

# Single Audit Report For Year Ended June 30, 2008

Presented by the  
Santa Barbara County  
Auditor-Controller



# What is the Single Audit Report?

- Single Audit Act, intended to promote sound financial management
- Contains both financial and compliance components
- Expenditures of Federal Awards (only) greater than \$500,000
- OMB Circular A-133



# Santa Barbara County Single Audit

- County expenditures = \$114M for Fiscal Year 2007-08
- Audit conducted by independent outside auditors Brown Armstrong
- Material non-compliance in almost all major programs
- Qualified opinion
- High risk auditee



# Santa Barbara County Single Audit

## Qualified vs. Unqualified Opinion

- **Unqualified:** Clean opinion
- **Qualified:** Material instances of noncompliance with a major program



# Santa Barbara County Single Audit

## **Basic Components**

- Reports from Outside Auditors
- Schedule of Expenditures of Federal Awards (SEFA)
- Notes to SEFA
- Findings and Questioned Costs

**COUNTY OF SANTA BARBARA, CALIFORNIA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**YEAR ENDED JUNE 30, 2008**

Federal grantor/pass-through grantor/program title	Catalog of federal domestic assistance number	Supplemental identifying number	Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)			
Passed through California Department of Social Services:			
Adoption Assistance	93.659	Santa Barbara	1,696,267
Chafee Foster Care Independent Living	93.674	Santa Barbara	129,773
Child Support Enforcement (1)	93.563	Santa Barbara (County 42)	6,295,550
Child Welfare Services - State Grants	93.645	Santa Barbara	306,435
Community-Based Family Resource and Support Grants	93.590	Santa Barbara	22,009
Foster Care - Title IV-E (1)	93.658	Santa Barbara	8,914,738
Promoting Safe and Stable Families	93.556	Santa Barbara	312,301
Refugee and Entrant Assistance - State Administered Programs	93.566	Santa Barbara	6,615
Social Services Block Grant	93.667	Santa Barbara	202,320
Temporary Assistance for Needy Families (1)	93.558	Santa Barbara	27,726,435
Passed through Central Coast Commission for Senior Citizens:			
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043	78530A	15,243
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>52,056,738</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONSOLIDATED HEALTH CENTERS CLUSTER			
Direct Program -			
Consolidated Health Centers (Health Care For The Homeless)	93.224	H80CS00046	469,477
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONSOLIDATED HEALTH CENTERS CLUSTER			<u>469,477</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES - MEDICAID CLUSTER			
Passed through California Department of Aging:			
Medical Assistance Program (1)	93.778	MS-0708-15	428,500
Passed through California Department of Health Services:			
Medical Assistance Program (1)	93.778	03-75090	671,396
Passed through California Department of Mental Health:			
Medical Assistance Program (1)	93.778	42-4450	1,439,962
Passed through California Department of Social Services:			
Medical Assistance Program (1)	93.778	Santa Barbara	15,627,631
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES - MEDICAID CLUSTER			<u>18,167,489</u>

(Continued)


(1) Denotes a major federal financial assistance program.

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133.



# Santa Barbara County Single Audit

<b>Federal Program</b>	<b>FY 07-08</b>	<b>FY 06-07</b>
<i>Food Stamps</i>	Qualified	Qualified
<i>Medicaid</i>	Qualified	Qualified
<i>Temporary Assistance for Needy Families (TANF)</i>	Qualified	Qualified
<i>Child Support</i>	Qualified	Qualified
<i>Foster Care</i>	Qualified	Qualified
<i>Workforce Investment Act (WIA)</i>	Unqualified	Qualified
<b>Highway Planning &amp; Construction</b>	Unqualified	Not audited



# Santa Barbara County Sample Size and Results

Finding Number	Major Program	Sample Size	Number of Deviations	Material Non-Compliance Risk Level	Qualitative Evaluation	Consolidated Risk of Material Non- Compliance
08-01	Foster Care	46	17	High	High	High
08-02	Child Support	46	1	Moderate	Low	Low
08-03	Child Support	46	10	High	High	High
08-04	Medicaid	46	9	High	High	High
08-05	Food Stamps	46	6	High	Moderate	High
08-06	TANF	46	4	High	High	High
08-07	TANF	46	2	High	High	High





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## **Foster Care**

- Potentially unallowable costs of \$79,035 resulting from the following:
- Six recipients should have been paid through State, not Federal funds.
- One payment was directed to the wrong Federal program.
- One payment was for a child transferred to a different County.
- Two files where a required permanency plan was not developed and/or adopted.
- Possible exposure if results extrapolated: \$500,000



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## **Child Support**

- Six files where orders to locate parents were issued untimely.
- Three files with a lack of enforcement of support obligations including wage garnishment.



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## **Medicaid**

- Three files where redetermination of eligibility was untimely.
- Three files had no verification of participant social security numbers.
- Medicaid benefit payments to recipients are not included in COSB Single Audit.



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## **Food Stamps**

- Six files where benefits were calculated incorrectly based on data in the file.



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## TANF

- Four case files where participant income wasn't verified for periods required.
- Possible exposure if results extrapolated:  
\$489,000



# Santa Barbara County Single Audit

- Goals:
  - Become a low-risk auditee
  - Avoid adverse audit findings and settlements
- Low risk auditee status requires:
  - Timely filing (completed)
  - Unqualified opinion (not completed)



# Santa Barbara County Single Audit

- How do we accomplish our goals?
  - Clear understanding of grant terms, conditions, and compliance supplement
  - Process to ensure compliance, including effective Quality Assurance
  - Process to ensure centralized communication for follow-up