal Controls , Kern County Policy and Administrative Procedures Manual section 136 (KCAPPM 136)]	Employee sends reminders to each supervisor a week before EPR due date. Process has been enhanced to have a quarterly report provided to the County Counsel, Assistant County Counsel, and Administrative Coordinator for review and follow-up accordingly. The department still not current on EPRs. Compliance will continue to be monitored.	N/A	Pending	6/30/2024
Risk Management [1910]	10/10/2023	Finding: Three Employee Performance Reports (EPRs) not conducted timely [Internal Controls , Kern County Policy and Administrative Procedures Manual section 136 (KCAPPM 136)]	Employee sends reminders to each supervisor a week before EPR due date. Process has been enhanced to have a quarterly report submitted to the County Counsel, Assistant County Counsel, and Administrative Coordinator for review and follow-up accordingly. The department still not current on EPRs. Compliance will continue to be monitored.	N/A	Pending	6/30/2024

December 31, 2023
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: County Wide Employee Performance Evaluation
Audit Period: As of September 28, 2022

Corrective Action Plan Received: Yes
Issued by: Kern County Auditor-Controller

Department [Budget Unit]	Audit Report Date	Finding [Violation]	CAO Comments	Previous Estimated Date of Compliance	Current Status	Current Estimated Date of Compliance
Human Services [5120]	10/10/2023	Finding: Four Employee Performance Reports (EPRs) not conducted timely [Internal Controls , Kern County Policy and Administrative Procedures Manual section 136 (KCAPPM 136)] EPR Communication Log System [Internal Controls] As of September 28, 2022, the system had failed to generate 23 out of 207 EPRs tested.	The department has automated system to send out email notifications and subsequent reminders to supervisors of upcoming EPRs. The department also has EPR Logging System. Each bureau has an assigned employee and process to monitor the status of EPRs in the system. The department's and County IT team worked to resolve the system glitch that caused the problem. In order to ensure the system is working correctly, an employee in Human Resources division of the department will generate monthly reports from the department's and County's system to compare and review.	N/A	Achieved	Completed
Elections [1420]	10/10/2023	Finding: Three Employee Performance Reports (EPRs) not conducted timely [Internal Controls , Kern County Policy and Administrative Procedures Manual section 136 (KCAPPM 136)]	An employee is assigned to notify supervisors of upcoming EPRs and to track the status of all EPRs in a tracking document. Another employee is cross trained as a backup. The log of outstanding EPRs will be distributed at the weekly management meeting. Department head will be notified of all delinquent EPRs for appropriate action. The department still not current on EPRs. Compliance will continue to be monitored.	N/A	Pending	6/30/2024
Employer's Training Resource [5923]	10/10/2023	Finding: 13 Employee Performance Reports (EPRs) not conducted timely [Internal Controls , Kern County Policy and Administrative Procedures Manual section 136 (KCAPPM 136)]	The department assigned an employee and a backup to notify supervisors and distribute, collect, and track the status of all EPRs. The department also enhanced protocol to notify the Department head and all division heads of all EPRs that are past due. The department still not current on EPRs. Compliance will continue to be monitored.	N/A	Pending	6/30/2024

December 31, 2023
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: County Wide Employee Performance Evaluation
Audit Period: As of September 28, 2022

Corrective Action Plan Received: Yes
Issued by: Kern County Auditor-Controller

Department [Budget Unit]	Audit Report Date	Finding [Violation]	CAO Comments	Previous Estimated Date of Compliance	Current Status	Current Estimated Date of Compliance
Fire [2415]	10/10/2023	Finding: 37 Employee Performance Reports (EPRs) not conducted timely [Internal Controls , Kern County Policy and Administrative Procedures Manual section 136 (KCAPPM 136)]	The department has assigned an employee to monitor EPR status and follow up as needed by sending an email copying raters, their direct supervisor and the applicable Managers. The department still not current on EPRs. Compliance will continue to be monitored.	N/A	Pending	6/30/2024
General Services [1610]	10/10/2023	Finding: Five Employee Performance Reports (EPRs) not conducted timely [Internal Controls , Kern County Policy and Administrative Procedures Manual section 136 (KCAPPM 136)]	The department updated procedures to create an excel worksheet to track outstanding EPRs. Senior Human Resources specialist is assigned to distribute, collect, maintain , send reminders and notify managers when EPRs are overdue. The department still not current on EPRs. Compliance will continue to be monitored.	N/A	Pending	6/30/2024
Information Technology Services [1160]	10/10/2023	Finding: 41 Employee Performance Reports (EPRs) not conducted timely [Internal Controls , Kern County Policy and Administrative Procedures Manual section 136 (KCAPPM 136)]	The department has assigned Office Services Specialist to notify and track all EPRs that each supervisor is responsible to perform. Another employee is cross trained as a backup. Protocol was enhanced to inform the Chief Information Officer and designee, of all supervisors that have not completed their EPRs timely. The department still not current on EPRs. Compliance will continue to be monitored.	N/A	Pending	6/30/2024

December 31, 2023
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: County Wide Employee Performance Evaluation
Audit Period: As of September 28, 2022

Corrective Action Plan Received: Yes
Issued by: Kern County Auditor-Controller

Department [Budget Unit]	Audit Report Date	Finding [Violation]	CAO Comments	Previous Estimated Date of Compliance	Current Status	Current Estimated Date of Compliance
Library [6210]	10/10/2023	Finding: 44 Employee Performance Reports (EPRs) not conducted timely [Internal Controls , Kern County Policy and Administrative Procedures Manual section 136 (KCAPPM 136)]	The department assigned an Office Services Coordinator to distribute EPRs to the employee and supervisor and implemented email reminders until EPRs are completed and received. The department still not current on EPRs. Compliance will continue to be monitored.	N/A	Pending	6/30/2024
Public Defender [2190]	10/10/2023	Finding: 72 Employee Performance Reports (EPRs) not conducted timely [Internal Controls , Kern County Policy and Administrative Procedures Manual section 136 (KCAPPM 136)]	The department made changes by having an employee track completion of EPRs due and notifying the department head when EPRs are past due.	N/A	Achieved	Completed
Public Health [4110]	10/10/2023	Finding: 11 Employee Performance Reports (EPRs) not conducted timely [Internal Controls , Kern County Policy and Administrative Procedures Manual section 136 (KCAPPM 136)]	The department has assigned an employee to notify and track all EPRs and report the status to Department head.	N/A	Achieved	Completed
Public Works [8954]	10/10/2023	Finding: 55 Employee Performance Reports (EPRs) not conducted timely [Internal Controls , Kern County Policy and Administrative Procedures Manual section 136 (KCAPPM 136)]	Fiscal Support Technician and Fiscal Support Specialist have been assigned the responsibility of tracking and monitoring the department's EPRs. Human Resources Manager is ultimately responsible for working with managers and supervisors to assist them in completing EPRs in a timely manner. Notices and calendar events will be sent to managers and supervisors to remind them upcoming EPRs. Tracking spreadsheet will be maintained. Log of overdue EPRs will be provided to the Division's Assistant Director. The department still not current on EPRs. Compliance will continue to be monitored.	N/A	Pending	6/30/2024

December 31, 2023
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: County Wide Employee Performance Evaluation
Audit Period: As of September 28, 2022

Corrective Action Plan Received: Yes
Issued by: Kern County Auditor-Controller

Department [Budget Unit]	Audit Report Date	Finding [Violation]	CAO Comments	Previous Estimated Date of Compliance	Current Status	Current Estimated Date of Compliance
Sheriff [2210]	10/10/2023	Finding: 11 Employee Performance Reports (EPRs) not conducted timely [Internal Controls , Kern County Policy and Administrative Procedures Manual section 136 (KCAPPM 136)]	Supervisors are given a deadline to complete EPRs. The department updates EPR log on the status of EPRs. A report is posted on all outstanding EPRs to be reviewed by supervisors. Management will be notified about late EPRs.	N/A	Achieved	Completed

December 31, 2023
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: Airports Passenger Facility Charge Program
Audit Period: For Fiscal Years Ended June 30, 2022

Corrective Action Plan Received: Yes
Issued by: Independent External CPA Auditors

Department [Budget Unit]	Audit Report Date	Finding [Violation]	CAO Comments	Previous Estimated Date of Compliance	Current Status	Current Estimated Date of Compliance
Airports [8995]	7/18/2023	The department did not submit quarterly reporting to the carriers for the period of 7/1/2021 to 6/30/2022. In addition, submissions of receipts and expenditure to the Federal Aviation Agency (FAA) on the SOAR system for two quarters were submitted late.	Due to multiple staff changes, the task of timely reporting was overlooked. Currently, the Airport Finance Manager is in charge of the reportings and protocol has been enhanced to run monthly reports to track revenue reports. The department has sent all the quarterly reports to the carriers and to the FAA. Department has made progress; however, September 2023 quarterly report was submitted late. Compliance will continue to be monitored.	N/A	Pending	6/30/2024

December 31, 2023
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: County Wide Single Audit

Audit Period: For Fiscal Years Ended June 30, 2022

Corrective Action Plan Received: Yes

Issued by: Independent External CPA Auditors

Department [Budget Unit]	Audit Report Date	Finding [Violation]	CAO Comments	Previous Estimated Date of Compliance	Current Status	Current Estimated Date of Compliance
Airports [8994] [8995]	8/22/2023	Audit Adjustment of \$756,259 was needed to accrue missed revenue. Financial reporting requirements for two airport grants were not submitted timely (SF-425)	The department created Master Grant Control file that tracks expenses and helps ensure reimbursement claims that were not submitted before the end of the fiscal year get accrued appropriately. The department created Master Grant Control file that tracks cost and reporting dates for each grant. Airports finance manager is responsible for timely reports. The department's accountant is cross trained as well. Required reports were prepared and submitted on July 2023 and October 2023.	N/A	Pending	6/30/2024
Special Services [1040]	8/22/2023	Audit Adjustment of \$3,208,041 was needed to accrue missed revenue in general fund.	These funds come from Permanent Local Housing Allocation grant from Housing and Community Development (HCD). It took longer to get reimbursement than in the past, and the contact was non responsive. Since September of 2023, new contact was assigned at the agency. Revenue will be accrued once the request for funds is made.	N/A	Pending	6/30/2024
Behavioral Health and Recovery Services [4120] [4130]	8/22/2023	Audit Adjustment of \$5,060,505 was needed to accrue revenue in Behavioral Health and Recovery Services fund; audit adjustment of \$1,052,501 was needed for overstatement of unavailable revenue.	Supervisor of the unit responsible for revenue accrual will hold meetings after the County Year-end training to ensure the staff understands the direction given and will set- up calendar reminders for deadlines.	N/A	Pending	6/30/2024

December 31, 2023
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: County Wide Single Audit

Corrective Action Plan Received: Yes

Audit Period: For Fiscal Years Ended June 30, 2022

Issued by: Independent External CPA Auditors

Department [Budget Unit]	Audit Report Date	Finding [Violation]	CAO Comments	Previous Estimated Date of Compliance	Current Status	Current Estimated Date of Compliance
Community Development [5940]	8/22/2023	Audit Adjustment of \$519,487 and \$211,146 was needed to accrue revenue and audit adjustment of \$519,847 to accrue unrecorded expenditure in the Community Development fund.	Department will ensure timely communication between vendors, subrecipients and other County departments and will request project progress estimates from them monthly.	N/A	Pending	6/30/2024
Human Services [5120]	8/22/2023	Audit Adjustment of \$35,816,492 for realignment funding recorded as unearned revenue in Human Services fund.	The department will continue to book the revenue as unearned and send applicable backup to Reporting division of the Auditor's office as instructed. The department's realignment revenue is unique and requires Auditor to use additional back-up, like remittance for advances to properly identify and book the correct amount of unearned revenue instead of using FMS numbers.	N/A	Pending	6/30/2024
Auditor- Controller [1110] County Local Revenue Funds [2300] [4142] [5300]	8/22/2023	Audit adjustment of \$2,194,689 in the County Local Revenue fund and Governmental Activities were needed to accrue unrecorded revenue.	The department will train staff tasked with year-end accruals. Staff will attend Realignment revenue related trainings when they are available. Staff will also monitor realignment revenue received and meet quarterly with County Administrative Office staff to discuss realignment related issues and concerns to determine expected revenue.	N/A	Pending	6/30/2024

December 31, 2023
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: County Wide Single Audit

Corrective Action Plan Received: Yes

Audit Period: For Fiscal Years Ended June 30, 2022

Issued by: Independent External CPA Auditors

Department [Budget Unit]	Audit Report Date	Finding [Violation]	CAO Comments	Previous Estimated Date of Compliance	Current Status	Current Estimated Date of Compliance
Fire [2415]	8/22/2023	Audit adjustment of \$640,547 was needed to accrue unrecorded expenditure in fire fund. Revenue in an amount of \$1,799,978 was reclassified to Intergovernmental revenue from Other Revenue in Fire fund. Audit adjustment of \$2,361,443 to reclassify amounts recorded in Other Revenue that should have been eliminated as a result of interfund sale and purchase of assets in fire fund.	The department will review fiscal year end expenditures to ensure compliance with proper accrual and seek Auditor's guidance as necessary. The department will review the nature of revenue received to ensure proper classification.	N/A	Pending	6/30/2024
Auditor- Controller [1110]	8/22/2023	Capital Assets and Net Position was understated for costs incurred in prior period that were not properly capitalized. Leases were recognized in the government wide and the airport fund financial statements for leases that did not meet all the criteria for GASB 87. Others that should have been recognized had not. Lease liability overstated in government wide financial statement by \$3,759,017 and airport fund by \$1,112,081. Lease liability in government wide financial statements was understated by \$3,137,962 and lease receivable was understated in the airport fund by \$369,194.	The Auditor's office changed capital asset requirements during year end to make sure departments understood and had a way to capture equipment as work in progress for items that were purchased but haven't been outfitted for use. The Auditor's office is using LeaseQuery to allow departments to enter, update and track their leases. Auditor-Controller will review and approve leases once submitted by departments.	N/A	Pending	6/30/2024
Planning [2750]	8/22/2023	Deposits for oil and gas permits (\$17,106,747) were recognized as revenues in prior year rather than being recorded as deposits from others (liability) until revenue recognition criteria has been met in accordance with GAAP.	Currently fund 24010 collects oil and gas, time and material and consultant contract and cumulative impact charges. The department is working with the Auditor's office to request a new fund for the fiduciary deposits. Money will be recorded as liability until it is earned.	N/A	Pending	6/30/2024

December 31, 2023
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: County Wide Single Audit

Audit Period: For Fiscal Years Ended June 30, 2022

Corrective Action Plan Received: Yes

Issued by: Independent External CPA Auditors

Department [Budget Unit]	Audit Report Date	Finding [Violation]	CAO Comments	Previous Estimated Date of Compliance	Current Status	Current Estimated Date of Compliance
Public Health [4110]	8/22/2023	County made adjustment to the Schedule of Expenditures of Federal Awards (SEFA) for Epidemiology Laboratory Capacity for infectious Diseases grant. Epidemiology Laboratory Capacity was increased by \$3,412, 458. The County incorrectly included in the fiscal year cost a portion of payroll costs which were predominantly incurred during the prior year.	The department has improved its process for analyzing federal expenditures and has added management review of the SEFA prior to submission. The department will attend training when available and the department will provide payroll costs as instructed in future SEFAs.	N/A	Pending	6/30/2024
County Administrative Office [1020]	8/22/2023	County made adjustment to SEFA for Emergency Rental Assistance . Rental Assistance was decreased by \$2,501,610 .	Department will work with outside auditor to ensure reporting is properly reflected and appropriate documentation is available.	N/A	Pending	6/30/2024

December 31, 2023
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: Public Works - Ford City- Taft Heights Sanitation District
Audit Period: For Fiscal Years Ended June 30, 2021 and 2020

Corrective Action Plan Received: Yes
Issued by: Independent External CPA Auditors

Department [Budget Unit]	Audit Report Date	Finding [Violation]	CAO Comments	Previous Estimated Date of Compliance	Current Status	Current Estimated Date of Compliance
Ford City - Taft Heights [9146]		Capital Asset and net position were understated as of June 30, 2020 and changes in net position were overstated as of June 30, 2021. As a result a restatement of \$142,582 was made to restate beginning net position and infrastructure assets as of July ,2019 and reduced changes in net position as of June 30, 2021.	Department assigned an Accountant and Fiscal Support Tech to monitor all activities in Capital Asset program and reconcile to department's records when financial statements are prepared.	N/A	Achieved	Completed

December 31, 2023
 COMPLIANCE AND ACCOUNTABILITY
 FOLLOW-UP POST AUDIT REVIEW SUMMARY - IN PROGRESS (OVER SIX MONTHS OLD)

Department [Budget Unit]	Audit Report Date	Finding [Violation]	CAO Comments:	Previous Estimated Date of Compliance	Current Status	Current Estimated Date of Compliance
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Not applicable - no findings over six months old remained in progress at December 31, 2023.

December 31, 2023
COMPLIANCE AND ACCOUNTABILITY
FOLLOW-UP POST AUDIT REVIEW SUMMARY - RESOLVED (OVER SIX MONTHS OLD)

Department [Budget Unit]	Audit Report Date	Finding [Violation]	CAO Comments	Previous Estimated Date of Compliance	Current Status	Current Estimated Date of Compliance
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Not applicable - no findings over six months old remained in progress at June 30, 2023 needing resolution by December 31, 2023.