

Attachment



External Monitoring Report

of County Departments, Performed by State, Federal, and Other Outside Agencies

July 1, 2022—June 30, 2023



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Department External Monitoring

Background

The County organization as a whole and specific County departments are subject to monitoring by various external entities. The majority of monitoring is performed to ensure State and federal funds awarded to the County are spent in accordance with certain regulations or other requirements. Instances of non-compliance may result in: 1) requirement of returning funds to the funding agency, 2) reduced funding in future years, and/or 3) higher monitoring costs.

Monitoring can occur at different levels, such as an audit, review, or specific procedures performed on certain processes. Additionally, monitoring periods may vary (i.e. annually, quarterly, or on a one-time basis).

County policy requires all monitoring performed over departments to be reported to the Auditor-Controller. The monitoring received inform the Auditor-Controller's Internal Audit Division of Countywide risks and are considered when drafting each year's Internal Audit Plan.

This report presents information from monitoring reports received by County departments and reported to the Auditor-Controller during fiscal year (FY) 2022-23. Any reports presented to the County Board of Supervisors separately, such as the Annual Comprehensive Financial Report, Single Audit Report, and KPMG Operational Performance Reviews are not included in this report. This report will also differ from the CEO's Compliance and Accountability Report due to a different scope: fiscal years presented and engagement types.

Departments are requested to self-assess a risk rating based upon monitoring results. Please note that Internal Audit has not performed procedures on department responses. The risk ratings are as follows:

Low Risk: Potential for low dollar amount of error or loss, other compensating procedures exist, or minimal program impact.

Moderate Risk: Potential for moderate dollar amount of error or loss (relative to the size of the program), some violation of policy, other compensating procedures may exist to correct issue. When an audit report indicates that a breakdown in compliance occurred, the risk will be assessed at a minimum of moderate. Nonadherence to policies and procedures, lack of self-monitoring, and a possible future loss of outside funding due to noncompliance will also be assessed at a minimum of moderate.

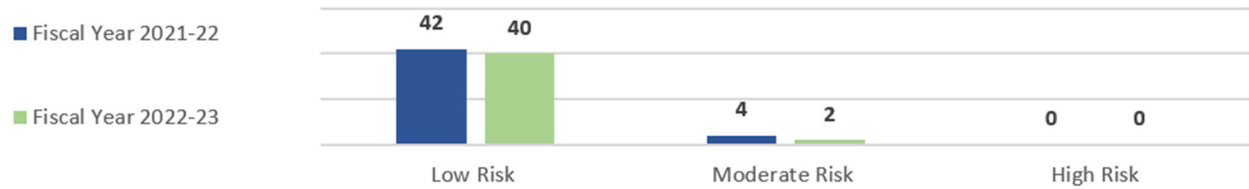
High Risk: Potential for large dollar amount of error or loss, significant lack of monitoring or breakdown in compliance, or wide-spread violation of law. Insufficient compensating procedures exist.

Department External Monitoring

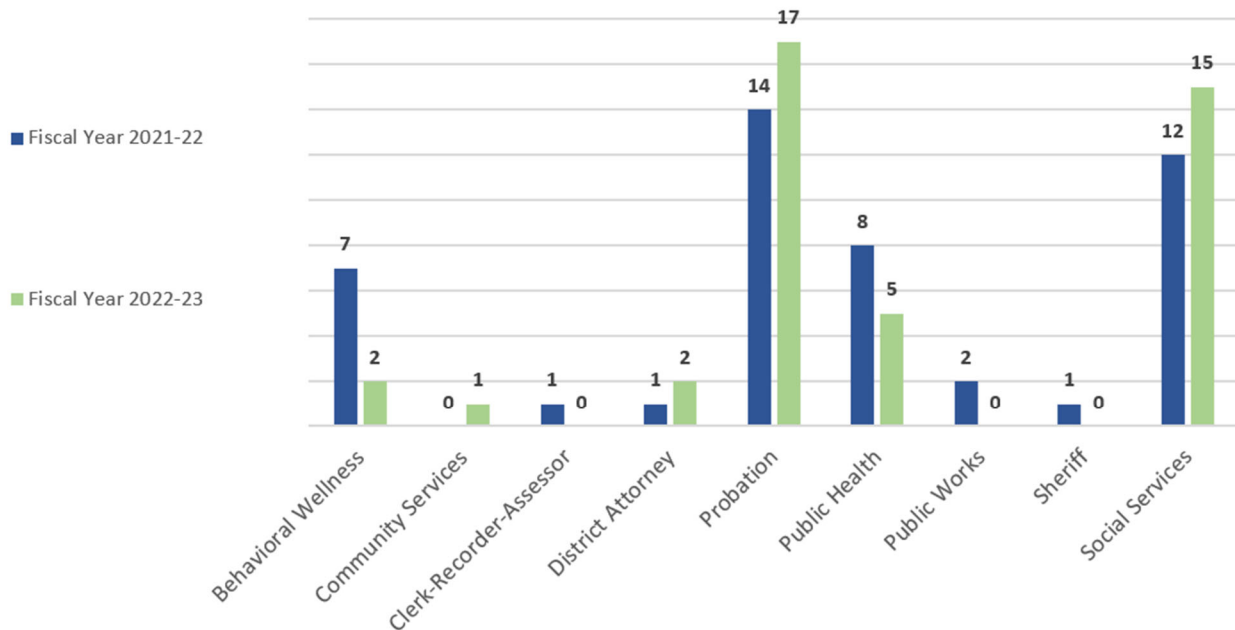
Background (continued)

A listing of all external monitoring reports assessed as low risk (40) are included. Additionally, the report contains management corrective actions responses for the departments who assessed moderate risk monitoring (2). There were no high risk monitoring reported.

Count of Monitoring - Fiscal Year Comparison



Count of Monitoring - By Department



Additionally, due to timing issues the following departments were unable to confirm data or self-assess risk ratings prior to this reports docketing: Public Defender, Sheriff, Social Services, and Community Services. For these departments Internal Audit performed a subjective assessment of risk based on the results of each monitoring report received.

Department External Monitoring

List of Low-Risk Reports

The chart below lists program monitoring reports that had either no findings or findings with little or no dollar amounts of error or loss, strong existing compensating procedures, or findings with minimal program impact:

DEPARTMENT	PROGRAM	AUDITING AGENCY
Behavioral Wellness	Santa Barbara EQRO-DMC	Behavioral Health Concepts
District Attorney	Subrecipient Grant Awards: KC21, HA21, XC21, XE21, UV21, and VW21	Cal OES
District Attorney	Audit of the Insurance Fraud Grant Programs	Brown Armstrong CPAs
Probation	CORI III - DOJ Automated Criminal History System (ACHS), Federal Bureau of Investigation's (FBI) Interstate Identification Index (III) purpose code (PUR) use.	California Department of Justice (DOJ)
Probation	Standards and Training for Corrections Program FY 2021/2022	Standards and Training for Corrections (STC)
Probation	California Law Enforcement Telecommunications System (CLETS)	California Department of Justice (DOJ)
Probation	Santa Maria Juvenile Justice Center (SMJJC)	State Fire Marshal
Probation	Santa Maria Juvenile Justice Center (SMJJC)	Juvenile Justice Delinquency Prevention Commission
Probation	Santa Maria Juvenile Justice Center (SMJJC)	Superintendent of Schools
Probation	Santa Maria Juvenile Justice Center (SMJJC)	Board of State and Community Corrections (BSCC)
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Probation	Santa Maria Juvenile Justice Center (SMJJC)	Board of State and Community Corrections (BSCC)
Probation	Santa Maria Juvenile Justice Center (SMJJC)	WellPath
Probation	Los Prietos Boys Camp (LPBC)	Board of State and Community Corrections (BSCC)
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Probation	Los Prietos Boys Camp (LPBC)	Juvenile Justice Delinquency Prevention Commission
Probation	Los Prietos Boys Camp (LPBC)	Superintendent of Schools
Probation	Los Prietos Boys Camp (LPBC)	Superintendent of Schools
Probation	Los Prietos Boys Camp (LPBC)	Board of State and Community Corrections (BSCC)
Probation	Los Prietos Boys Camp (LPBC)	WellPath
Public Health	Environmental Health Division as Local Primary Agency (LPA)	State Water Resources Control Board Division of Drinking Water

Department External Monitoring

List of Low-Risk Reports (Continued)

DEPARTMENT	PROGRAM	AUDITING AGENCY
Public Health	Pfizer Institutional Patient Assistance Program	PricewaterhouseCoopers LLP
Public Health	Environmental Health Division as Local Enforcement Agency (LEA)	California Environmental Protection Agency - Department of Resources Recycling and Recovery
Public Health	Supplemental Nutrition Assistance Program-Education (SNAP-ED)	CDPH as a State Implementing Agency for USDA
Public Health	REHS Continuing Education Accreditation Agency Audit	State of California - Health and Human Services Agency. California Department of Public Health
Social Services	Adoption Assistance Program (AAP) Monitoring Findings Report - Amended	California Department of Social Services (CDSS), Adoptions Services Branch
Social Services	CalFresh	California Department of Social Services, CalFresh Operations Bureau
Social Services	CalFresh	California Department of Social Services, CalFresh Operations Bureau
Social Services	CalFresh	California Department of Social Services, CalFresh Operations Bureau
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Social Services	CalFresh	California Department of Social Services, CalFresh Operations Bureau
Social Services	CalFresh	California Department of Social Services, Field Operation Bureau
Social Services	Employment Development Department, Compliance Review Office (CRO), Workforce Innovation and Opportunity Act (WIOA)	EDD, Compliance Monitoring and Resolution Section Compliance Review Office
Social Services	Employment Development Department, Compliance Review Office (CRO), Workforce Innovation and Opportunity Act (WIOA)	EDD, Compliance Monitoring and Resolution Section Compliance Review Office
Social Services	Food and Nutrition Services (FNS)	Brown Armstrong CPAs

Behavioral Wellness

The Behavioral Wellness Department received one monitoring report with results self-assessed by the department as moderate risk for the review period of September 1, 2022 through November 30, 2022 by the California Department of Health Care Services (DHCS).

Program	Monitoring Agency	Risk Level
Santa Barbara County Mental Health Plan (MHP)	DHCS	Moderate Risk

Purpose of Monitoring

A compliance review of requirements of the Santa Barbara MHP.

Findings

Three (3) findings were noted by DHCS.

- 1) Children/Youth Psychiatry Provider Capacity must be increased by 1.52 full-time equivalent (FTE) providers.
- 2) Children/Youth Outpatient Specialty Mental Health Services (SMHS) Provider Capacity must be increased by 19.54 FTE providers.
- 3) The MHP did not submit an attestation indicating there was an auto-renewal or valid contract extending through June 30, 2023 for language assistance. The MHP is required to include a valid language assistance contract that extends through June 30, 2023.

Management Corrective Action Response

- 1) Behavioral Wellness provided DHCS with supplemental documentation as evidence of correction. DHCS has determined that the MHP has come into compliance for the three findings identified.

Community Services

The Community Services Department received one monitoring report with results self-assessed by the department as moderate risk for the period of November 8, 2022 through March 30, 2023 by State of California Department of Housing and Community Development (HCD).

Program	Monitoring Agency	Risk Level
ESG-CV Funding	HCD	Moderate Risk

Purpose of Monitoring

An assessment of the County of Santa Barbara’s (subrecipient) performance and compliance with applicable federal and State regulations and requirements of the Emergency Solutions Grant—CARES Act (ESG-CV).

Findings

Eight (8) findings were noted by HCD.

- 1) The subrecipient and its sub-subrecipients do not have complete and accurate written policies and procedures to reflect current programmatic, fiscal, and administrative requirements.
- 2) The subrecipient does not have complete written intake procedures that are compliant with ESG-CV regulations.
- 3) The subrecipient and its sub-subrecipients did not consistently conduct initial evaluations to determine eligibility and need for rapid re-housing assistance, and did not maintain and follow written intake procedures to ensure and document that each program participant who received rapid re-housing assistance met eligibility requirements.
- 4) The subrecipient and its sub-subrecipients may not have consistently complied with all requirements for operating ESG-CV funded rapid re-housing projects and programs.
- 5) The subrecipient and its sub-subrecipients did not consistently document compliance with the Lead-Based Paint requirements.
- 6) The subrecipient and its sub-subrecipients may not have documented compliance with Violence Against Women Act (VAWA) requirements.
- 7) The subrecipient and its sub-subrecipients may have made improper payments with ESG-CV funds.
- 8) The subrecipient did not ensure its sub-subrecipients maintained adequate documentation of the procurement actions taken prior to purchasing goods or services with ESG-CV funds.

Management Corrective Action Response

- 1) As the administrative entity, County of Santa Barbara (County) is committed to compliance of ESG and ESG-CV regulations. The County has updated ESG specific requirements in the policies and procedures manual including; confidentiality language, communication with people with disabilities and limited English proficiency policies, as well as, emergency shelter policy. The revised confidentiality policy includes the requirements of the interim rule, Personal Identifying Information Policy & Confidentiality. Also, additional terms were

Community Services (Continued)

added in the policy and procedures manual that ensure effective communication with people with disabilities and meaningful access to programs and activities for people with limited English proficiency. Lastly, it now includes language that requires emergency shelters that serve households with children under 18 do not deny admission to a family based on the age of any child under 18. The revised County of Santa Barbara Policies and Procedures Manual for ESG and ESG-CV Programs is available for review.

- 2) The County has updated its written intake procedures to meet compliance with HUD requirements. It has been revised to align with Code of Federal Regulations (CFR) eligibility criteria and requirements for homelessness verification and documentation. The revised County of Santa Barbara Policies and Procedures Manual for ESG and ESG-CV Programs is available for review.
- 3) In conjunction with the ESG-CV sub-subrecipients, the County reviewed eligibility documentation for the client files previously reviewed by State HCD. City Net and SYVPH were able to provide documentation to support the participants were eligible to receive ESG-CV RRH funding. A client was found to not meet the criteria for rapid re-housing assistance based on the client being at imminent risk of homelessness. CIYMCA ESG-CV budget was entirely for rental assistance and client relocated out of state prior to being housed or receiving any direct client assistance.
- 4) The County has reviewed participant files for all currently housed clients to ensure compliance with required documentation policy and procedures. The County did not find any deficiencies and each participant file included, but not limited to; an executed rental assistance agreement between the sub-subrecipient and property owner, verification of Rent Reasonableness, and documentation showing there was no duplication of benefits with ESG-CV funds.
- 5) The County has revised existing lead-based paint requirements, Section 7.4 of the County of Santa Barbara Policies and Procedures Manual for ESG and ESG-CV Programs, to comply with, documentation requirements, use of a lead regulations screening worksheet to identify properties exempt from 24 CFR Section 35, use of proper disclosure forms for information on lead-based paint and/or lead-based paint hazards and use and receipt by renters of the "Protect Your Family from Lead in Your Home" pamphlet, HUD/EPAs Lead-Based Paint Disclosure Rule and HUD's Lead Safe Housing Rule. In addition, a lead regulations screening worksheet was added. Currently there are no assisted properties built before 1978 where pregnant individuals and/or children under the age of 6 are living. As a result, no additional visual inspections were performed.

Community Services (Continued)

- 6) The County incorporated VA WA policy on October 15, 2022, and can be located in Section 7.11 of County of Santa Barbara Policies and Procedures Manual for ESG and ESG-CV Programs. The County has had an Emergency Transfer Plan (ETP) and it is now referenced in the policies and procedures. The ETP and emergency transfer requests form in English and Spanish can be found at Resources For Providers | Santa Barbara County, CA - Official Website {countyofsb.org). Also, a rental assistance agreement template that includes VAWA requirements has been included in the updated policies and procedures.
- 7) County staff received documentation for the participant files in question. Three of the participants were deemed eligible, and one participant was not deemed eligible. Verification of participant eligibility is documented. Client was found to not meet the criteria for rapid re-housing assistance based on the client being at imminent risk of homelessness. CIYMCA ESG-CV budget was entirely for rental assistance and client relocated out of state prior to being housed or receiving any direct client assistance. County staff reviewed sub-subrecipients documentation of RRH clients for additional ineligible participants and found one provider, CIYMCA, served additional ineligible participants. CIYMCA served four additional clients who were at imminent risk of homelessness or did not meet the definition of literally homeless or person fleeing or attempting to flee domestic violence. CIYMCA's ESG-CV budget was solely for rental assistance and subsidies and a total of \$24,009 was expended on assistance to the four ineligible clients. Identified ineligible costs in the amount of \$24,009 will be included as a credit on the next request for funds. Pertinent staff have reviewed HCD's recording of ineligible cost training.
- 8) County HCD staff review all requests for reimbursement from its subrecipients and verify eligibility, allocability, proof of purchase, proof of payment and cost reasonableness. Good Samaritan had procurement policies in place and they are available. All of the Good Samaritan Shelter purchases listed in Finding 8 qualify as micro purchases. Payments to a specific vendor consisted of a conglomeration of several micro purchases totaling \$12,250. For this expense, a quote was obtained from the vendor. Good Samaritan Shelter has updated their procurement policy and it is available. The County of Santa Barbara's Purchasing Manual contains policies and procedures that establish eligible procurement methods and documentation standards.



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