

# Kern County Administrative Office



## County Administrative Center

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RYAN ALSOP

County Administrative Officer

February 14, 2017

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

## **DECEMBER 31, 2016 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, 2016 on departmental compliance issues for the period July 1, 2016 through December 31, 2016.

### **COMPLIANCE**

#### 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 Certified Public Accountants (CPA), Grand Jury, Information Security 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, or operational based 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 recommendations. The corrective action plan is required to be submitted to the County Administrative Office within 45 days of an audit report. All departments submitted their required corrective action plans for their internal 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

A 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 County Administrative Office performs a post audit review in which the Administrative Analysts and/or the County Compliance and Accountability Officer reviews audit findings and recommendations with departments, ensures procedures are documented, and identifies probable solutions to the weaknesses and deficiencies identified in the audit reports. 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 County Compliance and Accountability Officer continues to work with the department to assist with remediation. 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, ETC. ENGAGEMENTS**

Auditor-Controller

The Board of Supervisors, by resolution dated June 13, 1956, adopted Government Code Section 26883 that gave the Board of Supervisors the power to require the Auditor-Controller to perform the audits of any department, office, board or institution under the Board of Supervisor's control. To fulfill the Government Code requirements and provide additional fiscal oversight, the Auditor-Controller primarily performed compliance audits of each County department biennially. Compliance audits include assessing the adequacy of internal controls and examining, on a test basis, compliance with statutory requirements and the policy and procedures applicable to the department. The audits were conducted in accordance with Generally Accepted Auditing Standards as prescribed by the American Institute of Certified Public Accountants, and set further by the General Accounting Office's Standards and pursuant to the Government Code. On occasion, the Auditor-Controller's audit division has performed additional auditing services such as financial statement audits and has performed other agreed upon procedures.

The post audit review summaries, if required, are provided in Attachment A for the following audits that had audit reports issued by the Auditor-Controller and/or corrective action plans due by the department during this reporting period:

Report	Report Date	Plan Due Date	Report Opinion*	Attachment Page
Fire	06/07/16	07/22/16	Modified	A-1
Public Works – Engineering, Surveying, Permit Services	06/14/16	07/29/16	Unmodified	Not Required
Public Works – Roads and Transit	06/14/16	07/29/16	Modified	A-2
Public Works – Waste Management	06/14/16	07/29/16	Unmodified	Not Required
Mental Health Services	07/19/16	09/02/16	Modified	A-3
Agriculture and Measurements Standards	09/13/16	10/28/16	Unmodified	Not Required
County Counsel	09/13/16	10/28/16	Unmodified	Not Required
Public Health Services	09/13/16	10/28/16	Modified	A-4
Aging and Adult Services	10/04/16	11/18/16	Unmodified	Not Required
Animal Services	10/04/16	11/18/16	Unmodified	Not Required
Clerk of the Board	10/04/16	11/18/16	Unmodified	Not Required
Treasurer-Tax Collector – Statement of Money	10/11/16	11/25/16	Compliant	Not Required
Veterans Service	10/25/16	12/09/16	Unmodified	Not Required
Library	10/25/16	12/09/16	Unmodified	Not Required

\* Unmodified and Compliant Opinions indicate that the report did not include any findings and therefore a corrective action plan is not required.

The following reports were issued by the Auditor-Controller during this reporting period with no findings requiring a corrective action plan that would be due within and reported on the next Compliance and Accountability Report for June 30, 2017:

Report	Report Date	Plan Due Date	Report Opinion*	Attachment Page
Public Defender	12/13/16	01/27/17	Unmodified	Not Required
County Counsel – Revenue, General Liability, and Workers' Compensation Internal Service Funds	12/20/16	02/03/17	Unmodified	Not Required
Probation	12/20/16	02/03/17	Unmodified	Not Required
Treasurer-Tax Collector – Cash	12/20/16	02/03/17	Unmodified	Not Required

\* Unmodified Opinions indicate that the report did not include any findings and therefore a corrective action plan is not required.

Independent CPA

On June 14, 2016 the Board of Supervisors approved the selection of Brown Armstrong Accountancy Corporation to serve as independent external auditor for audits specified in the Request for Proposal for the fiscal years ended June 30, 2016, 2017, and 2018. Brown Armstrong primarily performed financial audits for additional fiscal oversight and other requirements, including the Government Code. Financial audits express opinions on the financial statements in accordance with Generally Accepted Auditing Standards and Government Auditing Standards. Standards require that they perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The auditor considers internal controls relevant to the preparation and fair presentation of the financial statements to design appropriate audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the internal controls. On occasion, Brown Armstrong also performs additional auditing services and other agreed upon procedures.

The following reports were issued by Brown Armstrong with no findings requiring a corrective action plan during this reporting period:

Report	Report Date	Plan Due Date	Report Opinion	Attachment Page
Airport – Passenger Facility Charge Program	10/25/16	12/09/16	Unmodified	Not Required
District Attorney – Auto, Workers' Compensation, Disability and Healthcare Insurance Fraud Program	11/08/16	12/23/16	Unmodified	Not Required

\* Unmodified Opinions indicate that the report did not include any findings and therefore a corrective action plan is not required.

The following reports were issued by Brown Armstrong during this reporting period with no findings requiring a corrective action plan that would be due within and reported on the next Compliance and Accountability Report for June 30, 2017:

Report	Report Date	Plan Due Date	Report Opinion	Attachment Page
Treasurer-Tax Collector – Investment Policy Compliance	12/06/16	01/20/17	Compliant	Not Required
Public Health – Prop 10 Medically Vulnerable Care	12/13/16	01/27/17	Unmodified	Not Required
Public Health – Prop 10 Black Infant Health	12/13/16	01/27/17	Unmodified	Not Required
Public Health – Prop 10 Nurse Family Partnership	12/13/16	01/27/17	Unmodified	Not Required
Public Health – Prop 10 Successful Application	12/13/16	01/27/17	Unmodified	Not Required

\* Unmodified and Compliant Opinions indicate that the report did not include any findings and therefore a corrective action plan is not required.

Grand Jury

Government Code affirms that financial examinations or audits may be performed in coordination with the investigations conducted by the Grand Jury or the Board of Supervisors may resolve to accept 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
Probation – Larry J. Rhoades Kern Crossroads Facility	05/25/16	Not Applicable	08/16/16
Probation – James G. Bowles Juvenile Hall Facility	05/26/16	Not Applicable	08/16/16
Sheriff – Mojave Substation	06/07/16	08/04/16	09/13/16
County Administrative Office – Kern Groundwater	06/22/16	Not Applicable	09/20/16

The following reports were completed during the reporting period, but the responses were not due, so they will be included in the next Compliance and Accountability Report for June 30, 2017:

<b>Report</b>	<b>Report Date</b>	<b>Elected Official Response Date</b>	<b>Board of Supervisors Response Date</b>
Sheriff – Central Receiving Facility	11/10/16	Due 01/09/17	Due 02/08/17
General Services – Frazier Park Public Utility District	12/07/16	Not Applicable	Due 03/07/17

Information Security Officer

Kern County Ordinance Section 2.01.010 appointed the Information Security Officer with the responsibility to conduct security assessments. The security assessment will cover all Kern County departments' information technology environments for current security posture and data protection. Assessments are conducted on departments that provide operational support for their department and some may even support multiple departments. The assessment identifies that adequate processes are in place and provides further guidance on improvements for a security incident response. A response quickly identifies potential incidents such as computer attacks by malware, viruses, ransomware, worms, etc. to mitigate further outbreaks and to appropriately report the incident.

The following assessments were completed by the Information Security Officer during this reporting period:

<b>Operational Support Provider</b>	<b>Completed</b>	<b>Multiple Departments Supported</b>
Information Technology Services	11/02/16	Agriculture and Measurements Standards Airport Animal Control Board of Trade Clerk of the Board County Administrative Office Farm and Home Advisors General Services Grand Jury Human Resources Parks and Recreation Public Defender Veterans Services
Auditor-Controller	11/09/16	Elections County Clerk
Public Health	11/03/16	Environmental Health Emergency Medical Services California Children's Services
Fire	11/29/16	Not Applicable

Other External Agencies

In addition to the above mentioned reports, other reports have been issued from other external agencies. They include audits, reviews, assessments, agreed upon procedures, monitoring, etc. 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. The departments are responsible for filing the reports with the Board of Supervisors, County Administrative Office, and Auditor-Controller in addition to responding directly to the agency.

The following reports were issued by other external agencies during this reporting period:

<b>Report</b>	<b>Report Date</b>	<b>Prepared by</b>
Mental Health Services – Short-Doyle/Medi-Cal Fiscal Reporting and Data Collection Audit	07/06/16	California Department of Health Care Services
Auditor-Controller – Negotiated Agreement for the Countywide Cost Allocation Plan (CWCAP) Review	07/11/16	California State Controller’s Office
Mental Health Services – Crisis Services Accreditation and Certification	07/11/16	American Association of Suicidology
Veterans Services – Semi-Annual Report	07/21/16	California Department of Veterans
Employers’ Training Resource – Workforce Innovation and Opportunity Act Fiscal Procurement Review	07/28/16	California Employment Development Department
Department of Human Services – Cash Assistance Program for Immigrants Indigence Exception Audit	07/29/16	California Department of Social Services
Public Health Services – HIV Care Program, Ryan White Part B	08/08/16	California Department of Public Health
Fire – California Law Enforcement Telecommunications System Audit	08/14/16	California Department of Justice
Aging and Adult Services – In-Home Supportive Services Quality Assurance Monitoring Review	08/18/16	California Department of Social Services
Probation – 2016 Kern Crossroads Facility Inspection Report	08/31/16	Kern County Juvenile Justice and Delinquency Prevention Commission
Department of Human Services – Work Incentive Nutritional Supplement Work Participation Rate Review	09/09/16	California Department of Social Services
Sheriff – Detention Facility Review	09/10/16	United States Marshals
Mental Health Services – Triennial Onsite Review of Mental Health Plan	10/03/16	California Department of Health Care Services
Mental Health Services – External Quality Review	10/06/16	Behavioral Health Concepts, Inc.
Public Health Services – Child Death Review Team Annual Report	10/11/16	Kern County Child Death Review Team
Sheriff – High Intensity Drug Trafficking Area Initiative Program Self-Review	10/24/16	Central Valley California High Intensity Drug Trafficking Area
Aging and Adult Services – Titles III/VII, Community-Based Services Programs, Ombudsman Volunteer Recruitment Initiative, Health Insurance Counseling Advocacy Program, and Medicare Improvements for Patients and Providers Act	11/03/16	California Department of Aging
Employers’ Training Resource – Workforce Innovation and Opportunity Act Program Review	11/10/16	California Employment Development Department
Planning and Natural Resources – Home Investment Partnership Program On-Site Monitoring	12/09/16	United States Department of Housing and Urban Development
Department of Human Services – CalFresh Management Evaluation Review	12/16/16	California Department of Social Services
Auditor-Controller – Franchise Review Agreement	12/20/16	HF&H Consultants, LLC
Agriculture and Measurement Standards – Annual Financial Statements Review	12/23/16	California Department of Food and Agriculture
Auditor-Controller / Clerk of the Board – SB 90 Open Meeting Act / Brown Act Reform Program Audit	12/29/16	California State Controller’s Office

## **FOLLOW-UP REVIEWS**

### County Administrative Office's Follow-up Reviews

In addition to the new audits listed in this report that went to your Board in the past six months, a separate follow-up report on outstanding, unresolved audit findings from the June 30, 2016 Compliance and Accountability Report that are over six months old are provided as Attachments B and C. Findings that continue to be "In Progress" on Attachment B are a concern and may be indicative that the department will receive repeat findings in these areas if not resolved soon. Our office continues to help departments with resolution, pursue adequate documentation of remedial proof, and report to your Board all 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. All follow-up findings have been resolved during this reporting period and are listed on Attachment C.

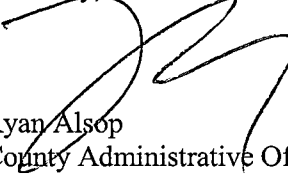
## **CONCLUSION**

As a result of the review process and the proactive and diligent efforts of the Board of Supervisors, County Administrative Office, auditors, and each County department, there is a decreasing trend in the average number of findings reported, including repeat findings. The collaboration has been a vital part of providing transparent and accountable County operations.

As required by County ordinance, this report provides your Board with an update on department's compliance as identified through the audit process. This office will continue to assist departments in reaching resolution of the audit findings.

Therefore, **IT IS RECOMMENDED** that your Board receive and file the December 31, 2016 Compliance and Accountability Report.

Sincerely,



Ryan Alsop  
County Administrative Officer

RA:KB:COMPL Dec 2016 Report

Attachments

cc: All Department Heads

**DECEMBER 31, 2016  
COMPLIANCE AND ACCOUNTABILITY  
POST AUDIT REVIEW SUMMARY - CURRENT**

**Budget Unit: 2415  
Department: Fire  
Audit Issued: June 7, 2016**

**Corrective Action Plan Received: Yes  
Audit Period: FYE June 30, 2015 and 2014  
Issuing Agency: Kern County Auditor-Controller**

Violation	Finding Level	Finding	CAO Comments:	Compliance Status at 12/31/16	Estimated Date of Compliance
1 Internal Control Integrated Framework by COSO, Kern County Administrative Policy and Procedure Manual (KCAPP) Section 117 Compensatory Time Off, Department Internal Policy, and Administrative Bulletin No. 40 Time Reporting and Account Costing System (TRACS)	Significant Deficiency  PARTIAL REPEAT	Payroll - The following deficiencies were noted: a) As of December 2015, the department had not fully implemented TRACS. b) 15 employees compensatory time balances exceeded the 120 hours limit which included 6 incorrect manual conversions. c) Department did not enforce their Duty Trade Policy requiring employees to trade within 90 days and did not disclose liability. d) Employees with insufficient accrual balances were allowed to take time off resulting in overpayment since payroll mainframe automatically reduces 8 hour regular pay rather than 24 hour on duty day. e) Overtime hours manually transferred from Telestaff to CAMS System included overtime hours and pay rate errors resulting in over and under payments.	a), b) and e) The department's management, IT, and payroll staff worked with the Auditor-Controller's office to successfully implement a Telestaff, CAMS and TRAC's export interface to eliminate manual transfers and conversions. On December 2, 2016 the department reported to your Board, and Auditor-Controller concurred, that department is now in compliance with Administrative Bulletin 40 regarding the full implementation of TRACS. b) As of January 30, 2017, all employees' compensatory time balances were in compliance with KCAPP. Department no longer allows compensatory time balance to exceed 120 hours. c) The department implemented a Duty Trade policy change to remove the 90 day trade requirement and added language specifying that trade is a contract between two employees and if not fulfilled by one of the parties, the County is not liable for any pay. d) Department's payroll personnel verifies accrual balances before upload to the Mainframe system and are in progress of working with the Auditor-Controller's office to determine how to accurately reduce pay if an employee has insufficient accrual balances.	In Progress	06/30/17

**DECEMBER 31, 2016**  
**COMPLIANCE AND ACCOUNTABILITY**  
**POST AUDIT REVIEW SUMMARY - CURRENT**

**Budget Unit: 3000, 8998**  
**Department: Public Works - Roads and Transit**  
**Audit Issued: June 14, 2016**

**Corrective Action Plan Received: Yes**  
**Audit Period: FYE June 30, 2015 and 2014**  
**Issuing Agency: Kern County Auditor-Controller**

Violation	Finding Level	Finding	CAO Comments:	Compliance Status at 12/31/16	Estimated Date of Compliance
1 Kern County Administrative Policy and Procedure Manual (KCAPP) Section 406 Department Equipment Records	Significant Deficiency	Infrastructure and Intangible Procedures - The following deficiencies were noted: a) 4 donated and 6 annexed assets were not in the Capital Asset System. 2 donated roads were not timely added to the Maintained Mileage List. b) 12 Construction in Progress Projects at June 30, 2015 were incorrectly classified. c) 29 assets had depreciable lives inconsistent with engineer's estimates and prior year's determination. d) No procedure to identify, adjust, or remove replaced or resurfaced assets.	a) Missing assets were added to Capital Asset System and Mileage List. Department implemented quarterly meetings and reports and an annual List and System review. b) Misclassifications were corrected. Process enhanced to timely notify accountant of project completion to update system rather than create a new asset. A year-end checklist was added to review items with no completion date. c) Utilized experienced engineers and industry standards to compile a uniform depreciable life chart. Established internal control group to monitor and correct discrepancies. d) In progress of developing procedures for engineers to value replaced assets for finance to adjust system. Internal control group will monitor.	In Progress	06/30/17
2 Internal Control Integrated Framework by COSO, KCAPP Section 409 Equipment Inventory	Significant Deficiency	Discrepancies in Materials Inventory - Inventory testing noted the following discrepancies: a) 29 or \$11,815.11 of tires in the Cost Accounting Management System (CAMS) were not located. b) 2 or \$136.80 of inventory parts in CAMS were not located. c) 1,403.2 paint gallons were overstated. d) 6 road signs were understated.	Next audit, responsible personnel will be present to review discrepancies the moment discovered to either resolve misunderstandings or concur, as they claim not having an opportunity to verify these findings. The department is in progress of creating written policies and procedures, but has already begun implementing some changes. Warehouse supervisor is now responsible to keep inventory records accurate in CAMS rather than relaying to accounting to update. Probable reasons for discrepancies were discovered and changes were implemented to mitigate. For example, the striping truck computer record of paint used was determined to not always be accurate, so now inventory will be calculated as paint totes are opened. Another probable discrepancy is that extra road signs are out on maintenance trucks and not accounted in CAMS inventory until utilized. In addition to performing annual inventory counts, sample testing will also be done periodically to update records more timely. In FY 2016/2017 department will monitor and assess the progress made from the changes implemented.	In Progress	06/30/17



**DECEMBER 31, 2016**  
**COMPLIANCE AND ACCOUNTABILITY**  
**POST AUDIT REVIEW SUMMARY - CURRENT**

**Budget Unit: 4120, 4123**  
**Department: Mental Health Services**  
**Audit Issued: July 19, 2016**

**Corrective Action Plan Received: Yes**  
**Audit Period: FYE June 30, 2015 and 2014**  
**Issuing Agency: Kern County Auditor-Controller**

Violation	Finding Level	Finding	CAO Comments:	Compliance Status at 12/31/16	Estimated Date of Compliance
1 Kern County Administrative Policy and Procedure Manual (KCAPPM) Section 136 Special Performance Evaluations, Internal Control Integrated Framework by COSO	Significant Deficiency	Employee Performance Evaluation Report (EPR) - Many EPRs since July 2013 were not conducted timely.	Human Resource staff reports upcoming and late EPRs to management on a monthly basis. The department instated a practice that employees will not be allowed to take vacation until their overdue EPRs are completed and Director be informed of the denied vacations. Department's lean six sigma team is in progress of streamlining the EPR process, including a new narrative format. Department anticipates by June 30, 2017, testing be complete and rolled out to entire the department.	In Progress	06/30/17
2 Internal Control Integrated Framework by COSO	Significant Deficiency	Contract Pharmacy Billing - Department contracts and pays local pharmacies for non-Medi-Cal clients. If client is Medi-Cal eligible, the pharmacy is directed to bill Medi-Cal with agreement that if Medi-Cal pays, the pharmacy returns department's payment by applying a credit on the subsequent invoice. The department presumably paid and accepted credits without validating if Medi-Cal was approved or denied and without verifying the accuracy of amount paid and credited.	Department begun collecting supporting Medi-Cal documentation necessary to prove that charges were either denied or paid by Medi-Cal. Pharmacy contracts will be subject to periodic financial monitoring review. Department is in progress of drafting additional contract language that would require the supporting documentation. Department anticipates, with Counsel approval, to fully implement on the FY 2017/2018 contracts.	In Progress	06/30/17
Administrative Bulletin No. 39 Collection of Receivables	Significant Deficiency	Billing and Accounts Receivable - Department never submitted a Relief from Accountability Request for Board approval before writing off uncollectable client amounts for a total of \$1,079,943.24 during March 3, 2015 though April 1, 2016.	The department is in progress of preparing and submitting a request to the Board for Relief from Accountability. Once the initial request has been approved, staff will develop a procedure to request on a monthly basis. Department is in progress of writing a collection and write-off policy by June 30, 2017.	In Progress	06/30/17

DECEMBER 31, 2016  
 COMPLIANCE AND ACCOUNTABILITY  
 POST AUDIT REVIEW SUMMARY - CURRENT

Budget Unit: 4110, 4113, 4200, 4300  
 Department: Public Health Services  
 Audit Issued: September 13, 2016

Corrective Action Plan Received: Yes  
 Audit Period: FYE June 30, 2015 and 2014  
 Issuing Agency: Kern County Auditor-Controller

Policy/Regulation	Finding Level	Violation/Finding	CAO Comments:	Compliance Status at 12/31/16	Estimated Date of Compliance
1 Schedule of Expenditures of Federal Awards (SEFA)	Significant Deficiency	Federal Confirmation - The FY 2014/2015 federal fund calculation was incorrect resulting in inaccurate costs being reported on the County's SEFA.	The department requested and received training on how to properly prepare SEFA schedules from the Auditor-Controller so that future schedules would be prepared and submitted properly. The training provided a better understanding of the Auditor-Controller's requests and recommendations. The FY 2015/2016 SEFA calculation was changed to reflect actual costs.	Achieved	Completed

DECEMBER 31, 2016  
 COMPLIANCE AND ACCOUNTABILITY  
 FOLLOW-UP POST AUDIT REVIEW SUMMARY - IN PROGRESS (OVER SIX MONTHS OLD)

Budget Unit - Department	Audit Report Date	Finding Level	Finding / Violation	06/30/16 Reported Estimated Date of Compliance	CAO Comments:	Compliance Status at 12/31/16	Estimated Date of Compliance
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Not applicable - no findings over six months old remained in progress.  
 All follow-up findings over six months old were resolved during this reporting period and are listed on Attachment C.

DECEMBER 31, 2016  
COMPLIANCE AND ACCOUNTABILITY  
FOLLOW-UP POST AUDIT REVIEW SUMMARY - RESOLVED (OVER SIX MONTHS OLD)

Budget Unit - Department	Audit Report Date	Finding Level	Finding / Violation	06/30/16 Reported Estimated Date of Compliance	CAO Comments:	Compliance Status at 12/31/16	Estimated Date of Compliance
1 2415 - Fire	04/14/15	Significant Deficiency	Payroll / Kern County Ordinance 3.24 Overtime Work, FLSA - The following deficiencies were noted: a) The department's redefined workweek for 12-hour general employee dispatchers resulted in employee FLSA underpayments. Since August 2013 the department had only corrected one employee's pay and had not corrected the other remaining employees. b) The FLSA calculation to fire safety employees is a manual labor intensive calculation that only one employee in the department knows. The FLSA calculation is not reviewed by management before it is sent to the Auditor-Controller's office for review.	12/31/16	a) The department has completed the retroactive payroll calculations for all active fire dispatchers and on June 2, 2015 the Board approved the retro-pay. b) Two employees are now able to perform and review FLSA calculations. The department's management, IT, and payroll staff worked with the Auditor-Controller's office to successfully implement a Telestaff, CAMS and TRAC's export interface. On December 2, 2016 the department reported to your Board, and Auditor-Controller concurred, that department is now in compliance with Administrative Bulletin 40 regarding the full implementation of TRACS. TRACS automatically calculates required FLSA, thereby eliminating the manually labor intensive calculation.	Achieved	Completed
2 2180, 2200 - District Attorney	07/14/15	Significant Deficiency  PARTIAL REPEAT	Accounts Receivable / Internal Control Integrated Framework by COSO, Administrative Bulletin 9 - The following accounts receivable deficiencies were noted: a) The department's account receivable listing was not kept up-to-date and statements were not issued monthly. b) The department lacked proper segregation of duties over accounts receivable.	12/31/16	Accounts receivable duties were appropriately segregated. The department updated their accounts receivable listing and issued monthly statements.	Achieved	Completed
3 1812 - Board of Trade	04/26/16	Significant Deficiency	Insurance Certifications / Internal Control Integrated Framework by COSO, Kern County Administrative Policy and Procedure Manual (KCAPP) Section 531 County Contracts - The department failed to obtain the contract required insurance certificate for a Personal or Professional Service Agreement (PPSA) and for five grant recipients.	10/01/16	The department worked with County Counsel and Risk Management to amend the tourism grant agreements for insurance certificate requirements. The department implemented procedures to ensure that all other contract required insurance certificates are maintained. The department's fiscal oversight moved to the County Administrative Office. A process was developed to ascertain that insurance certificates are received and maintained with agreements prior to issuing payments. CAO staff will maintain insurance certificates and agreements and the assistant CAO will annually verify compliance.	Achieved	Completed