

COUNTY OF SAN MATEO

Single Audit Reports

Year Ended June 30, 2014

COUNTY OF SAN MATEO

Single Audit Reports
Year Ended June 30, 2014

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**Independent Auditor's Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

To the Grand Jury and the Board of Supervisors of
the County of San Mateo
Redwood City, California

We have audited, in accordance with 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 units, each major fund, and the aggregate remaining fund information of the County of San Mateo (County) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated October 31, 2014. Our report contains a reference to other auditors who audited the financial statements of the Housing Authority of the County of San Mateo, the San Mateo County Employees' Retirement Association, the First 5 San Mateo County, and the Health Plan of San Mateo, as described in our report on the County's financial statements. The financial statements of the Health Plan of San Mateo were not audited in accordance with *Government Auditing Standards*. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

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 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 from 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
October 31, 2014

**Independent Auditor’s Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance; Report on the Schedule of
Expenditures of Federal Awards Required by OMB Circular A-133; and Report on
Supplemental State of California Department of Community Services and Development,
Community Services Block Grant, Schedules of Revenues and Expenditures**

To Grand Jury and the Board of Supervisors of
the County of San Mateo
Redwood City, California

Report on Compliance for Each Major Federal Program

We have audited the County of San Mateo’s (County) compliance with the types of compliance requirements described in the *OMB Circular A-133 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, 2014. The County’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

The County’s basic financial statements include the operations of the Housing Authority of County of San Mateo (Housing Authority), which expended \$66,029,342 in federal awards that are not included in the accompanying schedule of expenditures of federal awards during the year ended June 30, 2014. Our audit, described below, did not include the operations of the Housing Authority because the Housing Authority engaged other auditors to perform an audit in accordance with OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

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 OMB Circular A-133. Those standards and OMB Circular A-133 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, 2014.

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 OMB Circular A-133, 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 deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133 and Report on Supplemental State of California Department of Community Services and Development, Community Services Block Grant, Schedules of Revenues and Expenditures

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated October 31, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and the supplemental State of California Department of Community Services and

Development, Community Services Block Grant, schedules of revenues and expenditures are presented for purposes of additional analysis as required by OMB Circular A-133 and the State of California Department of Community Services and Development, respectively, and are 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 and the supplemental State of California Department of Community Services and Development, Community Services Block Grant, schedules of revenues and expenditures are fairly stated in all material respects in relation to the basic financial statements as a whole.

Macias Gini & O'Connell LLP

Walnut Creek, California
March 26, 2015

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COUNTY OF SAN MATEO
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number (CFDA)	Federal Expenditures	Amount Provided to Subrecipients	Pass-Through Identifying Number
U.S. DEPARTMENT OF AGRICULTURE				
Passed Through State of California, Department of Food and Agriculture:				
Plant and Animal Disease, Pest Control, and Animal Care	10.025	\$ 222,389	\$ -	12-0125-SF
Plant and Animal Disease, Pest Control, and Animal Care	10.025	56,437	-	12-0533-SF
Plant and Animal Disease, Pest Control, and Animal Care	10.025	268,289	-	13-0080-SF
Plant and Animal Disease, Pest Control, and Animal Care	10.025	16,661	-	13-0316-SF
Plant and Animal Disease, Pest Control, and Animal Care	10.025	13,707	-	13-0358-SF
Plant and Animal Disease, Pest Control, and Animal Care	10.025	38,589	-	13-0491-SF
Total Plant and Animal Disease, Pest Control, and Animal Care		<u>616,072</u>	<u>-</u>	
Senior Farmers Market Nutrition Program	10.576	10,000	10,000	None
Passed Through State of California, Department of Social Services:				
SNAP:				
State Administrative Matching Grants for Supplemental Nutrition Assistance Program (SNAP)				
	10.561	7,501,983	-	None
State Administrative Matching Grants for SNAP	10.561	86,886	17,198	12-10181
State Administrative Matching Grants for SNAP	10.561	300,862	285,951	13-20532
Subtotal of SNAP		<u>7,889,731</u>	<u>303,149</u>	
Passed Through State of California, Department of Education:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	71,243	-	41-10413-6045223-01
National School Lunch Program	10.555	97,220	-	41-10413-6045223-01
Subtotal of Child Nutrition Cluster		<u>168,463</u>	<u>-</u>	
Passed Through State of California, Department of Public Health:				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	2,860,790	125,013	11-10492
Subtotal of Pass-Through Programs		<u>11,545,056</u>	<u>438,162</u>	
TOTAL U.S. DEPARTMENT OF AGRICULTURE		<u>11,545,056</u>	<u>438,162</u>	
U.S. DEPARTMENT OF DEFENSE				
Passed Through County of El Dorado:				
Electronic Absentee Systems for Elections	12.217	646	-	H98210-12-1-001
TOTAL U.S. DEPARTMENT OF DEFENSE		<u>646</u>	<u>-</u>	
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Programs:				
CDBG - Entitlement Grants:				
Community Development Block Grants / Entitlement Grants	14.218	5,863,880	3,637,136	--
Emergency Solutions Grant Program	14.231	140,187	125,004	--
Home Investment Partnerships Program	14.239	2,963,321	2,763,975	--
Subtotal of Direct Programs		<u>8,967,388</u>	<u>6,526,115</u>	
Passed Through City and County of San Francisco:				
Housing Opportunities for Persons with AIDS	14.241	752,774	611,347	None
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		<u>9,720,162</u>	<u>7,137,462</u>	
U.S. DEPARTMENT OF THE INTERIOR				
Direct Programs:				
Partners for Fish and Wildlife	15.631	6,187	-	--
Coastal Impact Assistance Program	15.668	58,198	-	--
Subtotal of Direct Programs		<u>64,385</u>	<u>-</u>	
Passed Through State of California, State Parks:				
Outdoor Recreation Acquisition, Development, and Planning	15.916	352	-	None
TOTAL U.S. DEPARTMENT OF THE INTERIOR		<u>64,737</u>	<u>-</u>	
U.S. DEPARTMENT OF JUSTICE				
Direct Programs:				
Drug Court Discretionary Grant Program	16.585	109,952	109,952	--
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	293,762	-	--
Public Safety Partnership and Community Policing Grants	16.710	225,309	-	--
Edward Byrne Memorial Justice Assistance Grant Program	16.738	208,598	-	--
DNA Backlog Reduction Program	16.741	200,157	-	--
Second Chance Act Prisoner Reentry Initiative	16.812	767,089	560,286	--
Juvenile Mentoring Program	16.726	111,778	-	--
Equitable Sharing Program	16.922	418,826	-	--
Subtotal of Direct Programs		<u>2,335,471</u>	<u>670,238</u>	
Passed Through State of California, Corrections Standards Authority:				
Juvenile Accountability Block Grants	16.523	46,894	-	CSA 181-09

See notes to the schedule of expenditures of federal awards

COUNTY OF SAN MATEO
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number (CFDA)	Federal Expenditures	Amount Provided to Subrecipients	Pass-Through Identifying Number
U.S. DEPARTMENT OF JUSTICE (Continued)				
Passed Through State of California, Emergency Management Agency:				
Crime Victim Assistance	16.575	\$ 153,066	\$ -	VW13320410
Crime Victim Assistance	16.575	27,530	-	UV12030410
Crime Victim Assistance	16.575	98,428	-	UV13040410
Subtotal of Crime Victim Assistance		<u>279,024</u>	<u>-</u>	
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	1,972	-	CQ12080410
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	8,072	-	CQ13090410
Subtotal of Paul Coverdell Forensic Sciences Improvement Grant Program		<u>10,044</u>	<u>-</u>	
Passed Through State of California, Board of State and Community Corrections:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	131,085	-	BSCC-638-12
Edward Byrne Memorial Justice Assistance Grant Program	16.738	165,138	-	BSCC-638-13
Subtotal of Pass-Through Programs		<u>632,185</u>	<u>-</u>	
TOTAL U.S. DEPARTMENT OF JUSTICE		<u>2,967,656</u>	<u>670,238</u>	
U.S. DEPARTMENT OF LABOR				
Direct Programs:				
Community Based Job Training Grants	17.269	84,601	-	--
Workforce Innovation Fund	17.283	919,256	465,929	--
Subtotal of Direct Programs		<u>1,003,857</u>	<u>465,929</u>	
Passed Through State of California, Employment Development Department:				
Workforce Investment Act (WIA) Cluster:				
WIA Adult Program	17.258	243,356	148,644	K386331
WIA Adult Program	17.258	829,866	-	K491052
Subtotal of WIA Adult Program		<u>1,073,222</u>	<u>148,644</u>	
WIA Youth Activities	17.259	413,669	358,284	K386331
WIA Youth Activities	17.259	837,738	596,164	K491052
Subtotal of WIA Youth Activities		<u>1,251,407</u>	<u>954,448</u>	
WIA Dislocated Worker Formula Grants	17.278	582,553	331,297	K386331
WIA Dislocated Worker Formula Grants	17.278	1,136,157	-	K491052
Subtotal WIA Dislocated Worker Formula Grants		<u>1,718,710</u>	<u>331,297</u>	
Subtotal of WIA Cluster		<u>4,043,339</u>	<u>1,434,389</u>	
Subtotal of Pass-Through Programs		<u>4,043,339</u>	<u>1,434,389</u>	
TOTAL U.S. DEPARTMENT OF LABOR		<u>5,047,196</u>	<u>1,900,318</u>	
U.S. DEPARTMENT OF TRANSPORTATION				
Direct Program:				
Airport Improvement Program	20.106	82,841	-	--
Highway Planning and Construction Cluster:				
Passed Through State of California, Department of Transportation:				
Highway Planning and Construction	20.205	51,558	-	BRLO 5935(053)
Highway Planning and Construction	20.205	68,547	-	BPMP 5935(062)
Highway Planning and Construction	20.205	50,821	-	STPL 5935(061)
Subtotal of Highway Planning and Construction		<u>170,926</u>	<u>-</u>	
Passed Through State of California, Department of Parks and Recreation:				
Recreational Trails Program	20.219	25,000	-	RT-41-006
Subtotal of Highway Planning and Construction Cluster		<u>195,926</u>	<u>-</u>	
Passed Through San Mateo County Transit District:				
Jobs Access and Reverse Commute Program	20.516	153,076	-	None
Subtotal of Pass-Through Programs		<u>349,002</u>	<u>-</u>	
TOTAL U.S. DEPARTMENT OF TRANSPORTATION		<u>431,843</u>	<u>-</u>	
U.S. DEPARTMENT OF EDUCATION				
Passed Through State of California, Department of Rehabilitation:				
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	197,468	-	28941
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	643,372	-	28829
TOTAL U.S. DEPARTMENT OF EDUCATION		<u>840,840</u>	<u>-</u>	

See notes to the schedule of expenditures of federal awards

COUNTY OF SAN MATEO
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number (CFDA)	Federal Expenditures	Amount Provided to Subrecipients	Pass-Through Identifying Number
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct Programs:				
Environmental Public Health and Emergency Response	93.070	\$ 158,290	\$ -	--
Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224	1,750,549	-	--
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	396,659	-	--
Affordable Care Act (ACA) Grants for Capital Development in Health Centers	93.526	4,067	-	--
Health Care Innovation Awards (HCIA)	93.610	68,423	-	--
Subtotal of Direct Programs		<u>2,377,988</u>	<u>-</u>	
Passed Through State of California, Department of Aging:				
Special Programs for the Aging - Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	7,679	7,679	A9-1314-08
Special Programs for the Aging - Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals	93.042	9,619	9,619	A3-1314-08
Special Programs for the Aging - Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals	93.042	32,704	32,704	A9-1314-08
Subtotal of Special Programs for the Aging - Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals		<u>42,323</u>	<u>42,323</u>	
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043	9,076	9,076	A3-1314-08
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043	31,679	31,679	A9-1314-08
Subtotal of Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services		<u>40,755</u>	<u>40,755</u>	
Aging Cluster:				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	191,753	173,462	A3-1314-08
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	618,926	559,744	A9-1314-08
Subtotal Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers		<u>810,679</u>	<u>733,206</u>	
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	231,692	201,535	A3-1314-08
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	869,416	767,249	A9-1314-08
Subtotal of Special Programs for the Aging - Title III, Part C - Nutrition Services		<u>1,101,108</u>	<u>201,535</u>	
Nutrition Services Incentive Program	93.053	31,239	31,239	A3-1314-08
Nutrition Services Incentive Program	93.053	126,733	126,733	A9-1314-08
Subtotal of Nutrition Services Incentive Program		<u>157,972</u>	<u>798,488</u>	
Subtotal of Aging Cluster		<u>2,069,759</u>	<u>1,859,962</u>	
National Family Caregiver Support, Title III, Part E	93.052	67,065	59,542	A3-1314-08
National Family Caregiver Support, Title III, Part E	93.052	213,657	189,021	A9-1314-08
Subtotal of National Family Caregiver Support, Title III, Part E		<u>280,722</u>	<u>248,563</u>	
Medicare Enrollment Assistance Program	93.071	9,545	9,545	MI-1314-08
Affordable Care Act State Health Insurance Assistance Program (SHIP) and Aging and Disability Resource Center Options Counseling for Medicare-Medicaid Individuals in States with Approved Financial Alignment Models	93.626	75	75	FA-1316-08
Medical Assistance Program	93.778	340,487	-	MS-1314-13
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	100,086	92,990	H9-1314-08
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	29,273	25,846	HI-1314-08
Subtotal of Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations		<u>129,359</u>	<u>118,836</u>	
Passed Through State of California, Department of Community Services and Development:				
Community Services Block Grant	93.569	297,340	287,061	13F-3040
Community Services Block Grant	93.569	100,000	96,000	13F-3111
Community Services Block Grant	93.569	173,309	173,309	14F-3040
Subtotal of Community Services Block Grant		<u>570,649</u>	<u>556,370</u>	
Passed Through State of California, Department of Health Care Services:				
Disabilities Prevention	93.184	783,577	-	San Mateo (41)
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	1,064,940	-	201341 San Mateo
Immunization Cooperative Agreements	93.268	247,943	-	13-20344
Children's Health Insurance Program	93.767	257,786	1,238	None
Medical Assistance Program	93.778	1,428,912	5,935	None
Medical Assistance Program	93.778	83,169	-	11-10546
Passed Through State of California, Department of Public Health:				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	998,445	-	EPO 13-44
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	253,359	-	None
HIV Care Formula Grants	93.917	289,597	-	13-20072
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	31,723	-	11-10059
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.944	97,006	-	13-20157
Maternal and Child Health Services Block Grant to the States	93.994	706,869	-	201341 San Mateo

See notes to the schedule of expenditures of federal awards

COUNTY OF SAN MATEO
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number (CFDA)	Federal Expenditures	Amount Provided to Subrecipients	Pass-Through Identifying Number
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed Through State of California, Department of Mental Health:				
Projects for Assistance in Transition from Homelessness (PATH)	93.150	\$ 133,353	\$ 133,353	None
Block Grants for Community Mental Health Services	93.958	859,217	262,295	None
Passed Through State of California, Department of Social Services:				
Guardianship Assistance	93.090	146,242	-	None
Promoting Safe and Stable Families	93.556	344,918	-	None
Temporary Assistance for Needy Families	93.558	29,250,585	-	None
Passed Through State of California, Department of Social Services (Continued):				
Refugee and Entrant Assistance - State Administered Programs	93.566	47,783	-	None
Stephanie Tubbs Jones Child Welfare Services Program	93.645	330,547	-	None
Foster Care - Title IV-E	93.658	11,756,595	-	None
Foster Care - Title IV-E	93.658	1,435,880	-	2024.00.01
Subtotal of Foster Care - Title IV-E		<u>13,192,475</u>	<u>-</u>	
Adoption Assistance	93.659	2,606,754	-	None
Social Services Block Grant	93.667	1,298,447	-	None
Chafee Foster Care Independence Program	93.674	160,560	-	None
Medical Assistance Program	93.778	1,052,894	-	None
Medical Assistance Program	93.778	5,500,362	-	None
Passed Through State of California, Department of Child Support Services:				
Child Support Enforcement	93.563	7,159,220	-	None
Passed Through State of California, Department of Education:				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	402,533	-	CAPP-2060
Passed Through State of California, Alcohol and Drug Programs:				
Medical Assistance Program	93.778	661,753	661,753	12-89223
Block Grants for Prevention and Treatment of Substance Abuse	93.959	4,553,258	4,323,312	None
Passed Through State of California, Secretary of State:				
Voting Access for Individuals with Disabilities - Grants to States	93.617	15,667	-	13G26126
Passed Through City and County of San Francisco:				
HIV Emergency Relief Project Grants	93.914	893,508	119,905	DPHC1400060301
HIV Emergency Relief Project Grants	93.914	351,131	57,874	None
Subtotal of HIV Emergency Relief Project Grants		<u>1,244,639</u>	<u>177,779</u>	
HIV Prevention Activities - Health Department Based	93.940	237,305	-	DPHC1300090401
HIV Prevention Activities - Health Department Based	93.940	192,537	-	DPHC1400071301
Subtotal of HIV Prevention Activities - Health Department Based		<u>429,842</u>	<u>-</u>	
Subtotal of Pass-Through Programs		<u>79,125,728</u>	<u>8,449,773</u>	
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:		<u>81,503,716</u>	<u>8,449,773</u>	
OFFICE OF THE EXECUTIVE PRESIDENT				
Direct Program:				
High Intensity Drug Trafficking Areas Program	95.001	3,465,241	-	--
TOTAL OFFICE OF THE EXECUTIVE PRESIDENT		<u>3,465,241</u>	<u>-</u>	
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed Through State of California, State Parks:				
Boating Safety Financial Assistance	97.012	326,142	-	None
Passed Through City and County of San Francisco:				
Homeland Security Grant Program	97.067	2,010,391	-	2011-UASI
Homeland Security Grant Program	97.067	4,049,594	-	2012-UASI
Homeland Security Grant Program	97.067	1,547,625	-	2013-UASI
Passed Through State of California, Emergency Management Agency:				
Emergency Management Performance Grants	97.042	241,353	-	2013-0047
Homeland Security Grant Program	97.067	1,137,619	-	2011-SS-0077 UASI
Homeland Security Grant Program	97.067	2,731,081	-	2012-SS-00123 UASI
Homeland Security Grant Program	97.067	247,931	-	2013-SS-00110 UASI
Subtotal of Pass-Through Programs		<u>12,291,736</u>	<u>-</u>	
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY		<u>12,291,736</u>	<u>-</u>	
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u>\$ 127,878,829</u>	<u>\$ 18,595,953</u>	

See notes to the schedule of expenditures of federal awards

COUNTY OF SAN MATEO

Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

1. GENERAL

The schedule of expenditures of federal awards (Schedule) includes the federal grant activity of the County of San Mateo (County). All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other agencies are included in this Schedule except for assistance related to Medical Assistance (Medi-Cal) and Medicare Hospital Insurance (Medicare) (Note 5) and the Housing Authority of the County of San Mateo (Housing Authority) (Note 6).

2. BASIS OF ACCOUNTING

The accompanying Schedule is presented using the modified accrual basis of accounting for program expenditures accounted for in the governmental funds and the accrual basis of accounting for program expenditures accounted for in the proprietary funds as described in Note 2.B of the County's basic financial statements.

3. RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying Schedule agree or can be reconciled with amounts reported in the related federal financial assistance reports.

4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal award expenditures agree or can be reconciled with the amounts reported in the County's basic financial statements.

5. MEDI-CAL AND MEDICARE

Direct Medi-Cal and Medicare expenditures are excluded from the Schedule. These expenditures represent fees for services and are not included in the Schedule or in determining major programs. The County assists the State of California in determining eligibility and provides Medi-Cal and Medicare services through County-owned facilities. However, administrative costs related to Medi-Cal and Medicare are included in the Schedule under the Medical Assistance Program (Federal CFDA number 93.778).

COUNTY OF SAN MATEO

Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

6. HOUSING AUTHORITY OF THE COUNTY OF SAN MATEO

Housing Authority federal expenditures are excluded from the Schedule and are separately audited by other auditors. Federal expenditures for the Housing Authority programs are taken from the separately issued single audit report for the year ended June 30, 2014. The federal programs of the Housing Authority are as follows:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
Moving To Work Demonstration Program:		
Low Rent Operating Subsidy	14.881	\$ 340,691
Capital Fund	14.881	209,589
Housing Choice Vouchers	14.881	59,406,000
Section 8 Programs:		
Moderate Rehabilitation	14.856	1,433,600
Housing Choice Vouchers	14.871	1,488,917
Shelter Plus Care	14.238	491,676
Supportive Housing	14.235	135,798
Continuum of Care	14.267	2,523,071
Total		<u>\$ 66,029,342</u>

COUNTY OF SAN MATEO

Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

7. CALIFORNIA DEPARTMENT OF AGING (CDA) SINGLE AUDIT REPORTING REQUIREMENTS

The terms and conditions of agency contracts with CDA require agencies to display state-funded expenditures discretely along with the related federal expenditures. For state grants not involving federal funding, the amounts are to be displayed separately. The following schedule is presented to comply with these requirements.

Federal Grantor Pass-through Grantor Program Title	CFDA No.	Grant/ Contract Number	Expenditures	
			State	Federal
U.S. Department of Health and Human Services				
<i>Passed Through State of California, Department of Aging:</i>				
Special Programs for Aging-Title VII, Chapter 3 Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	A9-1314-08	\$ -	\$ 7,679
Special Programs for Aging-Title VII, Chapter 2 Long-Term Care Ombudsman Services for Older Individuals	93.042	A3-1314-08	-	9,619
	93.042	A9-1314-08		32,704
Special Programs for Aging-Title III, Part D Disease Prevention and Health Promotion Services	93.043	A3-1314-08	-	9,076
	93.043	A9-1314-08		31,679
Special Programs for Aging-Title III, Part B Grants for Supportive Services and Senior Centers	93.044	A3-1314-08	-	191,753
	93.044	A9-1314-08		618,926
Special Programs for Aging-Title III, Part C - Nutrition Services	93.045	A3-1314-08	34,662	231,692
	93.045	A9-1314-08	103,865	869,416
National Family Caregiver Support, Title III, Part E	93.052	A3-1314-08	-	67,065
	93.052	A9-1314-08		213,657
Nutrition Services Incentive Program	93.053	A3-1314-08	-	31,239
	93.053	A9-1314-08		126,733
Medicare Enrollment Assistance Program Affordable Care Act State Health Insurance Assistance Program (SHIP) and Aging and Disability Resource Center Options Counseling for Medicare-Medicaid Individuals in States with Approved Financial Alignment Models	93.071	MI-1314-08	-	9,545
	93.626	FA-1316-08	-	75
Medical Assistance Program Centers for Medicare Services	93.778	MS-1314-13	340,487	340,487
(CMS) Research, Demonstrations and Evaluations	93.779	H9-1314-08	134,108	100,086
	93.779	HI-1314-08	44,702	29,273
Subtotal Expenditures of CDA Awards and Total Federal Awards			<u>657,824</u>	<u>\$ 2,920,704</u>
State Awards-California Department of Aging:				
Ombudsman Special Deposit Fund		A3-1314-08	17,385	
Ombudsman Skilled Nursing Facility Quality and Accountability Fund		A3-1314-08	54,624	
C1 Special Nutrition Funds		A3-1314-08	21,698	
C2 Special Nutrition Funds		A3-1314-08	12,764	
Total Expenditures of CDA Awards			<u>\$ 764,295</u>	

COUNTY OF SAN MATEO

Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

8. PROGRAM TOTALS

The following table summarizes programs funded by various sources whose totals are not shown on the Schedule.

CFDA no. / Program Title / Federal Grantor or Pass-Through Grantor	Pass-Through Identifying Number	Federal Expenditures
(1) CFDA no. 16.738 - Edward Byrne Memorial Justice Assistance Grant Program		
U.S. Department of Justice	None	\$ 208,598
State of California, Board of State and Community Corrections	BSCC 638-12	131,085
State of California, Board of State and Community Corrections	BSCC-638-13	165,138
	Program Total	<u>\$ 504,821</u>
(2) CFDA no. 93.778 - Medical Assistance Program		
State of California, Department of Aging	MS-1314-13	\$ 340,487
State of California, Department of Health Care Services	None	1,428,912
State of California, Department of Health Care Services	11-10546	83,169
State of California, Department of Social Services	None	1,052,894
State of California, Department of Social Services	None	5,500,362
State of California, Alcohol and Drug Programs	12-89223	661,753
	Program Total	<u>\$ 9,067,577</u>
(3) CFDA no. 97.067 - Homeland Security Grant Program		
City and County of San Francisco	2011-UASI	\$ 2,010,391
City and County of San Francisco	2012-UASI	4,049,594
City and County of San Francisco	2013-UASI	1,547,625
State of California, Emergency Management Agency	2011-SS-0077 UASI	1,137,619
State of California, Emergency Management Agency	2012-SS-00123 UASI	2,731,081
State of California, Emergency Management Agency	2013-SS-00110 UASI	247,931
	Program Total	<u>\$ 11,724,241</u>

COUNTY OF SAN MATEO

Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

**9. SCHEDULES OF STATE OF CALIFORNIA EMERGENCY MANAGEMENT AGENCY
GRANT EXPENDITURES**

The following schedule represents expenditures for U.S. Department of Justice grants passed through the State of California Emergency Management Agency (CalEMA) as well as CalEMA funded grant expenditures for the year ended June 30, 2014. This information is included in the County's single audit report at the request of CalEMA.

Program Title and Expenditure Category	Grant Number Grant Period CFDA Number	Budget	Cumulative through June 30, 2013	Actual 7/1/13-6/30/14		Cumulative through June 30, 2014	Variance
				Non-match*	Match		
Victim Witness Assistance Program							
Personnel Services	VW13320410	\$ 153,066	\$ -	\$ 153,066	\$ -	\$ 153,066	\$ -
Operating Expenses	7/1/13-6/30/14	-	-	-	-	-	-
Equipment	CFDA no. 16.575	-	-	-	-	-	-
Total		\$ 153,066	\$ -	\$ 153,066	\$ -	\$ 153,066	\$ -
Underserved Victim Advocacy and Outreach Program							
Personnel Services	UV13040410	\$ 156,250	\$ -	\$ 98,428	\$ 24,605	\$ 123,033	\$ 33,217
Operating Expenses	10/1/13-9/30/14	-	-	-	-	-	-
Equipment	CFDA no. 16.575	-	-	-	-	-	-
Total		\$ 156,250	\$ -	\$ 98,428	\$ 24,605	\$ 123,033	\$ 33,217
Underserved Victim Advocacy and Outreach Program							
Personnel Services	UV12030410	\$ 145,525	\$ 111,111	\$ 27,530	\$ 6,884	\$ 145,525	\$ -
Operating Expenses	10/1/12-9/30/13	-	-	-	-	-	-
Equipment	CFDA no. 16.575	-	-	-	-	-	-
Total		\$ 145,525	\$ 111,111	\$ 27,530	\$ 6,884	\$ 145,525	\$ -
Edward Byrne Memorial Justice Assistance Grant Program**							
Personnel Services	BSCC 638-12	\$ 123,613	\$ 21,025	\$ 102,588	\$ -	\$ 123,613	\$ -
Operating Expenses	01/10/12-09/30/13	81,595	53,098	28,497	-	81,595	-
Equipment	CFDA no. 16.738	-	-	-	-	-	-
Total		\$ 205,208	\$ 74,123	\$ 131,085	\$ -	\$ 205,208	\$ -
2012 Coverdell Forensic Science Improvement Program							
Personnel Services	CQ 12080410	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenses	10/1/12-8/31/13	-	-	-	-	-	-
Equipment	CFDA no. 16.742	17,073	15,101	1,972	-	17,073	-
Total		\$ 17,073	\$ 15,101	\$ 1,972	\$ -	\$ 17,073	\$ -
2013 Coverdell Forensic Science Improvement Program							
Personnel Services	CQ 13090410	\$ 15,700	\$ -	\$ 8,072	\$ -	\$ 8,072	\$ 7,628
Operating Expenses	10/1/13-8/31/14	-	-	-	-	-	-
Equipment	CFDA no. 16.742	-	-	-	-	-	-
Total		\$ 15,700	\$ -	\$ 8,072	\$ -	\$ 8,072	\$ 7,628

* Actual non-match expenditures are reported as federal expenditures in the Schedule under the designated CFDA numbers.

** This grant was initially awarded by CalEMA. Effective July 1, 2012, the California Board of State and Community Corrections (BSCC) assumed this grant program previously administered by CalEMA. As this grant covers two fiscal years, it is included in this schedule.

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COUNTY OF SAN MATEO
 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2014

Section I – Summary of Auditor’s Results

Financial Statements:

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None noted

Noncompliance material to financial statements noted? No

Federal Awards:

Internal control over major programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None noted

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 Section 510(a) of OMB Circular A-133? No

Identification of major programs:

<u>Program Title</u>	<u>CFDA Number</u>
Workforce Investment Act Cluster	17.258, 17.259 and 17.278
Temporary Assistance for Needy Families	93.558
Community Services Block Grant	93.569
Foster Care – Title IV-E.....	93.658
Medical Assistance Program.....	93.778
Homeland Security Grant Program.....	97.067

Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000

Auditee qualified as low-risk auditee? No

COUNTY OF SAN MATEO
Schedule of Findings and Questioned Costs
Year Ended June 30, 2014

Section II – Financial Statement Findings

No findings were reported.

Section III – Federal Awards Findings and Questioned Costs

No findings were reported.

COUNTY OF SAN MATEO

Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2014

Reference Number: 2013-005

Federal Catalog Number/
Program Name: 14.218 and 14.253 – CDBG Entitlement Grants Cluster

Audit Finding: During our testing of the County’s compliance with subrecipient monitoring requirements, we selected a sample of 12 subrecipients from a population of 41 subrecipients for review. Our audit results identified one subrecipient for which the Department of Housing (Department) had no documentation to indicate that it requested and reviewed a copy of the subrecipient’s single audit report for the year ended June 30, 2013. We subsequently obtained a copy of the subrecipient’s single audit report for the year ended June 30, 2013, and noted that the subrecipient failed to report federal funds passed through from the Department under the CDBG – Entitlement Grants Cluster in its schedule of expenditures of federal awards (SEFA).

We recommended that the Department develop and document a centralized filing process for managing the subrecipient monitoring process to ensure that documentation is maintained during the required retention period and that the Department should also issue a management decision of the subrecipient’s failure to include federal funds passed through from the County under the CDBG – Entitlement Grants Cluster in its SEFA within the required timeframe.

Status of Corrective Action: Corrective action was implemented.

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SUPPLEMENTARY INFORMATION

COUNTY OF SAN MATEO

State of California Department of Community Services and Development
Community Services Block Grant (CSBG) – CFDA No. 93.569

Contract No. 13F-3040
Schedule of Revenues and Expenditures
For the Period January 1, 2013 to June 30, 2014

	Fiscal Year	Fiscal Year	Total	Total	Total
REVENUES	2012/2013	2013/2014	Audited	Reported	Budget
			Costs	Expenditures	
Grant Revenue *	\$ 151,445	\$ 264,700	\$ 416,145	\$ -	\$ 416,145
EXPENDITURES					
Administrative Costs					
Other Costs	\$ -	\$ 10,279	\$ 10,279	\$ 10,279	\$ 10,279
Program Costs					
Sub-Contractors	118,805	287,061	405,866	405,866	405,866
Total Expenditures**	\$ 118,805	\$ 297,340	\$ 416,145	\$ 416,145	\$ 416,145

* Revenue represents advances/reimbursements of federal funds as of June 30, 2013 and 2014.

** Expenditures are reported in the schedule of expenditures of federal awards under the designated CFDA and pass-through entity numbers.

COUNTY OF SAN MATEO

State of California Department of Community Services and Development
Community Services Block Grant (CSBG) – CFDA No. 93.569

Contract No. 13F-3111
Schedule of Revenues and Expenditures
For the Period January 1, 2013 to June 30, 2014

REVENUES	Fiscal Year 2013/2014	Total Audited Costs	Total Reported Expenditures	Total Budget
Grant Revenue *	\$ 100,000	\$ 100,000	\$ -	\$ 100,000
EXPENDITURES				
Program Costs				
Salaries and Wages	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Operating expense and equipment	1,000	1,000	1,000	1,000
Sub-Contractors	96,000	96,000	96,000	96,000
Total Program Costs	100,000	100,000	100,000	100,000
Total Expenditures**	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000

* Revenue represents advances/reimbursements of federal funds as of June 30, 2014.

** Expenditures are reported in the schedule of expenditures of federal awards under the designated CFDA and pass-through entity numbers.

COUNTY OF SAN MATEO

State of California Department of Community Services and Development
Community Services Block Grant (CSBG) – CFDA No. 93.569

Contract No. 14F-3040
Schedule of Revenues and Expenditures
For the Period January 1, 2013 to June 30, 2014

REVENUES	Fiscal Year 2013/2014	Total Audited Costs	Total Reported Expenditures	Total Budget
Grant Revenue *	\$ 173,309	\$ 173,309	\$ -	\$ 421,485
EXPENDITURES				
Administrative Costs				
Salaries and Wages	\$ -	\$ -	\$ -	\$ 14,500
Program Costs				
Sub-Contractors	173,309	173,309	173,309	406,985
Total Expenditures**	\$ 173,309	\$ 173,309	\$ 173,309	\$ 421,485

* Revenue represents advances/reimbursements of federal funds as of June 30, 2014.

** Expenditures are reported in the schedule of expenditures of federal awards under the designated CFDA and pass-through entity numbers.