

January 28, 2025

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

December 31, 2024 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, 2024, on departmental compliance issues for the period July 1, 2024, through December 31, 2024.

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 financial, compliance, operational, or investigative in nature 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**GROUND  BOUNDLESS**

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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*
Fire Department FYE June 30, 2022 and 2021	6/25/24	08/09/24	A-1
Treasurer-Tax Collector – Statement of Money for Quarter 3 FY 2023-24	8/20/24	Not Required	Not Required
Treasurer-Tax Collector – Statement of Money for Quarter 3 FY 2023-24	10/22/24	Not Required	Not Required
Airports Limited Scope Audit 7/1/2021 to 12/7/2023	10/22/24	12/06/24	A-2
Airports Follow-Up Audit on Prior Findings	10/22/24	12/06/24	A-3

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

As of December 31, 2024, the Auditor-Controller had additional pending audits that were not yet completed. We will provide a status update on the following in-progress audits and any additional developments for June 30, 2025 Compliance and Accountability Report:

Report
Animal Services – Special Audit
Countywide Audit of Purchasing Card Transactions for Fiscal Year 2022-23
Countywide Capital Assets for Fiscal Year 2022-23
Countywide Grants as of June 30, 2023
Countywide Inventory for Fiscal Year 2023-24
Treasurer-Tax Collector – Statement of Money for Quarter 1 & 2 for FY 2024-25

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 certain audits after the Request for Proposals process. 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 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 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*
Treasurer-Tax Collector – Investment Policy Compliance	7/16/24	Not Required	Not Required
Assessor-Recorder – California Electronic Recording Transaction Network Authority FYE June 30, 2023	8/20/24	10/4/24	A-4
Countywide Single Audit FYE June 30, 2023	9/24/24	11/8/24	A-5
Treasurer-Tax Collector – Deferred Compensation Programs	10/8/24	Not Required	Not Required
District Attorney – Automobile, Workers’ Compensation, Disability, and Healthcare Insurance Fraud Program Grants FYE June 30, 2024	12/3/24	Not Required	Not Required
Public Health – Proposition 10 – Black Infant Health for FYE June 30, 2024	12/3/24	Not Required	Not Required
Public Health – Proposition 10 – Nurse Family Partnership for FYE June 30, 2024	12/3/24	Not Required	Not Required
Public Health – Proposition 10 – Medically Vulnerable Care Coordination for FYE June 30, 2024	12/3/24	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 review before finalizing. The following in progress audits are expected to be completed and reported on the next June 30, 2025, Compliance and Accountability Report.

Report
Public Works – Ford City-Taft Heights Sanitation District Fiscal Year Ended June 30, 2023 and 2022
Public Works – Kern Sanitation Authority Fiscal Year Ended June 30, 2023 and 2022
Public Works – County Service Areas Fiscal Year Ended June 30, 2023 and 2022

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
Kern County and Bakersfield City Park Rangers – A Tale of Two Programs	5/22/24	7/21/24	8/6/24

Report	Report Date	Elected Official Response Date*	Board of Supervisors Response Date
Kern County Sheriff’s Office Work Release Program – Providing Our Communities with Safe Workers	6/12/24	8/11/24	7/30/24
Roadway Marking Retroreflectivity – Nighttime Visibility on Kern County Roadways	6/13/24	N/A	7/30/24
Inyokern Community Service District – A Plethora of Inaction	6/25/24	N/A	9/10/24
Kern County Fire Department: 21 st Century Demands; 20 th Century Infrastructure- Follow-Up to Fiscal Year 2021-2022 Grand Jury Report	10/24/24	N/A	12/3/24

* 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, 2024, the following assessment reports were issued by the Chief Information Technology Officer and corrective action plans due during this reporting period:

Report	Report Date	Corrective Action Plan
Farm and Home	9/30/24	N/A

As of December 31, 2024, the Chief Information Technology Officer initiated fieldwork on assessments that were not completed and are in progress. The following in progress assessments are expected to be completed and reported on the next June 30, 2025 Compliance and Accountability Report:

Report
County Administrative Office
Countywide Communications
General Services
Grand Jury
Human Resources

Other External Agencies

In addition to the above-mentioned reports, other reports have been issued by 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*
District Attorney – Insurance Fraud Grant Programs for Fiscal Years 2019/20, 2020/21, and 2021/22	California Department of Insurance	5/9/24	Received
Employers’ Training Resource – High Road Construction Carrer: SB1Valley Build Contract Program Year 2023-2024	Fresno Regional Workforce Development Board	6/5/24	Not Required
Aging and Adult – In-Home Supportive Services (IHSS) Timely Reassessment Standards	California Department of Social Services	7/9/24	Not Required
Department of Human Services – Temporary Assistance for Needy Families (TANF) and Work Incentive Nutritional Supplement (WINS) Work Participation Rate (WPR) Data Review for FFY 2022	California Department of Social Services	7/10/24	Not Required
Probation – Crossroads and APEX Academy Facilities Inspection	Juvenile Justice and Delinquency Prevention Commission	9/9/24	Not Required
Aging and Adult Services – Nutrition Services Program	Health and Human Services, Office of Inspector General	October 2024	Not Required
Employers’ Training Resource – Fiscal and Program Systems Review for Program Year 2023-24	Employment Development Department	12/30/24	Not Required

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

The following report issued by external agencies did not have a corrective action plan due during this reporting period; however, it will be included in the next June 30, 2025 Compliance and Accountability Report:

Report	Prepared by
Sheriff – Mandated Cost Claims for Domestic Violence Arrest Policies and Standards Program	California State Controller’s Office

As of December 31, 2024, 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, 2025 Compliance and Accountability Report:

Report	Prepared by
Department of Human Services – FFY 2025 Management Evaluation Review of CalFresh Program Operations	California Department of Social Services
Aging and Adult – In-Home Supportive Services (IHSS) Quality Assurance Monitoring Review for FY 2024-25	California Department of Social Services

Report	Prepared by
Department of Human Services – Phase Two Biennial Quality Review	California Department of Social Services
Aging and Adult – Fiscal and Compliance Audit for Fiscal Year 2021-22 & 2022-23	California Department of Aging
Department of Human Services –Work Incentive Nutritional Supplement (WINS) Work Participation Rate (WPR) Data Review for FFY 2023	California Department of Social Services
Probation / Public Health Services – 2003/2004 Targeted Case Management Medi-Cal Cost Disallowance Deferral	California Department of Health Care Services
Aging and Adult – Program Monitoring	California Department of Aging
Auditor-Controller – Employment Tax Return Examination for Calendar Year 2021	Internal Revenue Service
Behavioral Health and Recovery Services – FY 2015-16 Short-Doyle Medi-Cal Cost Audit	California Department of Health Care Services

FOLLOW-UP REVIEWS

County Administrative Office’s Follow-up Reviews

The audits listed above were filed with your Board in the past six months. Additional follow-up reporting on outstanding, unresolved audit findings from June 30, 2024 Compliance and Accountability Report and prior are reported in 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, Auditor-Controller, internal and external auditors, and each County department have been vital in 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 audit findings and report on their compliance on the next June 30, 2025 Compliance and Accountability Report.

Therefore, IT IS RECOMMENDED that your Board receive and file the December 31, 2024 Compliance and Accountability Report.

Sincerely,



Nancy Anderson
Chief Administrative Officer

Attachments
cc: All Department Heads

December 31, 2024
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: Fire
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
Fire [2415]	6/25/2024	Finding: Capital Asset Equipment Inventory and Records [Internal Controls, KCPAPM Chapter 4, Section 406 & 407] - 11 out of 37 computer equipment costing \$1,000 to \$4,999 were not recorded in the Capital Asset Program. Those assets were listed in the department's own records.	The Capital Asset program is the official record of all assets costing over \$1,000. The department updated its procedure regarding all types of assets and the new process has been communicated to staff. The Department is in the process of updating its written Policy and Procedures Manual. The procedure includes to email all purchases to an employee who enters the purchases into a tracking system (OperativeIQ). The department is in the process of building this system. When it comes to computer equipment, the assets are tracked by the IT staff in a system called TrackIT and the group initiated a process to compare data between TrackIT and the Capital Asset System monthly and upload any asset that was not listed in the Capital Asset Program. Implementation of this process has been verified through documentation provided.	N/A	Achieved	Completed
Fire [2415]	6/25/2024	Finding: Capital Asset Equipment Inventory and Records [Internal Controls, KCPAPM Chapter 407.8] -Two assets were disposed of without following the proper Inventory Adjustment Request (IAR) and three assets could not be found.	The IAR process helps to ensure asset disposals are verified and approved by authorized personnel. The department has now assigned two employees to process IARs. IAR for one missing item (IAR # 9352) and two items that were disposed of with out proper IAR process (IAR # 9353 & 9354) have been completed to remove the items from the program. One of the missing items was located, and the Department is searching for the second missing item.	N/A	Pending	6/30/2025
Fire [2415]	6/25/2024	Finding: Capital Asset Equipment Inventory and Records [Internal Controls, KCPAPM Chapter 7, Section 714.4(c)] -The department did not use the Unusable Disposal Adjustment (UDA) process to dispose off cell phones. This process ensures all data in the devices is properly cleaned before disposal.	The UDA process ensures that all assets that contain sensitive information are recorded and disposed of properly. The UDA process is now being utilized. It is confirmed that the latest UDA request files do contain cell phones.	N/A	Achieved	Completed

December 31, 2024
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: Airports
Audit Period: July 1, 2021 to December 7, 2023

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
Airports [8995]	10/22/2024	Finding: Management employee has been allowed to use his private plane during business hours for personal and business purposes. This practice exposes the County to risk and liability.	The department instituted a written policy on flying during on and off duty. The policy requires all employees to sign a document every year acknowledging that they have received and read the policy and release the County of Kern of any responsibility of any damage. Accordingly, all employees have signed the document for the first year. The policy was reviewed and approved by Risk Management official. The Director and Chief Operating Officer are responsible to maintain the policy and review and approve request for flying.	N/A	Achieved	Completed
Airports [8995]	10/22/2024	Finding: The Department marked Inventory Adjustment Request (IAR) as complete for disposal of a vehicle when the department has not received auction paperwork showing that the vehicle had been auctioned and when the vehicle is still in Department's possession.	The IAR process helps to ensure asset disposals are approved by authorized personnel. The process includes multiple steps in which different groups of approvers are involved. The department entered the asset as recommended. The asset was subsequently disposed of properly. The department has followed the process correctly and has all the paper work to show the process was completed correctly. The department's Finance Manager and Senior Accountant will be responsible to oversee proper removal of assets from the system.	N/A	Achieved	Completed

December 31, 2024
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

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

Corrective Action Plan Received: No
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
Airports [8995]	10/22/2024	Finding: Reconciliation [Internal Controls, KCPAPM Chapter 903] - The Department has consistently kept accurate expenditure reconciliations and bank reconicliations for the Bank of America account. However, the current reconciliation process for the Wells Fargo account involves a card processing statement instead of a bank statement. The department was unable to identify the \$1,000 revolving fund balance that should be in the account.	The current Finance Manager obtained access to the bank account and has started reconciliation using the bank statement. The reconciliation process will identify the \$1,000 revolving fund in the bank balance used for bank fees and replenished constantly. The department is in the process of reconciling previous periods.	N/A	Pending	6/30/2025

December 31, 2024
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: Assessor - California Electronic Recording Transaction Network Authority (CERTNA)
Audit Period: For Fiscal Years Ended June 30, 2023

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
Assessor [1130]	6/25/2024	Finding: The County did not make reversing entries for accrued receipt of member contributions which resulted in a misstatement to accounts receivable and revenue resulting in audit adjustment of \$119,989 to reverse accounts receivable; There was no proper review of journal entries which resulted in the duplication of cash associated with the payroll replenishment account resulting in audit adjustment of \$26,412. There was no proper review of the fixed asset listing which resulted in an understatement in fixed assets in the prior fiscal year and an overstatement in depreciation expense in the current year resulting in adjustment of \$12,526 to fixed assets balance.	The Department will ensure reversal of accruals are made, new assets are entered in to Capital Asset system timely and assets no longer used are disposed of timely. The Department will also ensure all additions and disposition changes are reflected in the asset schedule and the total of the listing reconciles with the general ledger and verify correct amount of depreciation expense is recorded. The Department will work closely with Kern County Auditor-Controller's office to obtain trial balance and ensure that reversing entries for accrued revenue are entered timely and correctly. As of the report date fiscal year, 2023-24 audit has not begun, and there is no documentation to verify implementation of the recommendation.	N/A	Pending	6/30/2025

December 31, 2024
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: County of Kern Single Audit
Audit Period: For Fiscal Years Ended June 30, 2023

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
Employers' Training Resource [5923]	9/24/2024	Finding: Required reports under the Federal Funding Accountability and Transparency Act to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) were not filed for subgrants. Direct recipients of federal awards are required to report first tier subawards over \$30,000 in FSRS.	Required reports to FSRS for the period of October 2023 to September 2024 will be reported in January 2025. Department has updated its process to ensure compliance with reporting requirements. All staff will be given a training on the procedure. The Administrative Services Officer has been designated to be in charge of preparing the reports in a timely manner.	N/A	Pending	6/30/2025
Aging and Adult [5610]	9/24/2024	Finding: County was unable to provide supporting documentation for sampled non payroll expenditures totaling \$436 charged to Mental Health Services (MHS) grant. The charges were made by Aging and Adult Services per Memorandum of Understanding (MOU) to perform services to MHS grant. For the same grant, the charges for sampled Payroll expenditures charged to MHS grant were \$4,317 more than calculated by Auditor and the reason for the difference could not be determined. Expenditures incurred outside of grant performance period were included in the charges. This is because of compiling expenditures for reporting based on when expenditures were recorded in the system instead of when benefits from expenditures were received.	Behavioral Health and Recovery Services (BHRS) department has a memorandum of understanding (MOU) with Aging and Adult Services to perform services for Mental Health Services grant. BHRS will add in its MOU a requirement to receive copies of allocation documents and a narrative cost allocation plan with the monthly bill to charge MHS grant. Additionally, the preparation of Journal Voucher (JV)s to charge MHS grant will be done by BHRS staff after receiving all the backup documents. Aging and Adult department used payroll allocation system reports to charge BHRS for the services, and the Department is working with ITS to determine accuracy of the reports. The department will provide training to properly compile expenditures based on accrual basis of accounting.	N/A	Pending	6/30/2025

December 31, 2024
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: County of Kern Single Audit
Audit Period: For Fiscal Years Ended June 30, 2023

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
Behavioral Health and Recovery Services [4120]	9/24/2024	Finding: Expenditures recorded to the grant were outside of the grant period. Expenditures should be recorded within the period of performance. However sample testing shows a portion of non-payroll costs incurred before or after performance period were included. This is because of compiling expenditures based on the date recorded in the system rather than the benefits from the expenditure were received.	The Auditor-Controller's office will continue to provide training to County staff to properly compile expenditures based on the accrual basis of accounting. Department's Finance Director will also provide additional training to Staff at a deeper level.	N/A	Pending	6/30/2025
Behavioral Health and Recovery Services [4120]	9/24/2024	Finding: Administrative and other indirect costs were erroneously recorded and charged to the Block Grants for Prevention and Treatment of Substance abuse grant program as direct costs. Administrative and other costs that cannot be identified specifically with a particular Federal award as a final cost objective are not recorded as direct costs to the program. Due to that, the indirect costs allocated to the federal award likely exceeded the negotiated indirect cost rate for the award.	BHRS will work with cost allocation system vendor to reprogram the treatment of the allocated costs to comply with 2 CFR Part 200 Administrative Requirements.	N/A	Pending	6/30/2025
County Administrative Office (CAO) 1020	9/24/2024	Finding: There is no evidence that suspension and debarment verification checks were done before procurement for Coronavirus State and Local Fiscal Recovery Funds. 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award requires compliance with the provision of procurement, suspension, and debarment. While there was evidence that verification checks were performed, the County was unable to provide evidence for when the checks were performed to support the fact that they took place prior to the related procurement.	The County will add a section to its standard contract and subrecipient contracts for the other party to certify that they are not suspended or debarred. The County will instruct department staff to establish controls to ensure suspension and debarment check is performed before procurement and to retain evidence of such check. An email to applicable County department staff was sent by the CAO's office with instructions to remind staff how to access and perform debarment and suspension checks and retain all documents obtained from the search. Staff were also provided certification document to include in all contracts utilizing federal funds which includes specific requirements and certifications regarding debarments and suspensions.	N/A	Pending	6/30/2025

December 31, 2024
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
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 are updated to include the division's Manager or designee to review invoices within 24 hours of receipt and confirm goods/services are received and approved invoices for payment are processed within 48 hours. The lag time has improved; however, the current late processing of claims is about 2.66% . Compliance will be monitored and reported.	12/31/2024	Pending	6/30/2025
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 is still not current on EPRs. Compliance will continue to be monitored.	12/31/2024	Pending	6/30/2025
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)]	Reminders are sent to each supervisor a week before EPR due date. Process have 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 is still not current on EPRs. Compliance will continue to be monitored.	12/31/2024	Pending	6/30/2025
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)]	Reminders are sent to each supervisor a week before EPR due date. Process have 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 is still not current on EPRs. Compliance will continue to be monitored.	12/31/2024	Pending	6/30/2025
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 is still not current on EPRs. Compliance will continue to be monitored.	12/31/2024	Pending	6/30/2025

December 31, 2024
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
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 is still not current on EPRs. Compliance will continue to be monitored.	12/31/2024	Pending	6/30/2025
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. A Senior Human Resources specialist is assigned to distribute, collect, maintain , send reminders and notify managers when EPRs are overdue. The department is still not current on EPRs. Compliance will continue to be monitored.	12/31/2024	Pending	6/30/2025
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 supervisor and implemented email reminders until EPRs are completed and received. The department is still not current on EPRs. Compliance will continue to be monitored.	12/31/2024	Pending	6/30/2025
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)]	A 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 of upcoming EPRs. A tracking spreadsheet will be maintained and a log of overdue EPRs will be provided to the Division's Assistant Director. The department is still not current on EPRs. Compliance will continue to be monitored.	12/31/2024	Pending	6/30/2025

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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
Board of Supervisors District 2 [1012]	5/7/2024	Finding: 36 out of 66 (55%) purchase card transactions were certified after 45 days of the statement date. Additionally, 14 transactions were not reviewed (Department approved) [Internal Controls, Kern County Policy and Administrative Procedures Manual section 518.15 (KCAPPM 518.15)]	Staff has been trained and a secondary approver has been designated so all transactions are approved on time. There are still transactions that have been certified and reviewed late. Monitoring will continue until timely certification and approval is achieved.	12/31/2024	Pending	6/30/2025
Board of Supervisors District 4 [1014]	5/7/2024	Finding: 23 out of 59 (39%)purchase card transactions were certified after 45 days of the statement date. [Internal Controls, Kern County Policy and Administrative Procedures Manual section 518.15 (KCAPPM 518.15)]	Staff has been trained and a secondary approver has been designated so all transactions are approved on time. There are still transactions that have been certified and reviewed late. Monitoring will continue until timely certification and approval is achieved.	12/31/2024	Pending	6/30/2025
Board of Supervisors District 5 [1015]	5/7/2024	Finding:9 out of 31 (29%) purchase card transactions were certified after 45 days of the statement date. Additionally, 8 transactions were not reviewed (Department approved) [Internal Controls , Kern County Policy and Administrative Procedures Manual section 518.15 (KCAPPM 518.15)]	Staff has been trained and a secondary approver has been designated so all transactions are approved on time. There are still transactions that have been certified and reviewed late. Monitoring will continue until timely certification and approval is achieved.	12/31/2024	Pending	6/30/2025
District Attorney Forensic Services [2200]	5/7/2024	Finding: 414 out of 470 (88%) purchase card transactions were certified after 45 days of the statement date. Additionally, 13 transactions were not reviewed (Department approved). [Internal Controls , Kern County Policy and Administrative Procedures Manual section 518.15 (KCAPPM 518.15)]	The reason for the delay was staff shortage. The department hired one employee to help with the certification of transactions. Additionally, a backup employee was assigned and a notice was sent to everyone involved. Improvements in timely certification has been shown in the recent transactions. However, some late certifications and approval were still observed. Monitoring will continue until full compliance is achieved.	12/31/2024	Pending	6/30/2025

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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
Probation [2340]	5/7/2024	Finding: 2,170 out of 2,417 (90%) purchase card transactions were certified after 45 days of the statement date. [Internal Controls , Kern County Policy and Administrative Procedures Manual section 518.15 (KCAPPM 518.15)]	The department sent out instructions to purchase card holders to immediately start certifying their transactions upon receiving an email from the Auditor's office and not wait to get paper statements. The instructions include the date by which transactions are certified and backup documents are submitted to Accounts Payable staff. Consequences of failure to certify by the due date will result in notifying the card holder's supervisor and possible suspension of additional purchases. Additionally, quarterly update to management from assigned employees regarding purchase card certification by card holders is implemented. Improvement in timely certification is seen due to the new process. However, some late certifications and approval were still observed. Monitoring will continue until full compliance is achieved.	12/31/2024	Pending	6/30/2025
Fire [2415]	5/7/2024	Finding: 3,686 out of 6,383 (58%) purchase card transactions were certified after 45 days of the statement date. Two card holders exceeded the annual limit , and in 10 instances the vendor limit of \$50,000 was exceeded. [Internal Controls , Kern County Policy and Administrative Procedures Manual section 518.15 (KCAPPM 518.15)]	Staff responsible for certifying and approving purchase card transactions have been educated on the 45 day certification and approval requirements. Assigned staff will track spending by user against their approved limits and vendor spending. Timely Certification has been achieved; however, verification of compliance with cardholder annual limit and annual vendor limit was not possible as there is only half year data available. Monitoring will continue until compliance is fully achieved.	12/31/2024	Pending	6/30/2025
Animal Services [2760]	5/7/2024	Finding: 501 out of 847 (59%) purchase card transactions were certified after 45 days of the statement date. [Internal Controls, Kern County Policy and Administrative Procedures Manual section 518.15 (KCAPPM 518.15)]	The Business Manager will monitor transaction certification and approval. A Fiscal Support Technician has been trained to approve transactions and will send email reminders to card holders to notify of approval deadlines. However, some late certifications and approval were still observed. Monitoring will continue until full compliance is achieved.	12/31/2024	Pending	6/30/2025

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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
Public Health [4110]	5/7/2024	Finding: 445 out of 1,733 (26%) purchase card transactions were certified after 45 days of the statement date. [Internal Controls, Kern County Policy and Administrative Procedures Manual section 518.15 (KCAPPM 518.15)]	The department assigned the Public Health Program Manager of Fiscal division to ensure certifications are done timely. The process will include to inform P-Card Users' supervisors of any non-compliance and to follow up weekly. Multiple employee failures to comply will result in removing the P-Card. However, some late certifications and approval were still observed. Monitoring will continue until full compliance is achieved.	12/31/2024	Pending	6/30/2025
Aging and Adult Services [5610]	5/7/2024	Finding: 27 purchase card transactions were certified but not reviewed. [Internal Controls , Kern County Policy and Administrative Procedures Manual section 518.15 (KCAPPM 518.15)]	Department assigned an employee to notify P-Card users, reviewer and management when transactions are ready to certify. 35 days from the initial notification, the Administrative Services Officer (ASO) will review all transactions to ensure all transactions are certified and reviewed.	12/31/2024	Pending	6/30/2025
Airports [8995]	5/7/2024	The department did not submit quarterly reporting to the carriers timely for the period of 7/1/2022 to 9/30/2022. In addition, submissions of receipts and expenditures to the Federal Aviation Agency (FAA) on the SOAR system was not completed timely for the same period. Additionally, there is no review procedure in place in preparing and submitting these reports.	The Finance Manager is on track for submitting quarterly reports to the carriers timely except for the first quarter of fiscal year 2023-24. A procedure was added to have a second employee to review the reports before they are submitted. Monitoring will continue until full compliance is achieved.	12/31/2024	Pending	6/30/2025

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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
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 to ensure billings and accruals are done timely. The department made accruals for all earned revenues.	6/30/2024	Achieved	Completed
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. Single Audit Report for FY 2022-23 does not show any non compliance regarding SEFA.	6/30/2024	Achieved	Completed
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. Single Audit Report for FY 2022-23 does not show non compliance regarding SEFA.	6/30/2024	Achieved	Completed

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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
Agriculture and Measurement Standards [2610]	5/7/2024	Finding: 17 purchase card transactions were certified but not reviewed. County card was inadvertently used for personal use on 14 transactions totaling \$358.09. [Internal Controls, Kern County Policy and Administrative Procedures Manual section 518.15 (KCAPPM 518.15)]	The root cause of the problem was oversight. To ensure card holders certify timely, one employee is assigned to receive bank statements and remind card holders to provide the backup. All current transactions are certified and reviewed. The employee who inadvertently used County card for personal use has surrendered the card and County was reimbursed for the cost.	12/31/2024	Achieved	Completed
General Services Construction Services [1640]	5/7/2024	Finding: 23 out of 68 (34%) purchase card transactions were certified after 45 days of the statement date. [Internal Controls, Kern County Policy and Administrative Procedures Manual section 518.15 (KCAPPM 518.15)]	The department created an internal deadline to certify and review purchase card transactions within ten business days. Calendar reminders have been set to assist staff with tracking the deadlines. The department's Administrative Services Officer (ASO) will follow up with assigned reviewers and approvers to ensure timely certification. There are still transactions that have been certified and reviewed late. Monitoring will continue until timely certification and approval is achieved.	12/31/2024	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 a weekly management meeting. Department head will be notified of all delinquent EPRs for appropriate action. The department is still not current on EPRs. Compliance will continue to be monitored.	12/31/2024	Achieved	Completed

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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
Auditor- Controller [1110]	4/10/2024	Finding: Amounts that should have been recorded as transfers between funds were recorded as Salaries and Benefits expenditures.	Journal entry to transfer money from various funds to Pension obligation Bonds (POBs) debt service fund was missed in FY 2022-23 financial statement preparation. In order to prevent this from happening again, a checklist will be prepared and utilized by senior accountant to ensure all entries are completed. All the necessary entries to properly reduce salaries and benefits and increase transfers between funds for POB cost was completed for FY 2023-24 financial statement preparation.	12/31/2024	Achieved	Completed
Auditor- Controller [1110]	4/10/2024	Finding: Accounts Receivable was overstated in general fund by \$10,659,629. This resulted in material corrected misstatement in the current year.	Property tax revenue that should have been recognized in Fiscal year 2023-24 was recognized in Fiscal year 2022-23. This recognition did not meet GAAP revenue recognition Criteria. The criteria is revenue should be recognized when it is available within 60 days after the close of fiscal year 2022-23. To respond to this error, additional procedures like revenue analytics will be performed to identify possible mistatements.	12/31/2024	Achieved	Completed