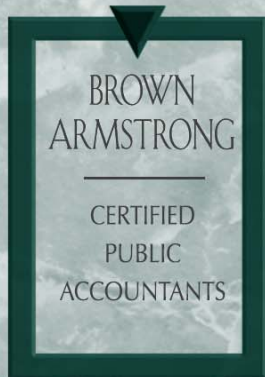


COUNTY OF KERN, CALIFORNIA
SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2016

**COUNTY OF KERN, CALIFORNIA
SINGLE AUDIT REPORT**

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BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Members of
the Board of Supervisors
County of Kern, California

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We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Kern (the County), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 27, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.


Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

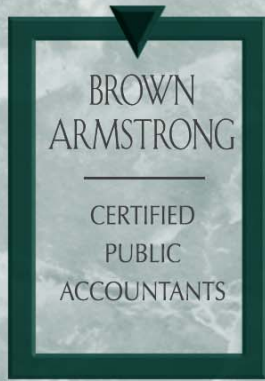
Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive, flowing style.

Bakersfield, California
December 27, 2016



BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Members of
the Board of Supervisors
County of Kern, California

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Report on Compliance for Each Major Federal Program

We have audited the County of Kern's (the County) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2016. The County's major federal programs are identified in the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all the deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 27, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Bakersfield, California
March 27, 2017

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

**COUNTY OF KERN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016**

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>Federal CFDA Number</u>	<u>Supplemental Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Expenditures</u>
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Passed through California Department of Education				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561	Kern (County 15)	\$ -	\$ 206,602
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561	Kern (County 15)	-	14,583,861
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561	Kern (County 15)	-	50,413
Passed through California Department of Aging				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561	SP-1516-33	-	37,322
Subtotal			-	14,878,198
Direct Programs				
Cooperative Forestry Assistance	10.664	Kern (County 15)	-	6,985
Schools and Roads - Grants to Counties	10.666	Kern (County 15)	-	6,985
Schools and Roads - Grants to Counties	10.666	Kern (County 15)	-	84,869
Subtotal			-	91,854
Passed through U.S. Department of Education				
School Breakfast Program (Child Nutrition)	10.553	Kern (County 15)	-	45,873
National School Lunch Program	10.555	Kern (County 15)	-	563,661
Subtotal - Child Nutrition Cluster			-	609,534
Passed through California Department of Food and Agriculture				
Comprehensive Obesity Prevention	10.168	13-20529	701,901	1,934,842
Passed through California Department of Food and Agriculture				
Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-8506-1211-CA	-	51,872
Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-8506-1317-CA	-	238,209
Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-8506-0484-CA	-	75,201
Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-8506-1164-CA	-	10,729
Plant and Animal Disease, Pest Control, and Animal Care	10.025	14-8506-1399-CA	-	10,297
Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-8506-0689-CA	-	14,077
Plant and Animal Disease, Pest Control, and Animal Care	10.025	15-8506-0934-GR	-	225,700
Plant and Animal Disease, Pest Control, and Animal Care	10.025	16-8506-0484-CA	-	1,512,347
Plant and Animal Disease, Pest Control, and Animal Care	10.025	16-8506-1164-CA	-	798
Subtotal			-	2,139,230
<i>Total U.S. Department of Agriculture</i>			701,901	19,660,643
<u>U.S. DEPARTMENT OF DEFENSE</u>				
Direct Programs				
Community Economic Adjustment Assistance for Advance Planning and Economic Diversification	12.614	Kern (County 15)	-	80,390
<i>Total U.S. Department of Defense</i>			-	80,390

(Continued)

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF KERN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2016

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	Federal CFDA Number	Supplemental Identifying Number	Passed Through to Subrecipients	Total Expenditures
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Direct Programs				
Community Development Block Grants/Entitlement Grants (CDBG)	14.218	Kern (County 15)	756,202	3,664,745
CDBG - Current Year Loans	14.218	Kern (County 15)	-	108,000
CDBG - Neighborhood Stabilization Program Grant (NSP 1)	14.218	Kern (County 15)	-	5,373
Subtotal			756,202	3,778,118
Emergency Shelter Grants Program	14.231	Kern (County 15)	360,172	385,547
Home Investment Partnerships Program	14.239	Kern (County 15)	749,169	909,991
Home Investment Partnerships Program - Current Year Loans	14.239	Kern (County 15)	2,102,563	2,102,563
Subtotal			2,851,732	3,012,554
Passed through Department of Housing and Urban Development				
Supportive Housing Program	14.235		-	86,468
Supportive Housing Program	14.235	CA1007L9041303	-	31,392
Subtotal			-	117,860
Passed through California Department of Public Health				
Housing Opportunities for Persons with AIDS	14.241	13-20420	298,436	384,420
Total U.S. Department of Housing and Urban Development			4,266,542	7,678,499
<u>U.S. DEPARTMENT OF INTERIOR</u>				
Direct Programs				
Payment in Lieu of Taxes	15.226	Kern (County 15)	-	2,933,143
Rangeland Resource Management	15.237	Kern (County 15)	-	7,750
Total U.S. Department of Interior			-	2,940,893
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Direct Programs				
State Criminal Alien Assistance Program	16.606	Kern (County 15)	-	457,200
DNA Backlog Reduction Program	16.741	2014-DN-BX-0018 and 2015-DN-BX-0068	-	173,912
Equitable Sharing Program	16.922	Kern (County 15)	-	91,619
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	Board of State and Community Corrections	-	1,025,993
Passed through Dept of Justice - Office of Justice Programs				
Edward Byrne Memorial Justice Assistance Grant (JAG) Program (Target Gang)	16.738	2015-DJ-BX-0608	-	75,859
Passed through California Office of Emergency Services (CalOES)				
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	Kern (County 15)	-	368,686
Subtotal			-	1,470,538
Passed through Board of State and Community Corrections (BSCC)				
Juvenile Accountability Block Grants	16.523	Kern (County 15)	-	47,827
Passed through California Office of Emergency Services (CalOES)				
Crime Victim Assistance	16.575	2015-VA-GX-0058	-	460,846
Violence Against Women Formula Grants	16.588	Cal OES	-	89,208
Violence Against Women Formula Grants	16.588	2013-WF-AX-0025 and 2015-WF-AX-0050	21,348	218,526
Subtotal			21,348	307,734
Residential Substance Abuse for State Prisoners	16.593	BSCC 526-15	-	139,293
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	CQ15 11 0150	-	27,611
Total U.S. Department of Justice			21,348	3,176,580

(Continued)

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF KERN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2016

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	Federal CFDA Number	Supplemental Identifying Number	Passed Through to Subrecipients	Total Expenditures
<u>U.S. DEPARTMENT OF LABOR</u>				
Direct Programs				
National Farmworker Jobs Program	17.264	AC24005ZAO	725,671	2,247,187
Passed through California Department of Employment Development Workforce Investment Act - Adult Program	17.258	K594762/K698363	1,226,616	3,756,421
Workforce Investment Act - Youth Activities	17.259	K594762/K698363	1,808,444	3,978,575
Workforce Investment Act - Dislocated Workers	17.278	K594762/K698363	748,453	3,417,842
Workforce Investment Act - Dislocated Workers	17.278	WIOA LA COOP - Drought	10,134	71,277
Workforce Investment Act - Dislocated Workers	17.278	WIOA-DS-01-01-16-ETR	2,708	2,708
Workforce Investment Act - Dislocated Workers	17.278	#693	4,639	138,011
Workforce Investment Act - Dislocated Workers	17.278	#142000	694	195,719
Passed through La Cooperativa Campesina de California Workforce Investment Act Dislocated Workers	17.278	WIA-DA-10-01-14-ETR	-	136,864
Passed through Rapid Response Workforce Investment Act Dislocated Workers	17.278	K594762/K698363	2,600	573,256
Passed through La Coop Eere Workforce Investment Act Dislocated Workers	17.278	WIOA-DW EERE 10-01-15-ETR	21,125	18,142
Passed through Job Development - NEG Workforce Investment Act Dislocated Workers	17.278	Kern (County 15)	176,391	454,516
Passed through SouthBay Workforce Investment Act Dislocated Workers	17.278	11-W110	-	547
Subtotal - Workforce Investment Act Cluster			4,001,804	12,743,878
<i>Total U.S. Department of Labor</i>			4,727,475	14,991,065
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
Direct Programs				
Airport Improvement Program	20.106	Kern (County 15)	-	6,032,040
Airport Improvement Program - FAA/Passenger Facility Charge	20.106	Kern (County 15)	-	937,890
Subtotal			-	6,969,930
Passed through California Department of Transportation Highway Planning and Construction	20.205	06-5959R	-	4,849,155
Formula Grants for Rural Areas	20.509	Kern (County 15)	-	2,519,648
Passed through California Office of Traffic Safety Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	SC 14453	-	2,615
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	Kern (County 15)	-	138,059
Subtotal			-	140,674
National Priority Safety Programs	20.616	18X920405DCA15 and 18X920405DCA16	-	408,029
<i>Total U.S. Department of Transportation</i>			-	14,887,436
<u>U.S. NATIONAL ENDOWMENT FOR THE HUMANITIES</u>				
Passed through California State Library Grants to States	45.310	40-8517	-	89,000
<i>Total U.S. National Endowment for the Humanities</i>			-	89,000

(Continued)

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF KERN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2016

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	Federal CFDA Number	Supplemental Identifying Number	Passed Through to Subrecipients	Total Expenditures
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Passed through California Department of Rehabilitation Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	28862	-	464,559
<i>Total U.S. Department of Education</i>			-	464,559
<u>U.S. Election Assistance Commission</u>				
Pass through California Secretary of State Help America Vote Act Requirements Payments	90.401	11G30109	-	1,267,700
<i>Total U.S. Election Assistance Commission</i>			-	1,267,700
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Direct Program				
Drug-Free Communities Support Program Grants	93.276	1H79SP020979-01	-	102,654
Passed through California Department of Social Services				
Food and Drug Administration - Research	93.103	1U18FD004680	-	13,061
State Planning and Establishment Grants for the Affordable Care Act's (ACA) Exchange	93.525	Kern (County 15)	-	105,486
Guardianship Assistance - Kin Gap & Kin Gap IVE	93.090	Kern (County 15)	-	48,985
Guardianship Assistance - Kin Gap	93.090	Kern (County 15)	-	1,649,121
Subtotal			-	1,698,106
Promoting Safe and Stable Families	93.556	Kern (County 15)	-	1,089,394
Temporary Assistance for Needy Families (TANF)	93.558	Kern (County 15)	-	47,825,761
Temporary Assistance for Needy Families (TANF)	93.558	Kern (County 15)	-	2,761,872
Temporary Assistance for Needy Families (TANF)	93.558	Kern (County 15)	-	1,095
Temporary Assistance for Needy Families (TANF)	93.558	Kern (County 15)	-	6,585
Temporary Assistance for Needy Families (TANF)	93.558	Kern (County 15)	-	111,546
Temporary Assistance for Needy Families (TANF)	93.558	Kern (County 15)	-	42,818,456
Temporary Assistance for Needy Families (TANF)	93.558	Kern (County 15)	-	11,917
Temporary Assistance for Needy Families (TANF)	93.558	Kern (County 15)	-	1,194,169
Subtotal			-	94,731,401
Family Support Payments to State - Assistance Payments	93.560	Kern (County 15)	-	1,622,788
Refugee and Entrant Assistance - State Administered Programs	93.566	Kern (County 15)	-	12,259
Community-Based Child Abuse Prevention Grants	93.590	Kern (County 15)	-	40,243
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Kern (County 15)	-	982,771
Foster Care - Title IV-E	93.658	Kern (County 15)	-	97,339
Foster Care - Title IV-E	93.658	Kern (County 15)	-	17,871,199
Foster Care - Title IV-E	93.658	Kern (County 15)	-	574,933
Foster Care - Title IV-E	93.658	Kern (County 15)	-	9,678,261
Foster Care - Title IV-E	93.658	Kern (County 15)	-	162,078
Foster Care - Title IV-E	93.658	Kern (County 15)	-	1,090,924
Foster Care - Title IV-E	93.658	Kern (County 15)	-	123,967
Subtotal			-	29,598,701
Adoption Assistance	93.659	Kern (County 15)	-	1,258,512
Adoption Assistance	93.659	Kern (County 15)	-	13,978,456
Subtotal			-	15,236,968
Social Services Block Grant	93.667	Kern (County 15)	-	1,994,860
Social Services Block Grant	93.667	Kern (County 15)	-	1,570,786
Subtotal			-	3,565,646
Chafee Foster Care Independence Program	93.674	Kern (County 15)	-	295,981

(Continued)

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF KERN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2016

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	Federal CFDA Number	Supplemental Identifying Number	Passed Through to Subrecipients	Total Expenditures
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</u>				
Passed through California Department of Human Services				
Medical Assistance Program	93.778	Kern (County 15)	-	18,190,913
Medical Assistance Program	93.778	Kern (County 15)	-	4,224,902
Medical Assistance Program	93.778	Kern (County 15)	-	259,132
Passed through California Department of Health Care Services				
Medical Assistance Program	93.778	CHDP Program	-	541,016
Medical Assistance Program	93.778	HCPCFC Program	-	589,709
Medical Assistance Program	93.778	09-86014	46,202	112,434
Medical Assistance Program	93.778	Kern (County 15)	-	2,652,662
Passed through California Department of Public Health				
Medical Assistance Program	93.778	14-10022	-	206,052
Medical Assistance Program	93.778	201516	-	117,002
Medical Assistance Program	93.778	201516	-	484,159
Subtotal - Medical Assistance Program			<u>46,202</u>	<u>27,377,981</u>
Passed through California Health Care Services				
Children's Health Insurance Program	93.767	Kern (County 15)	-	430,667
Passed through California Department of Aging				
Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	AP-1516-33	-	9,650
Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals	93.042	AP-1516-33	-	35,238
Title III, Part D - Disease Prevention and Health Promotion Services	93.043	AP-1516-33	-	16,834
National Family Caregiver Support, Title III, Part E	93.052	AP-1516-33	-	305,045
Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	AP-1516-33	-	319,980
Title III, Part C - Nutrition Services	93.045	AP-1516-33	-	1,632,843
Nutrition Services Incentive Program	93.053	AP-1516-33	-	294,237
Subtotal - Aging Cluster			-	<u>2,247,060</u>
State Health Insurance Assistance Program	93.324	HI-1516-33	-	124,416
Medicare Enrollment Assistance Program	93.071	AP-1517-33	-	10,840
Medicare Enrollment Assistance Program	93.071	AP-1415-33	-	6,261
Subtotal			-	<u>17,101</u>
Passed through California Department of Public Health				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	14-10509	-	793,585
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	1U52PS004656-01	-	150,574
Immunization Cooperative Agreements	93.268	5H23IP000717-03 15-10424	-	407,238
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	15-10159	-	942,909
Refugee and Entrant Assistance - Discretionary Grants	93.576	14-15-90840-00 & 15-15-90840-00	-	3,000
				<i>(Continued)</i>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF KERN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2016

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>Federal CFDA Number</u>	<u>Supplemental Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Expenditures</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed through CA Emergency Medical Services Authority (EMSA) and Department of Public Health				
National Bioterrorism Hospital Preparedness Program	93.889	C15-009	-	53,559
National Bioterrorism Hospital Preparedness Program	93.889		-	33,836
Subtotal			-	87,395
HIV Care Formula Grants	93.917	13-20053 & 15-11057	406,987	600,847
HIV Care Formula Grants	93.917	13-20053 & 15-11057	-	45,198
Subtotal			406,987	646,045
HIV Prevention Activities - Health Department Based	93.940	13-20244, A01	-	184,059
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	15-10255	-	27,164
Maternal and Child Health Services Block Grant to the States	93.994	201516	-	336,442
Passed through California Department of Health Care Services Projects for Assistance in Transition from Homelessness	93.150		-	280,483
Block Grants for Community Mental Health Services	93.958	Kern (County 15)	-	1,166,645
Block Grants for Prevention and Treatment of Substance Abuse	93.959	14-960062	-	2,738,146
Passed through California Department of Child Support Services Child Support Enforcement	93.563	Kern (County 15)	-	12,897,135
Passed through Secretary of State Voting Access for Individuals with Disabilities - Grants to States	93.617	Section 261 11G26113	-	10,449
<i>Total U.S. Department of Health and Human Services</i>			453,189	200,330,720
U.S. EXECUTIVE OFFICE OF THE PRESIDENT				
Direct Programs				
High Intensity Drug Trafficking Areas Program	95.001	Kern (County 15)	-	293,453
<i>Total U.S. Executive Office of the President</i>			-	293,453
U.S. DEPARTMENT OF HOMELAND SECURITY				
Direct Programs				
Fire Management Assistance Grant	97.046	Kern (County 15)	-	14,017
Assistance to Firefighters Grant	97.044	CA-OES	-	212,171
Transportation Security Administration LEO Program	97.090	Kern (County 15)	-	244,380
Passed through California Office of Emergency Services (CalOES) Emergency Management Performance Grants	97.042	Cal EMA ID #029-00000	-	175,538
State Homeland Security Program	97.073	Cal EMA ID #029-00000	-	1,348,782
<i>Total U.S. Department of Homeland Security</i>			-	1,994,888
TOTAL EXPENDITURES OF FEDERAL AWARDS, EXCLUDING FEDERAL LOAN BALANCES CARRIED FORWARD FROM PRIOR YEAR			\$ 10,170,455	\$ 267,855,826
FEDERAL LOAN BALANCES CARRIED FORWARD FROM PRIOR YEAR				
Direct Programs				
Community Development Block Grants/Entitlement Grants (CDBG)	14.218	Kern (County 15)		\$ 2,282,077
CDBG - Neighborhood Stabilization Program Grant (NSP 1)	14.218	Kern (County 15)		10,443,660
CDBG - Neighborhood Stabilization Program Grant (NSP 3)	14.218	Kern (County 15)		4,500,000
HOME Investment Partnership Program	14.239	Kern (County 15)		36,882,804
<i>Total Federal Loan Balances Carried Forward from Prior Year</i>				54,108,541
TOTAL EXPENDITURES OF FEDERAL AWARDS, INCLUDING FEDERAL LOAN BALANCES CARRIED FORWARD FROM PRIOR YEAR				\$ 321,964,367

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF KERN, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2016**

NOTE 1 – GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all Federal financial assistance programs of the County of Kern, California (the County). The County's reporting entity is defined as follows: the County is presented as the primary government and its component units, as required by Governmental Accounting Standards Board Statement No. 61. A component unit is a legally separate organization which is financially accountable to the primary government. Blended component units are, in substance, part of the County's operations so data from these units are combined with data of the County. Management has determined that the following component units should be blended: County Service Areas, Golf Courses, Sanitation Districts, Kern Asset Leasing Corporation, Kern County Tobacco Funding Corporation, and Kern Public Services Financing Authority. Each blended component unit has a June 30 year-end. Management has also determined that the following component unit should be discretely presented: First 5 Kern. All Federal financial assistance received directly from Federal agencies as well as Federal financial assistance passed through other government agencies are included in the accompanying schedule.

NOTE 2 – BASIS OF ACCOUNTING

Consistent with the County's method of filing Federal financial reports, the accompanying Schedule of Expenditures of Federal Awards is presented using the cash basis of accounting. Differences, if any, between the schedule and the general purpose financial statements (presented on a modified accrual basis of accounting) are not material.

NOTE 3 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule agree with the amounts reported in the related periodic Federal financial reports.

NOTE 4 – INDIRECT COST RATE

The County has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 5 – LOANS WITH CONTINUING COMPLIANCE REQUIREMENTS

The following is a summary of the loan programs maintained by the County and their balances at June 30, 2016:

CFDA	Federal Grant	Outstanding Balance at June 30, 2016
14.218	Community Development Block Grants/Entitlement Grants (CDBG)	\$ 2,390,077
14.218	CDBG - Neighborhood Stabilization Program Grant (NSP 1)	10,443,660
14.218	CDBG - Neighborhood Stabilization Program Grant (NSP 3)	4,500,000
14.239	HOME Investment Partnership Program	<u>38,985,367</u>
		<u><u>\$ 56,319,104</u></u>

NOTE 6 – DISCLOSURE FOR CALIFORNIA OFFICE OF EMERGENCY SERVICES (CalOES), CALIFORNIA CORRECTIONS STANDARDS AUTHORITY, CALIFORNIA OFFICE OF TRAFFIC SAFETY, AND DEPARTMENT OF JUSTICE GRANTS

The following is the detail of total revenues and expenditures, including all Federal, state, and local funding sources, related to County of Kern CalOES, California Corrections Standards Authority, California Office of Traffic Safety, and Department of Justice Grants:

Grant Award Number	Program Description	Audit Period	Grant Period	Personnel Services	Operating Expense	Total Allowable Expenditures	Total Revenue Earned
BSCC 135-15	Juvenile Accountability Block Grants Program: Graffiti Intervention Program	7/1/2015 - 6/30/2016	7/1/2015 - 6/30/2016	\$ 53,141	\$ -	\$ 53,141	\$ 53,141
PU15060150	Probation Specialized Units Program - Violence Against Women	10/1/2015 - 6/30/2016	10/1/2015 - 9/30/2016	118,847	-	118,847	118,847
VV15070150	Violence Against Women Vertical Prosecution Program	7/1/2015 - 6/30/2016	7/1/2015 - 6/30/2016	262,394	28,974	291,368	291,368
2015-DJ-BX-0608	Edward Byrne Memorial Justice Assistance Grant (JAG) Program	10/1/2014 - 6/30/2016	10/1/2014 - 9/30/2018	105,731	140	105,871	105,871
2014-DJ-BX-0626	Edward Byrne Memorial Justice Assistance Grant (JAG) Program	10/1/2013 - 6/30/2016	10/1/2013 - 9/30/2017	163,335	-	163,335	163,335
2015-DN-BX-0068	DNA Capacity Enhancement and Backlog Reduction Program	1/1/2016 - 6/30/2016	1/1/2016 - 12/31/2017	90,840	63,072	153,912	153,912
2014-DN-BX-0018	DNA Capacity Enhancement and Backlog Reduction Program	10/1/2014 - 6/30/2016	10/1/2014 - 9/30/2016	-	120,000	120,000	120,000
AL1653	Intensive Probation Supervision for High-Risk Felony and Repeat DUI Offenders	10/1/2015 - 6/30/2016	10/1/2015 - 9/30/2016	95,380	2,054	97,434	97,434
DI1606	Alcohol and Drug Impaired Driver Vertical Prosecution Program	10/1/2015 - 6/30/2016	10/1/2015 - 9/30/2016	362,157	3,000	365,157	365,157
DI1506	Alcohol and Drug Impaired Driver Vertical Prosecution Program	10/1/2014 - 9/30/2015	10/1/2014 - 9/30/2015	422,767	2,583	425,350	425,350
CQ15110150	Paul Coverdell National Forensic Sciences Improvement Program	10/1/2015 - 6/30/2016	10/1/2015 - 8/31/2016	-	10,636	10,636	10,636
VW15330150	Victim Witness Assistance Program	7/1/2015 - 6/30/2016	7/1/2015 - 6/30/2016	645,883	61,340	707,223	707,223
BSCC 635-15	Edward Byrne Memorial Justice Assistance Grant (JAG) Program	1/1/2016 - 6/30/2016	1/1/2016 - 12/31/2016	146,046	300,758	446,804	446,804
BSCC 526-15	Residential Substance Abuse Treatment (RSAT) Program	7/1/2015 - 6/30/2016	7/1/2015 - 6/30/2016	158,252	48,901	207,153	207,153
2015-30	Domestic Cannabis Eradication/Suppression Program	7/1/2015 - 12/31/2015	1/1/2015 - 12/31/2015	61,419	16,301	77,720	77,720

NOTE 7 – DEPARTMENT OF AGING FEDERAL/STATE SHARE

Beginning with the fiscal year ended June 30, 2005, the California Department of Aging (CDA) required agencies that receive CDA funding to display State-funded expenditures discreetly along with Federal expenditures. The County expended the following State and Federal amounts under these grants:

Program	CFDA #	Federal Expenditures	State Expenditures
Source: California Department of Aging			
Supplemental Nutrition Assistance Program-Education (SNAP-Ed)	10.561	\$ 37,322	\$ -
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	9,650	-
Special Programs for the Aging, Title VII, Chapter 2, Long-Term Care Ombudsman Services for Older Individuals	93.042	35,238	-
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	16,834	-
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	319,980	-
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	1,632,843	156,304
National Family Caregiver Support, Title III, Part E	93.052	305,045	-
Nutrition Services Incentive Program	93.053	294,237	-
Medicare Enrollment Assistance Program	93.071	17,101	-
State Health Insurance Assistance Program	93.324	124,416	176,422
Long-Term Care Ombudsman - Public Health L&C Program Fund (PHL&C)	N/A	-	7,327
Long-Term Care Ombudsman - State Health Facilitated Citation Penalties (SHF CIT PEN)	N/A	-	34,802
Long-Term Care Ombudsman - Skilled Nursing Facility Quality and Accountability Fund (SNFQAF)	N/A	-	33,705
Source: California Department of Human Services			
Medical Assistance Program (5610)	93.778	4,224,902	3,234,907
Medical Assistance Program (9147)	93.778	259,132	267,437
	Totals	<u>\$ 7,276,700</u>	<u>\$ 3,910,904</u>

FINDINGS AND QUESTIONED COSTS

**COUNTY OF KERN, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
THE YEAR ENDED JUNE 30, 2016**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	No

Identification of major programs:

No.	CFDA Number	Program
1	10.561	Supplemental Nutrition AssistanceProgram
2	14.239	HOME Investment Partnerships Program
3	20.106	Airport Improvement Program
4	93.558	Temporary Assistance for Needy Families
5	93.667	Social Services Block Grant

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 3,000,000
Auditee qualified as low-risk auditee?	Yes

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

**COUNTY OF KERN, CALIFORNIA
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016**

Findings Relating to Financial Statements Required Under Generally Accepted Government Auditing Standards

None.