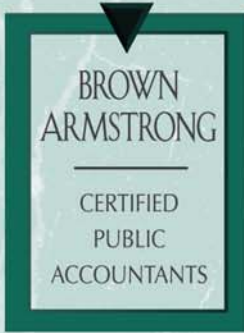


COUNTY OF KERN, CALIFORNIA
SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2017

**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, 2017, 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 20, 2017.

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*.

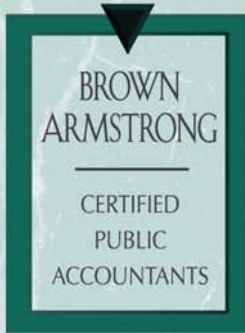
Purpose of this Report

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

*Brown Armstrong
Accountancy Corporation*

Bakersfield, California
December 20, 2017



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, 2017. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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, 2017.

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, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 20, 2017, 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 26, 2018

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

**COUNTY OF KERN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017**

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	Federal CFDA Number	Supplemental Identifying Number	Passed Through to Subrecipients	Total Expenditures
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Passed through California Department of Food and Agriculture				
Plant and Animal Disease, Pest Control, and Animal Care	10.025	16-8506-1211-CA	\$ -	\$ 478,272
Plant and Animal Disease, Pest Control, and Animal Care	10.025	16-8506-1317-CA	-	119,477
Plant and Animal Disease, Pest Control, and Animal Care	10.025	16-8506-0484-CA	-	5,262
Plant and Animal Disease, Pest Control, and Animal Care	10.025	16-8506-0934-GR	-	64,419
Plant and Animal Disease, Pest Control, and Animal Care	10.025	17-8506-0484-CA	1,009,072	1,016,212
Plant and Animal Disease, Pest Control, and Animal Care	10.025	16-8506-1164-CA	-	51,866
Subtotal			<u>1,009,072</u>	<u>1,735,508</u>
Passed through California Department of Food and Agriculture				
Comprehensive Obesity Prevention	10.168	16-10138	754,307	1,544,769
Passed through U.S. Department of Education				
School Breakfast Program (Child Nutrition)	10.553	Kern (County 15)	-	25,212
Child Nutrition Discretionary Grants	10.579	Kern (County 15)	-	40,609
National School Lunch Program	10.555	Kern (County 15)	-	553,134
Subtotal - Child Nutrition Cluster			<u>-</u>	<u>618,955</u>
Passed through California Department of Social Services				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561	Kern (County 15)	-	297,861
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561	Kern (County 15)	-	14,090,926
Passed through California Department of Aging				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561	SP-1620-33	-	36,978
Subtotal			<u>-</u>	<u>14,425,765</u>
Direct Program				
Schools and Roads - Grants to Counties	10.666	Kern (County 15)	-	29,343
Total U.S. Department of Agriculture			<u>1,763,379</u>	<u>18,354,340</u>
<u>U.S. DEPARTMENT OF DEFENSE</u>				
Direct Program				
Community Economic Adjustment Assistance for Advance Planning and Economic Diversification	12.614	Kern (County 15)	-	346,474
Total U.S. Department of Defense			<u>-</u>	<u>346,474</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Direct Programs				
Community Development Block Grants/Entitlement Grants (CDBG)	14.218	Kern (County 15)	1,064,347	6,154,726
Emergency Shelter Grants Program	14.231	Kern (County 15)	363,915	375,051
Home Investment Partnerships Program	14.239	Kern (County 15)	408,261	596,688
Home Investment Partnerships Program - Current Year Loans	14.239	Kern (County 15)	377,256	377,256
Subtotal			<u>785,517</u>	<u>973,944</u>
Passed through Department of Housing and Urban Development				
Supportive Housing Program - Homeless Management Information Systems	14.235	CA0606L9D041508 CA1007L9041303	-	80,366
Passed through California Department of Public Health				
Housing Opportunities for Persons with AIDS	14.241	13-20420	266,060	354,403
Total U.S. Department of Housing and Urban Development			<u>2,479,839</u>	<u>7,938,490</u>
<u>U.S. DEPARTMENT OF INTERIOR</u>				
Direct Programs				
Payment in Lieu of Taxes	15.226	Kern (County 15)	-	2,784,405
Rangeland Resource Management	15.237	Kern (County 15)	-	7,750
Total U.S. Department of Interior			<u>-</u>	<u>2,792,155</u>

(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, 2017**

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	Federal CFDA Number	Supplemental Identifying Number	Passed Through to Subrecipients	Total Expenditures
U.S. DEPARTMENT OF JUSTICE				
Passed through California Office of Emergency Services (CalOES) Crime Victim Assistance	16.575	2015-VA-GX-0058	-	780,753
Passed through California Office of Emergency Services (CalOES) Violence Against Women Formula Grants	16.588	Cal OES	-	89,272
Violence Against Women Formula Grants	16.588	2016-WF-AX-0049	21,165	202,545
Subtotal			21,165	291,817
Passed through California Office of Emergency Services (CalOES) Residential Substance Abuse for State Prisoners	16.593	BSCC 526-16	-	103,522
Direct Program State Criminal Alien Assistance Program	16.606	Kern (County 15)	-	457,200
Passed through Board of State and Community Corrections Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	Board of State and Community Corrections	-	637,580
Passed through Department of Justice - Office of Justice Programs Edward Byrne Memorial Justice Assistance Grant (JAG) Program (Target Gang)	16.738	0319	-	84,276
Passed through California Office of Emergency Services (CalOES) Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	Kern (County 15)	-	401,526
Subtotal			-	1,123,382
Direct Program DNA Backlog Reduction Program	16.741	2014-DN-BX-0018, 2015-DN-BX- 0068, & 2016-DN-BX-0080	-	388,290
Passed through California Office of Emergency Services (CalOES) Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	0039	-	16,414
Direct Program Equitable Sharing Program	16.922	Kern (County 15)	-	53,212
<i>Total U.S. Department of Justice</i>			21,165	3,214,590
U.S. DEPARTMENT OF LABOR				
Direct Program National Farmworker Jobs Program	17.264	AC294583WO	667,541	1,873,852
Passed through California Department of Employment Development Workforce Investment Act - Adult Program	17.258	K698363/K7102033	1,200,144	3,469,620
Workforce Investment Act - Youth Activities	17.259	K698363/K7102033	2,246,385	3,688,672
Workforce Investment Act - Dislocated Workers	17.278	K698363/K7102033	-	313,214
Workforce Investment Act - Dislocated Workers	17.278	WIOA LA COOP - Drought	5,197	33,593
Workforce Investment Act - Dislocated Workers	17.278	WIOA-DS-01-01-16-ETR	17,342	197,897
Workforce Investment Act - Dislocated Workers	17.278	#142000	-	2,531
Passed through Rapid Response Workforce Investment Act Dislocated Workers	17.278	K698363/K7102033	859,065	3,351,457
Passed through La Coop Eere Workforce Investment Act Dislocated Workers	17.278	WIOA-DW EERE 10-01-15-ETR	15,530	154,125
Passed through Job Development - NEG Workforce Investment Act Dislocated Workers	17.278	Kern (County 15)	60,350	67,629
Passed through SouthBay Workforce Investment Act Dislocated Workers	17.278	11-W110	17,018	101,008
Subtotal - Workforce Investment Act Cluster			4,421,031	11,379,746
<i>Total U.S. Department of Labor</i>			5,088,572	13,253,598

(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, 2017

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	Federal CFDA Number	Supplemental Identifying Number	Passed Through to Subrecipients	Total Expenditures
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
Direct Programs				
Airport Improvement Program	20.106	Kern (County 15)	-	25,290,805
Airport Improvement Program - FAA/Passenger Facility Charge	20.106	Kern (County 15)	-	934,944
Subtotal			-	26,225,749
Passed through California Department of Transportation Highway Planning and Construction	20.205	06-5959R	-	15,170,748
Passed through California Department of Transportation Formula Grants for Rural Areas	20.509	Kern (County 15)	-	2,099,495
Passed through California Office of Traffic Safety State and Community Highway Safety	20.600	PS1703	-	9,194
National Priority Safety Programs	20.616	18X920405DCA17	-	366,329
Subtotal - Highway Safety Cluster			-	375,523
Passed through California Office of Traffic Safety Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	SC 14453	-	20,007
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	Kern (County 15)	-	171,401
Subtotal			-	191,408
<i>Total U.S. Department of Transportation</i>			-	44,062,923
<u>U.S. NATIONAL ENDOWMENT FOR THE HUMANITIES</u>				
Passed through California State Library Grants to States	45.310	40-8517	-	77,000
<i>Total U.S. National Endowment for the Humanities</i>			-	77,000
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Passed through California Department of Rehabilitation Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	29953	-	288,971
<i>Total U.S. Department of Education</i>			-	288,971
<u>U.S. ELECTION ASSISTANCE COMMISSION</u>				
Passed through California Secretary of State Help America Vote Act Requirements Payments	90.401	11G30109	-	18,429
<i>Total U.S. Election Assistance Commission</i>			-	18,429
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Passed through California Department of Aging Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	AP-1516-33	-	9,467
Passed through California Department of Aging Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals	93.042	AP-1516-33	-	36,144
Passed through California Department of Aging Title III, Part D - Disease Prevention and Health Promotion Services	93.043	AP-1516-33	-	32,859
Passed through California Department of Aging Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	AP-1516-33	-	331,224
Title III, Part C - Nutrition Services	93.045	AP-1516-33	-	1,636,291
Nutrition Services Incentive Program	93.053	AP-1516-33	-	281,637
Subtotal - Aging Cluster			-	2,249,152
Passed through California Department of Aging National Family Caregiver Support, Title III, Part E	93.052	AP-1516-33	-	320,798
Passed through California Department of Public Health Public Health Emergency Preparedness	93.069	16-10877	-	26,040
Passed through California Health Care Services Medicare Enrollment Assistance Program	93.071	MI-1517-33	-	31,497

(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, 2017

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	Federal CFDA Number	Supplemental Identifying Number	Passed Through to Subrecipients	Total Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed through California Department of Public Health (PHEP) Aligned Cooperative Agreements	93.074	14-10509	-	981,171
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	15-10359 & CDC-RFA-TP12- 12010302SUPP15	-	491,680
Subtotal			-	1,472,851
Passed through California Department of Social Services Guardianship Assistance - Kin Gap & Kin Gap IVE	93.090	Kern (County 15)	-	71,897
Guardianship Assistance - Kin Gap	93.090	Kern (County 15)	-	1,716,577
Subtotal			-	1,788,474
Passed through California Department of Social Services Food and Drug Administration - Research	93.103	1U18FD004680	-	25,704
Passed through California Department of Public Health Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	1U52PS004656-01	-	143,657
Passed through California Department of Health Care Services Projects for Assistance in Transition from Homelessness	93.150	Kern (County 15)	-	212,447
Passed through California Department of Public Health Immunization Cooperative Agreements	93.268	5H23IP000717-03	-	196,777
Direct Program Drug-Free Communities Support Program Grants	93.276	1H79SP020979-01	-	107,224
Passed through California Department of Aging State Health Insurance Assistance Program	93.324	HI-1617-33	-	142,155
Passed through California Department of Public Health Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	15-10159	-	1,049,435
Passed through California Department of Social Services Act's (ACA) Exchange	93.525	Kern (County 15)	-	115,256
Passed through California Department of Social Services Promoting Safe and Stable Families	93.556	Kern (County 15)	-	1,006,609
Passed through California Department of Social Services Temporary Assistance for Needy Families (TANF)	93.558	Kern (County 15)	-	45,539,229
Temporary Assistance for Needy Families (TANF)	93.558	Kern (County 15)	-	2,758,721
Temporary Assistance for Needy Families (TANF)	93.558	Kern (County 15)	-	4,558
Temporary Assistance for Needy Families (TANF)	93.558	Kern (County 15)	-	83,484
Temporary Assistance for Needy Families (TANF)	93.558	Kern (County 15)	-	45,096,455
Temporary Assistance for Needy Families (TANF)	93.558	Kern (County 15)	-	9,180
Temporary Assistance for Needy Families (TANF)	93.558	Kern (County 15)	-	1,047,793
Subtotal			-	94,539,420
Passed through California Department of Child Support Services Child Support Enforcement	93.563	Kern (County 15)	-	13,395,525
Passed through California Department of Social Services Refugee and Entrant Assistance - State Administered Programs	93.566	Kern (County 15)	-	47,438
Passed through California Department of Public Health Refugee and Entrant Assistance - Discretionary Grants	93.576	14-15-90840-00 & 15-15-90840-00	-	3,750
Passed through California Department of Social Services Stephanie Tubbs Jones Child Welfare Services Program	93.645	Kern (County 15)	-	965,185
Passed through California Department of Social Services Foster Care - Title IV-E	93.658	Kern (County 15)	-	113,000
Foster Care - Title IV-E	93.658	Kern (County 15)	-	71,289
Foster Care - Title IV-E	93.658	Kern (County 15)	-	33,757
Foster Care - Title IV-E	93.658	Kern (County 15)	-	16,790,386
Foster Care - Title IV-E	93.658	Kern (County 15)	-	647,715
Foster Care - Title IV-E	93.658	Kern (County 15)	-	9,703,897
Foster Care - Title IV-E	93.658	Kern (County 15)	-	1,837,955
Foster Care - Title IV-E	93.658	Kern (County 15)	-	196,661
Foster Care - Title IV-E	93.658	Kern (County 15)	-	1,460,433
Subtotal			-	30,855,093

(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, 2017

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	Federal CFDA Number	Supplemental Identifying Number	Passed Through to Subrecipients	Total Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed through California Department of Social Services				
Adoption Assistance	93.659	Kern (County 15)	-	1,188,196
Adoption Assistance	93.659	Kern (County 15)	-	15,129,426
Subtotal			-	16,317,622
Passed through California Department of Social Services				
Social Services Block Grant	93.667	Kern (County 15)	-	1,994,860
Social Services Block Grant	93.667	Kern (County 15)	-	1,570,788
Subtotal			-	3,565,648
Passed through California Department of Social Services				
Chafee Foster Care Independence Program	93.674	Kern (County 15)	-	285,502
Passed through California Health Care Services				
Children's Health Insurance Program	93.767	Kern (County 15)	-	391,366
Passed through California Department of Human Services				
Medical Assistance Program	93.778	Kern (County 15)	-	4,278,483
Medical Assistance Program	93.778	Kern (County 15)	-	267,286
Passed through California Department of Health Care Services				
Medical Assistance Program	93.778	CHDP Program	-	380,360
Medical Assistance Program	93.778	HCPCFC Program	-	771,504
Medical Assistance Program	93.778	09-86014	-	430,928
Medical Assistance Program	93.778	Kern (County 15)	-	1,520,252
Medical Assistance Program	93.778	HCPCFC PMM&O	-	34,043
Passed through California Department of Social Services				
Medical Assistance Program	93.778	Kern (County 15)	-	19,476,980
Passed through California Department of Public Health				
Medical Assistance Program	93.778	14-10022	-	224,990
Medical Assistance Program	93.778	201615	-	176,251
Medical Assistance Program	93.778	201615	-	509,240
Subtotal - Medical Assistance Program			-	28,070,317
Passed through California Emergency Medical Services Authority (EMSA) and Department of Public Health				
National Bioterrorism Hospital Preparedness Program	93.889	C16-005	-	7,210
Passed through California Emergency Medical Services Authority (EMSA) and Department of Public Health				
HIV Care Formula Grants	93.917	15-11057 & 16-10848	541,141	906,011
Passed through California Emergency Medical Services Authority (EMSA) and Department of Public Health				
HIV Prevention Activities - Health Department Based	93.940	15-10941	-	203,713
Passed through California Department of Health Care Services				
Block Grants for Community Mental Health Services	93.958	Kern (County 15)	-	1,271,330
Passed through California Department of Health Care Services				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	14-960062	967,500	3,482,710
Passed through California Emergency Medical Services Authority (EMSA) and Department of Public Health				
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	15-10255	-	40,363
Passed through California Emergency Medical Services Authority (EMSA) and Department of Public Health				
Maternal and Child Health Services Block Grant to the States	93.994	201516	-	293,204
<i>Total U.S. Department of Health and Human Services</i>			1,508,641	203,607,953
U.S. EXECUTIVE OFFICE OF THE PRESIDENT				
Direct Program				
High Intensity Drug Trafficking Areas Program	95.001	Kern (County 15)	-	285,969
<i>Total U.S. Executive Office of the President</i>			-	285,969

(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, 2017**

<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 HOMELAND SECURITY</u>				
Passed through California Office of Emergency Services (CalOES) Emergency Management Performance Grants	97.042	Cal EMA ID #029-00000	-	311,326
Passed through California Office of Emergency Services (CalOES) Assistance to Firefighters Grant	97.044	CA-OES	-	759,319
Passed through California Office of Emergency Services (CalOES) State Homeland Security Program	97.073	Cal EMA ID #029-00000	-	992,864
Direct Program Transportation Security Administration LEO Program	97.090	Kern (County 15)	-	232,357
<i>Total U.S. Department of Homeland Security</i>			-	2,295,866
TOTAL EXPENDITURES OF FEDERAL AWARDS, EXCLUDING FEDERAL LOAN BALANCES CARRIED FORWARD FROM PRIOR YEAR			\$ 10,861,596	\$ 296,536,758
FEDERAL LOAN BALANCES CARRIED FORWARD FROM PRIOR YEAR				
Direct Programs				
Community Development Block Grants/Entitlement Grants (CDBG)	14.218	Kern (County 15)		\$ 2,390,077
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)		38,985,367
<i>Total Federal Loan Balances Carried Forward from Prior Year</i>				56,319,104
TOTAL EXPENDITURES OF FEDERAL AWARDS, INCLUDING FEDERAL LOAN BALANCES CARRIED FORWARD FROM PRIOR YEAR				\$ 352,855,862

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF KERN, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2017

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, 2017:

CFDA	Federal Grant	Outstanding Balance at June 30, 2016	Increase	Decrease	Outstanding Balance at June 30, 2017
14.218	Community Development Block Grants/Entitlement Grants (CDBG)	\$ 2,390,077	\$ -	\$ 91,177	\$ 2,298,900
14.218	CDBG - Neighborhood Stabilization Program Grant (NSP 1)	10,443,660	-	-	10,443,660
14.218	CDBG - Neighborhood Stabilization Program Grant (NSP 3)	4,500,000	-	-	4,500,000
14.239	Home Investment Partnership Program	38,985,367	377,256	1,103,765	38,258,858
		<u>\$ 56,319,104</u>	<u>\$ 377,256</u>	<u>\$ 1,194,942</u>	<u>\$ 55,501,418</u>

NOTE 6 – DISCLOSURE FOR CALIFORNIA OFFICE OF EMERGENCY SERVICES (CalOES), CALIFORNIA BOARD OF STATE AND COMMUNITY CORRECTIONS (BSCC), 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 the County's CalOES, BSCC, 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
PU16070150	Probation Specialized Units Program - Violence Against Women	10/1/2016 - 6/30/2017	10/1/2016 - 9/30/2017	\$ 118,847	\$ -	\$ 118,847	\$ 118,847
PU15060150	Probation Specialized Units Program - Violence Against Women	10/1/2015 - 9/30/2016	10/1/2015 - 9/30/2016	118,847	182	119,029	119,029
VV16080150	Violence Against Women Vertical Prosecution Program	7/1/2016 - 6/30/2017	7/1/2016 - 6/30/2017	240,767	29,293	270,060	270,060
2016-DJ-BX-0319	Edward Byrne Memorial Justice Assistance Grant (JAG) Program	10/1/2015 - 6/30/2017	10/1/2015 - 9/30/2019	130,328	-	130,328	130,328
2015-DJ-BX-0608	Edward Byrne Memorial Justice Assistance Grant (JAG) Program	10/1/2014 - 6/30/2017	10/1/2014 - 9/30/2018	143,280	1,056	144,336	144,336
2016-DN-BX-0080	DNA Capacity Enhancement and Backlog Reduction Program	1/1/2017 - 6/30/2017	1/1/2017 - 12/31/2018	34,093	37,327	71,420	71,420
2015-DN-BX-0068	DNA Capacity Enhancement and Backlog Reduction Program	1/1/2016 - 6/30/2017	1/1/2016 - 12/31/2017	170,566	124,613	295,179	295,179
2014-DN-BX-0018	DNA Capacity Enhancement and Backlog Reduction Program	10/1/2014 - 9/30/2016	10/1/2014 - 9/30/2016	140,088	155,515	295,603	295,603
AL1704	Intensive Probation Supervision for High-Risk Felony and Repeat DUI Offenders	10/1/2016 - 6/30/2017	10/1/2016 - 9/30/2017	103,473	2,868	106,341	106,341
AL1653	Intensive Probation Supervision for High-Risk Felony and Repeat DUI Offenders	10/1/2015 - 9/30/2016	10/1/2015 - 9/30/2016	148,934	4,054	152,988	152,988
DI1727	Traffic Safety Resources Prosecutor Program	10/1/2016 - 6/30/2017	10/1/2016 - 9/30/2017	5,524	24,000	29,524	29,524
DI1702	Alcohol and Drug Impaired Driver Vertical Prosecution Program	10/1/2016 - 6/30/2017	10/1/2016 - 9/30/2017	273,353	2,206	275,559	275,559
DI1606	Alcohol and Drug Impaired Driver Vertical Prosecution Program	10/1/2015 - 9/30/2016	10/1/2015 - 9/30/2016	423,404	3,000	426,404	426,404
CQ16121050	Paul Coverdell National Forensic Sciences Improvement Program	1/1/2017 - 6/30/2017	1/1/2017 - 12/31/2017	14,429	-	14,429	14,429
CQ15110150	Paul Coverdell National Forensic Sciences Improvement Program	10/1/2015 - 8/31/2016	10/1/2015 - 8/31/2016	12,621	-	12,621	12,621
VW16340150	Victim Witness Assistance Program	7/1/2016 - 6/30/2017	7/1/2016 - 6/30/2017	792,393	102,347	894,740	894,740
BSCC 635-15	Edward Byrne Memorial Justice Assistance Grant (JAG) Program	1/1/2016 - 12/31/2016	1/1/2016 - 12/31/2016	287,931	921,907	1,209,838	1,209,838
BSCC 635-17	Edward Byrne Memorial Justice Assistance Grant (JAG) Program	1/1/2017 - 6/30/2017	1/1/2017 - 12/31/2017	145,480	236,779	382,259	382,259
BSCC 526-15	Residential Substance Abuse Treatment (RSAT) Program	7/1/2016 - 6/30/2017	7/1/2016 - 6/30/2017	126,792	43,718	170,510	170,510
2016-22	Domestic Cannabis Eradication/Suppression Program	1/1/2016 - 9/30/2016	1/1/2016 - 9/30/2016	69,709	10,291	80,000	80,000
XE16010150	Elder Abuse Program	7/1/2016 - 6/30/2017	7/1/2016 - 6/30/2018	77,810	13,539	91,349	91,349
XU15010150	Victims with Disabilities Program	4/1/2016 - 6/30/2017	4/1/2016 - 6/30/2017	-	21,071	21,071	21,071

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	\$ 36,978	\$ -
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	9,467	-
Special Programs for the Aging, Title VII, Chapter 2, Long-Term Care Ombudsman Services for Older Individuals	93.042	36,144	-
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	32,859	-
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	331,224	18,321
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	1,636,291	190,286
National Family Caregiver Support, Title III, Part E	93.052	320,798	-
Nutrition Services Incentive Program	93.053	281,637	-
Medicare Enrollment Assistance Program	93.071	31,497	-
State Health Insurance Assistance Program	93.324	142,155	176,306
Long-Term Care Ombudsman - Public Health L&C Program Fund (PHL&C)	N/A	-	7,329
Long-Term Care Ombudsman - State Health Facilitated Citation Penalties (SHF CIT PEN)	N/A	-	34,810
Long-Term Care Ombudsman - Skilled Nursing Facility Quality and Accountability Fund (SNFQAF)	N/A	-	34,068
Source: California Department of Human Services			
Medical Assistance Program (5610)	93.778	4,278,483	3,155,484
Medical Assistance Program (9147)	93.778	267,286	292,829
	Totals	<u>\$ 7,404,819</u>	<u>\$ 3,909,433</u>

FINDINGS AND QUESTIONED COSTS

**COUNTY OF KERN, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

FINANCIAL STATEMENTS

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

FEDERAL AWARDS

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

<u>No.</u>	<u>CFDA Number</u>	<u>Program</u>
1	14.218	Community Development Block Grants/Entitlement Grants
2	17.258/17.259/17.278	Workforce Investment Act (WIA) Cluster
3	17.264	National Farmworker Jobs Program
4	93.563	Child Support Enforcement
5	93.659	Adoption Assistance - Title IV-E
6	93.778	Medical Assistance Program
7	93.959	Block Grants for Prevention and Treatment of Substance Abuse

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

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, 2017**

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

None.