

January 27, 2026

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

December 31, 2025 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, 2025, on departmental compliance issues for the period of July 1, 2025, through December 31, 2025.

COMPLIANCE REQUIREMENTS AND RESPONSIBILITIES

Board 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, these audits 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. This report and the attached exhibits indicate status of various audits completed during or prior to the reporting period. 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 Supervisors' 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*
Treasurer-Tax Collector – Statement of Money for Quarter 3 FY 2024-25	8/19/25	Not Required	Not Required
Airports – Second and Final Follow-up Audit on Prior Findings and Recommendations as of 5/20/25	8/19/25	Not Required	Not Required
Airports – First and Final Follow-up Audit on Prior Findings and Recommendations as of 6/1/25	8/19/25	Not Required	Not Required
Fire – First and Final Follow-up Audit on Prior Findings and Recommendations as of 3/27/25	8/19/25	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, 2025, 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, 2026 Compliance and Accountability Report:

Report
Treasurer-Tax Collector – FY 2024-25 4 th Quarter Cash Count
Treasurer-Tax Collector – FY 2025-26 1 st Quarter Cash Count
Countywide Audit of Purchasing Card Transactions for FYE June 30, 2025, 2024, and 2023
Countywide Inventory for FYE June 30, 2025 and 2024

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 that 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*
Countywide Single Audit FYE June 30, 2024	6/24/25	08/08/25	A-1
Treasurer-Tax Collector – Investment Policy Compliance	6/17/25	Not Required	Not Required
Treasurer-Tax Collector – Deferred Compensation Programs	6/17/25	Not Required	Not Required
Airports – Passenger Facility Charge Program FYE June 30, 2024	8/19/25	Not Required	Not Required
District Attorney – Automobile, Workers’ Compensation, Disability, and Healthcare Insurance Fraud Program Grants FYE June 30, 2025	11/18/25	Not Required	Not Required
Public Health – Proposition 10 – Black Infant Health for FYE June 30, 2025	11/18/25	Not Required	Not Required
Public Health – Proposition 10 – Nurse Family Partnership for FYE June 30, 2025	11/18/25	Not Required	Not Required
Public Health – Proposition 10 – Medically Vulnerable Care Coordination for FYE June 30, 2025	11/18/25	Not Required	Not Required
Public Works – County Services Areas for FYE June 30, 2023 and 2022	9/24/25	Not Required	Not Required

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

The following report issued by Clifton Larson Allen has a corrective action plan due after the current reporting period, so the plan will be included in the next June 30, 2026 Compliance and Accountability Report:

Report	Board Date	Plan Due Date	Attachment Page*
Public Works – Kern Sanitation Authority (KSA) for FYE June 30, 2023 and 2022	9/17/25	1/22/25	Not Applicable

* An attachment page is not applicable for reports that corrective action plans were not due during this reporting period.

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, 2026, Compliance and Accountability Report.

Report
Public Works – Ford City-Taft Heights Sanitation District 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 during the reporting period, but the responses were not due, so they will be included in the next June 30, 2026 Compliance and Accountability Report:

Report	Report Date	Elected Official Response Date*	Board of Supervisors Response Date
Public Health: Budget Cuts Vs Safety Net	11/21/25	N/A	2/19/26
County of Kern Workday ^R (Kern360)	11/21/25	1/20/26	2/19/26

* 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 Technology 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.

As of December 31, 2025, 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, 2026 Compliance and Accountability Report:

Report
County Administrative Office (CAO)
General Services
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 accuracy of information, provide insight, or make 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*
Auditor-Controller – Employment Tax Return Examination for Calendar Year 2021	Internal Revenue Service	6/27/25	Not Required
Employers' Training Resource – WIOA Program Financial and Procurement Management Systems Applicable to La Cooperativa's Programs 24-25	La Cooperativa Campesina of California	7/24/25	Not Required

Report	Prepared by	Report Date	Corrective Action Plan*
Employers' Training Resource – San Joaquin County Prison to Employment Grant Monitoring	San Joaquin County Employment and Economic Development Department	7/29/25	Not Required
Department of Human Services – Resource Family Approval Biennial Review 2025	California Department of Social Services	9/11/25	Not Required
Probation – Crossroads and APEX Academy Facilities Inspection 2025	Juvenile Justice and Delinquency Prevention Commission	9/16/25	Not Required
Behavioral Health and Recovery Services – Drug Medi-Cal Organized Delivery System (DMC-ODS) Plan Audit for FY 2023-24	California Department of Health Care Services	9/24/25	Not Required
Behavioral Health and Recovery Services – Specialty Mental Health Services (SMHS) Plan Audit for FY 2023-24	California Department of Health Care Services	9/24/25	Received
Behavioral Health and Recovery Services – Annual Substance Use Prevention, Treatment and Recovery Services Block Grant Compliance Review for FY 2024-25	California Department of Health Care Services	9/25/25	Received
Aging and Adult – In-Home Supportive Services (IHSS) Program Quality Assurance Monitoring Review for FY 2025-26	California Department of Social Services	12/15/25	Received

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

As of December 31, 2025, external agencies had also begun fieldwork on other audits that were not completed or still under review before finalizing. The following audits were in progress and are expected to be completed and reported on the next June 30, 2026, Compliance and Accountability Report:

Report	Prepared by
Aging and Adult – Social Security Representative Payee Review	Disability Rights California
Employers' Training Resource – Workforce Innovation and Opportunity Act (WIOA) Annual Review for FY 2024-25	State of California Employment Development Department
Department of Human Services – Civil Rights Compliance	California Department of Social Services
Probation – Victim Restitution Program	California State Auditor
Probation / Public Health Services – 2003/2004 Targeted Case Management Medi-Cal Cost Disallowance Deferral	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, 2025 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, 2026 Compliance and Accountability Report.

Therefore, IT IS RECOMMENDED that your Board receive and file the December 31, 2025 Compliance and Accountability Report.

Sincerely,



Nancy Anderson
County Administrative Officer

NA/SH: COMPL December 2025 Report

Attachments

cc: All Department Heads

December 31, 2025
COMPLIANCE AND ACCOUNTABILITY
POST AUDIT REVIEW SUMMARY - CURRENT

Report: Single Audit Report
Audit Period: For Fiscal Years Ended June 30, 2024

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 (BHRS) [1670CC]	6/24/2025	The County Incorrectly included payroll for Block Grants for Community Mental Health Services and non payroll costs for Block Grants for Prevention and Treatment of Substance Abuse which were incurred before the period of Performance because the compilation of expenditures reported was based on when the expenditures were recorded in the system instead of when expenditures were incurred.	The Auditor-Controller's office continues to provide training on accrual basis of accounting at year-end training . All personnel related to recording the expenditures related to this program will be required to attend the meeting. In addition, the Auditor's office will require all department heads and chief fiscal officers to sign off on the accuracy and completeness of their revenue and expenditures prior to closing each fiscal year. Additionally, staff at BHRS preparing claims have been trained and are aggregating personnel cost data based on pay periods that fall within the grant period and not based on transaction recorded date. Compliance is in progress for the finding related to non personnel costs, as such monitoring will continue until achieved.	N/A	Pending	6/30/2026
Behavioral Health and Recovery Services [1670CC]	6/24/2025	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, reported program cost may not accurately reflect a correct allocation of indirect costs for the program.	BHRS worked with a cost allocation system vendor, Allocap, to reprogram the treatment of the allocated costs to comply with 2 CFR Part 200 Administrative Requirements. The reprogramming was completed and the expenses that were categorized incorrectly as direct were moved to indirect for FY 2024-25. It was too late to make corrections for fiscal year 2023-24 as the FY 2022-23 audit report was released in FY 2023-24. Due to that, this particular issue was a repeat finding for FY 2023-24 Single Audit.	N/A	Achieved	Completed

December 31, 2025
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
Auditor- Controller [1134CC]	3/11/2025	Audit adjustment was needed to recognize revenue from sales tax and vehicle license fees in the amount of \$19,968,000 in the General Fund. Audit adjustment netting to approximately \$20,327,000 were recorded to reduce revenue for vehicle license fees and state public assistance in the Human Services fund. Approximately \$7,828,000 was recorded in the prior period in error, resulting in a restatement of the fund's beginning fund balance. Audit adjustment netting to approximately \$12,539,000 were recorded to reduce revenue recorded in Behavioral Health and Recovery Services fund. Approximately \$17,855,000 should have been recorded in the prior period, resulting in a restatement of the fund's beginning fund balance.	The Auditor-Controller's office continues to provide year-end training. With the implementation of a new ERP system, Kern 360, County Departments will have additional time to review and properly identify receivables and revenue accruals to the correct accounting period. This will minimize accounting adjustments needed in preparation of financial statements. The Auditor-Controller's Reporting division will do a detailed analysis of the revenue accruals to ensure revenue is recognized in the proper period. Additionally, the Auditor-Controller's office will require all department heads and chief fiscal officers to sign off on the accuracy and completeness of their receivables and revenue accruals.	12/31/2025	Pending	6/30/2026
Risk Management [1019CC]	10/10/2023	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. Processes 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 due to management changes. Compliance will continue to be monitored.	12/31/2025	Pending	6/30/2026
Fire [1686CC]	10/10/2023	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 due to staffing shortage. Compliance will continue to be monitored.	12/31/2025	Pending	6/30/2026

December 31, 2025
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 Works [1801CC]	10/10/2023	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.	12/31/2025	Pending	6/30/2026
Board of Supervisors District 2 [1001CC]	5/7/2024	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 have 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. In the last six months of transactions, only 17% of the transactions were certified timely and 87% of transactions are verified late or not verified at all. Monitoring will continue until timely certification and approval is achieved.	12/31/2025	Pending	6/30/2026
Board of Supervisors District 4 [1003CC]	5/7/2024	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 have 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. In the last six months, there have been only two transaction and two of them haven't been verified. Monitoring will continue until timely certification and approval is achieved.	12/31/2025	Pending	6/30/2026
Board of Supervisors District 5 [1004CC]	5/7/2024	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 have been trained and a secondary approver have been designated so all transactions are approved on time. There are still transactions that have been certified and reviewed late. In the last six months, there have been 14 transactions 43% of the transactions were certified timely, while 57% were certified late. Monitoring will continue until timely certification and approval is achieved.	12/31/2025	Pending	6/30/2026

December 31, 2025
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
County Counsel [1012CC]	10/10/2023	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 now current on EPRs due.	12/31/2025	Achieved	Completed
Behavioral Health and Recovery Services [1670CC]	9/24/2024	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 worked with cost allocation system vendor, Allocap, to reprogram the treatment of the allocated costs to comply with 2 CFR Part 200 Administrative Requirements. The reprogramming was completed and the expenses that were categorized incorrectly as direct were moved to indirect for FY 2024-25. It was too late to make corrections for fiscal year 2023-24 as the FY 2022-23 audit report was released in FY 2023-24. Due to that, this particular issue was a repeat finding for FY 2023-24 Single Audit. See A-1	12/31/2025	Achieved	Completed
Employers' Training Resource [1141CC]	10/10/2023	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. Satisfactory progress has been shown.	12/31/2025	Achieved	Completed

December 31, 2025
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
Aging and Adult [1631CC]	9/24/2024	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 added 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. Aging and Adult department used payroll allocation system reports to charge BHRS for the services, and the Department has worked with ITS to determine accuracy of the reports. ITS confirmed that the system allocation is correct. For FY 2024 Single Audit, the independent auditors did accept the system allocation calculation, which takes into account the non-productive time (vacation, holiday, sick leave, etc.) cost. The department provided training to properly compile expenditures based on accrual basis of accounting.	12/31/2025	Achieved	Completed
Airports [3278CC]	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. There was no finding for Fiscal Year 2023-24 audit. A procedure was added to have a second employee to review the reports before they are submitted.	12/31/2025	Achieved	Completed

December 31, 2025
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
Airports [3278CC]	10/22/2024	Reconciliation [Internal Controls, KCPAPM Chapter 903] - The Department has consistently kept accurate expenditure reconciliations and bank reconciliations 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 identified the \$1,000 revolving fund in the bank balance used for bank fees and replenished constantly. The department completed its reconciliation of past statements.	12/31/2025	Achieved	Completed