

COUNTY OF ORANGE, CALIFORNIA

Single Audit Report
For the Year Ended June 30, 2015



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Accountants

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COUNTY OF ORANGE, CALIFORNIA
Single Audit Report
For the Year Ended June 30, 2015

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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

Board of Supervisors
County of Orange, California

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 units, each major fund, and the aggregate remaining fund information of the County of Orange, California (County), as of and for the year ended June 30, 2015, 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 17, 2015. Our report includes a reference to other auditors who audited the financial statements of the Children and Families Commission of Orange County (CFCOC) and the Orange County Health Authority, a Public Agency/dba Orange Prevention and Treatment Integrated Medical Assistance (CalOptima), as described in our report on the County’s financial statements. 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 on 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 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 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

Newport Beach, California
December 17, 2015



Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133 and the Supplementary Schedule of Grant Expenditures for Grants Provided by the California Health and Human Services Agency, Department of Aging

Board of Supervisors
County of Orange, California

Report on Compliance for Each Major Federal Program

We have audited the County of Orange, California’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, 2015. 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 Children and Families Commission of Orange County (CFCOC) and the Orange County Health Authority, a Public Agency/dba Orange Prevention and Treatment Integrated Medical Assistance (CalOptima) (discretely presented component units), which expended \$146,579 and \$2,119,758, respectively, in federal awards, which are not included in the accompanying schedule of expenditures of federal awards for the year ended June 30, 2015. Our audit, described below, did not include the operations of the discretely presented component units because the discretely presented component units engaged other auditors to perform audits in accordance with OMB Circular A-133.

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, *Audits of States, Local Governments, and Non-Profit Organizations*. 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, 2015.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2015-001. Our opinion on each major federal program is not modified with respect to this matter.

The County's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified one deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2015-001 that we consider to be a significant deficiency

The County's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 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 the Supplementary Schedule of Grant Expenditures for Grants Provided by the California Health and Human Services Agency, Department of Aging

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, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 17, 2015, which contained unmodified opinions on those financial statements. Our report included a reference to other auditors who audited the financial statements of the Children and Families Commission of Orange County and the Orange County Health Authority, a Public Agency/dba Orange Prevention and Treatment Integrated Medical Assistance, as described in our report on the County's 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 supplementary schedule of grant expenditures for grants provided by the California Health and Human Services Agency, Department of Aging are presented for purposes of additional analysis as required by OMB Circular A-133, and the California Health and Human Services Agency, Department of Aging, 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 supplementary schedule of grant expenditures for grants provided by the California Health and Human Services Agency, Department of Aging are fairly stated in all material respects in relation to the basic financial statements as a whole.

Macias Gini & O'Connell LLP

Newport Beach, California

March 24, 2016

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COUNTY OF ORANGE (OC), CALIFORNIA (CA)
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2015

Federal Grantor/ County Program Name (Direct or Indirect) (1)	Catalog of Federal Domestic Assistance (CFDA) Number	Pass-Through Entity's Identifying Number (2)	Pass-Through Entity's Name	Federal Disbursements/ Expenditures	Amount Provided to Subrecipient	County Department
U.S. Department of Agriculture						
Pierce's Disease Control Program (Indirect)	10.025	14-0159-SF	CA Dept. of Food & Agriculture	\$ 497,668	\$ -	OC Public Works
Phytophthora Ramorum Program (Indirect)	10.025	14-0414-SF	CA Dept. of Food & Agriculture	18,693	-	OC Public Works
Light Brown Apple Moth Program (Indirect)	10.025	13-0484-SF	CA Dept. of Food & Agriculture	3,309	-	OC Public Works
Subtotal 10.025				519,670	-	
School Breakfast Program (Indirect)	10.553	30-34306-9003500-1	CA Dept. of Education	257,194	-	Probation
School Breakfast Program (Indirect)	10.553	02039-SN-30-R	CA Dept. of Education	41,252	-	Social Services Agency
National School Lunch Program (Indirect)	10.555	30-34306-9003500-1	CA Dept. of Education	426,387	-	Probation
National School Lunch Program (Indirect)	10.555	02039-SN-30-R	CA Dept. of Education	63,073	-	Social Services Agency
Subtotal 10.553 and 10.555 (Child Nutrition Cluster)				787,906	-	
Women, Infants, and Children (WIC) (Indirect)	10.557	14-10240	CA Dept. of Public Health	4,880,448	-	Health Care Agency
Nutrition Education and Obesity Prevention Program (Indirect)	10.561	13-20487	CA Dept. of Public Health	3,753,241	2,354,422	Health Care Agency
Non-Assisted Benefits - CA Work Opportunity and Responsibility to Kids Information Network (CalWIN) (Indirect)	10.561	1946001347 A7	CA Dept. of Social Services	2,433,055	-	Social Services Agency
Non-Assisted Benefits (Indirect)	10.561	1946001347 A7	CA Dept. of Social Services	31,484,931	-	Social Services Agency
Subtotal 10.561 (SNAP Cluster)				37,671,227	2,354,422	
Value of Senior Farmer's Market Coupons (Indirect)	10.576		CA Dept. of Aging	35,000	35,000	OC Community Resources
Subtotal - U.S. Department of Agriculture				43,894,251	2,389,422	
U.S. Department of Health and Human Services						
Title VII-B: Elder Abuse Prevention (Indirect)	93.041	AP-1415-22	CA Dept. of Aging	34,817	34,817	OC Community Resources
Title VII-A: Ombudsman (Indirect)	93.042	AP-1415-22	CA Dept. of Aging	98,668	98,668	OC Community Resources
Title III-D: Preventive Health (Indirect)	93.043	AP-1415-22	CA Dept. of Aging	151,126	151,126	OC Community Resources
Title III-B: Senior Supportive Services (Indirect)	93.044	AP-1415-22	CA Dept. of Aging	2,255,330	2,030,753	OC Community Resources
Title III-C1: Congregate Meals for Seniors (Indirect)	93.045	AP-1415-22	CA Dept. of Aging	2,305,540	2,025,450	OC Community Resources
Title III-C2: Home Delivered Meals for Seniors (Indirect)	93.045	AP-1415-22	CA Dept. of Aging	2,532,402	2,391,655	OC Community Resources
Title III-C1: Nutrition Services Incentive Program (NSIP) (Indirect)	93.053	AP-1415-22	CA Dept. of Aging	305,339	305,339	OC Community Resources
Title III-C2: Nutrition Services Incentive Program (Indirect)	93.053	AP-1415-22	CA Dept. of Aging	858,511	858,511	OC Community Resources
Subtotal 93.044, 93.045, and 93.053 (Aging Cluster)				8,257,122	7,611,708	
National Family Caregiver Support Program (Indirect)	93.052	AP-1415-22	CA Dept. of Aging	1,069,652	975,845	OC Community Resources
Medicare Improvements for Patients and Provider Act (MIPPA) (Indirect)	93.071	MI-1415-22	CA Dept. of Aging	119,068	107,208	OC Community Resources
Hospital Preparedness Program (HPP) (Indirect)	93.074	EPO 14-10527	CA Dept. of Public Health	964,764	-	Health Care Agency
Public Health Emergency Preparedness (PHEP) (Indirect)	93.074	EPO 14-10527	CA Dept. of Public Health	3,149,954	-	Health Care Agency
Subtotal 93.074				4,114,718	-	
Guardianship Assistance (Indirect)	93.090	1946001347 A7	CA Dept. of Social Services	6,665	-	Social Services Agency
TB Local Assistance (Base Award) (Indirect)	93.116	SU52PS900515	CA Dept. of Public Health	642,676	-	Health Care Agency
Projects for Assistance in Transition from Homelessness (PATH) Grant (Indirect)	93.150	68-0317191	CA Department of Health Care Services	523,571	523,571	Health Care Agency
Childhood Lead Poisoning Prevention Program (CLPPP) (Indirect)	93.197	14-10027	CA Dept. of Public Health	296,333	-	Health Care Agency
Pediatric Immunization - Immunization Assistance Program (IAP) (Indirect)	93.268	13-20304	CA Dept. of Public Health	662,242	-	Health Care Agency
Breast Cancer Early Detection Program (BCEDP) (Indirect)	93.394	12-89327	CA Dept. of Public Health	5,000	-	Health Care Agency
State Planning and Establishment Grants for the Affordable Care Act Exchanges (Indirect)	93.525	1946001347 A7	CA Dept. of Social Services	1,324,025	-	Social Services Agency
Family Preservation (Indirect)	93.556	1946001347 A7	CA Dept. of Social Services	2,050,258	-	Social Services Agency
CalWorks - CalWIN (Indirect)	93.558	1946001347 A7	CA Dept. of Social Services	1,167,564	-	Social Services Agency
CalWorks (Indirect)	93.558	1946001347 A7	CA Dept. of Social Services	47,242,231	-	Social Services Agency
CalWorks Admin (Indirect)	93.558	1946001347 A7	CA Dept. of Social Services	100,973,373	-	Social Services Agency
Subtotal 93.558 (TANF Cluster)				149,383,168	-	
Support Enforcement Incentive Fund (Indirect)	93.563	06-059	CA Dept. of Child Support Services	3,044,837	-	Child Support Services
Child Support Enforcement Program (Indirect)	93.563	06-059	CA Dept. of Child Support Services	35,131,716	-	Child Support Services
Subtotal 93.563				38,176,553	-	
Welfare Aid to Refugees - CalWIN (Indirect)	93.566	1946001347 A7	CA Dept. of Social Services	1,254	-	Social Services Agency
Welfare Aid to Refugees (Indirect)	93.566	1946001347 A7	CA Dept. of Social Services	487,522	-	Social Services Agency
Refugee Cash Assistance (Indirect)	93.566	1946001347 A7	CA Dept. of Social Services	240,435	-	Social Services Agency
Refugee Employment Social Services (Indirect)	93.566	RESS 1303, RESS 1403	CA Dept. of Social Services	379,322	312,497	Social Services Agency
Subtotal 93.566				1,108,533	312,497	

See accompanying Notes to the Schedule of Expenditures of Federal Awards and the Schedule of Grant Expenditures for Grants Provided by the California Health and Human Services Agency, Department of Aging.

COUNTY OF ORANGE (OC), CALIFORNIA (CA)
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2015

Federal Grantor/ County Program Name (Direct or Indirect) (1)	Catalog of Federal Domestic Assistance (CFDA) Number	Pass-Through Entity's Identifying Number (2)	Pass-Through Entity's Name	Federal Disbursements/ Expenditures	Amount Provided to Subrecipient	County Department
Refugee Health Assessment Program (Indirect)	93.567	13-30-90840-00, 14-30-90840-00	CA Dept. of Public Health	308,497	182,692	Health Care Agency
Targeted Assistance (Indirect)	93.576	TARL 1303	CA Dept. of Social Services	7,390	7,390	Social Services Agency
Targeted Assistance Grant (Indirect)	93.584	TAFO 1303	CA Dept. of Social Services	183,041	171,839	Social Services Agency
Community Based Child Abuse Prevention (Indirect)	93.590	1946001347 A7	CA Dept. of Social Services	100,284	-	Social Services Agency
Help America Vote Act (HAVA) Polling Place Accessibility Training Program (Indirect)	93.617	13G26119	CA Secretary of State	14,970	-	Registrar of Voters
SHIP Options Counseling for Medicare/Medicaid-Financial Alignment (Indirect)	93.626	FA1316-22	CA Dept. of Aging	58,353	53,580	OC Community Resources
Child Welfare System Title IV-B (Indirect)	93.645	1946001347 A7	CA Dept. of Social Services	2,120,408	-	Social Services Agency
Children Welfare System Title IV-E (Indirect)	93.658	1946001347 A7	CA Dept. of Social Services	1,111,375	-	Probation
Children Welfare System Title IV-E (Indirect)	93.658	1946001347 A7	CA Dept. of Social Services	24,296,438	-	Social Services Agency
Welfare Aid to Children in Boarding Homes (Indirect)	93.658	1946001347 A7	CA Dept. of Social Services	11,092,805	-	Social Services Agency
Subtotal 93.658				36,500,618	-	
Adoption Assistance (Indirect)	93.659	1946001347 A7	CA Dept. of Social Services	19,340,978	-	Social Services Agency
Adoptions (Indirect)	93.659	1946001347 A7	CA Dept. of Social Services	3,087,595	-	Social Services Agency
Subtotal 93.659				22,428,573	-	
Social Services Block Grant (Indirect)	93.667	1946001347 A7	CA Dept. of Social Services	11,367,207	-	Social Services Agency
Independent Living Skills (Indirect)	93.674	1946001347 A7	CA Dept. of Social Services	530,913	-	Social Services Agency
Preventative Health and Health Services Block Grant (PHHSBG) (Indirect)	93.758	C14-051	Emergency Medical Service Authority	69,984	-	Health Care Agency
Childrens Health Insurance Program (CHIP; Title XXI) (Indirect)	93.767	1946001347 A7	CA Dept. of Social Services	10,495	-	Social Services Agency
CA Children Services (CCS) Medi-Cal (Indirect)	93.778		CA Dept. of Health Care Services	7,282,973	-	Health Care Agency
Children in Foster Care Title XIX- Administrative Expenses (Indirect)	93.778		CA Dept. of Health Care Services	143,222	-	Health Care Agency
Children in Foster Care Title XIX- Health Care Program for Children in Foster Care (HCPCFC) (Indirect)	93.778		CA Dept. of Health Care Services	760,436	-	Health Care Agency
Child Health and Disability Prevention (CHDP) Program Title XIX (Indirect)	93.778		CA Dept. of Health Care Services	1,104,099	-	Health Care Agency
Child Welfare Services - Health (Indirect)	93.778	1946001347 A7	CA Dept. of Social Services	3,247,363	-	Social Services Agency
County Services Block Grant and Adult Protective Services - Health (Indirect)	93.778	1946001347 A7	CA Dept. of Social Services	3,007,067	-	Social Services Agency
Medi-Cal Administrative Activities (MAA) (Indirect)	93.778	14-90023	CA Dept. of Health Care Services	2,341,841	538,909	Health Care Agency
Medi-Cal Administrative Activities (MAA) (Indirect)	93.778	14-90023	CA Dept. of Health Care Services	373,808	-	Probation
Medi-Cal CalWIN (Indirect)	93.778	1946001347 A7	CA Dept. of Social Services	3,773,943	-	Social Services Agency
Medi-Cal (Indirect)	93.778	MCAC 2014-15 07	CA Dept. of Health Care Services	101,312,327	-	Social Services Agency
Medi-Cal In-Home Supportive Services (Indirect)	93.778	1946001347 A7	CA Dept. of Social Services	7,329,988	-	Social Services Agency
Medi-Cal In-Home Supportive Services Admin (Indirect)	93.778	1946001347 A7	CA Dept. of Social Services	9,134,206	-	Social Services Agency
Medi-Cal Targeted Case Management (TCM) (Indirect)	93.778	30-1318	CA Dept. of Health Care Services	4,034,100	627,904	Health Care Agency
Medical Assistance Program (Medicaid; Title XIX) (Indirect)	93.778	1946001347 A7	CA Dept. of Social Services	244,396	-	Social Services Agency
Medi-Cal Outreach & Enrollment (Indirect)	93.778		CA Dept. of Health Care Services	44,737	-	Social Services Agency
Subtotal 93.778 (Medicaid Cluster)				144,134,506	1,166,813	
Health Insurance Counseling and Advocacy Program (Indirect)	93.779	HI-1415-22	CA Dept. of Aging	236,312	218,013	OC Community Resources
Minority AIDS Initiative (MAI) (Direct)	93.914			393,737	316,352	Health Care Agency
Ryan White Part A (Direct)	93.914			5,443,380	2,182,430	Health Care Agency
Subtotal 93.914				5,837,117	2,498,782	
Prevention, Testing and Partner Services (Indirect)	93.917	13-20246	CA Dept. of Public Health, Office of AIDS	929,506	481,916	Health Care Agency
Care Services (Indirect)	93.917	13-20064	CA Dept. of Public Health, Office of AIDS	1,410,264	-	Health Care Agency
Human Immunodeficiency Virus (HIV) Expanded Testing (Indirect)	93.917	13-10007, 14-10737	CA Dept. of Public Health, Office of AIDS	135,315	-	Health Care Agency
Subtotal 93.917				2,475,085	481,916	
Ryan White Part C (HIV Primary Care) (Direct)	93.918			722,046	-	Health Care Agency
Block Grants for Community Mental Health Services - Substance Abuse and Mental Health Services Administration (SAMHSA) (Indirect)	93.958	68-0317191	CA Department of Health Care Services	2,568,795	1,265,745	Health Care Agency
Alcohol and Drug Program (Indirect)	93.959	10-NNA30 V.1	CA Department of Health Care Services	16,126,579	10,133,270	Health Care Agency
Gonorrhea Isolate Surveillance Project (GISP) (Indirect)	93.977	11-10049	CA Dept. of Public Health	1,763	-	Health Care Agency
Syphilis Elimination (Indirect)	93.977	11-10049	CA Dept. of Public Health	43,862	-	Health Care Agency
Chlamydia Screening Project (CLASP) (Indirect)	93.977	11-10049	CA Dept. of Public Health	30,030	-	Health Care Agency
Subtotal 93.977				75,655	-	
Maternal and Child Health (MCH) Allocation Title V and XIX (Indirect)	93.994	2014-30	CA Dept. of Public Health	372,454	1,772	Health Care Agency
Adolescent Family Life Program (AFLP) Title V and XIX (Indirect)	93.994	2014-30	CA Dept. of Public Health	314,450	-	Health Care Agency
Subtotal 93.994				686,904	1,772	
Subtotal - U.S. Department of Health and Human Services				454,587,927	25,997,252	

See accompanying Notes to the Schedule of Expenditures of Federal Awards and the Schedule of Grant Expenditures for Grants Provided by the California Health and Human Services Agency, Department of Aging.

COUNTY OF ORANGE (OC), CALIFORNIA (CA)
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

Federal Grantor/ County Program Name (Direct or Indirect) (1)	Catalog of Federal Domestic Assistance (CFDA) Number	Pass-Through Entity's Identifying Number (2)	Pass-Through Entity's Name	Federal Disbursements/ Expenditures	Amount Provided to Subrecipient	County Department
U.S. Department of Homeland Security						
2013 Emergency Management Performance Grant (EMPG) (Indirect)	97.042	2013-0047	California Office of Emergency Services	253,718	253,718	Sheriff-Coroner
2014 Emergency Management Performance Grant (EMPG) (Indirect)	97.042	2014-0070	California Office of Emergency Services	443,772	-	Sheriff-Coroner
Subtotal 97.042				697,490	253,718	
2011 Homeland Security Program (SHSP) (Indirect)	97.067	2011-SS-0077	California Office of Emergency Services	45,656	-	Sheriff-Coroner
2012 Homeland Security Program (SHSP) (Indirect)	97.067	2012-SS-00123	California Office of Emergency Services	349,815	18,377	Sheriff-Coroner
2013 Homeland Security Program (SHSP) (Indirect)	97.067	2013-00110	California Office of Emergency Services	2,640,067	360,121	Sheriff-Coroner
2014 Homeland Security Program (SHSP) (Indirect)	97.067	2014-00093	California Office of Emergency Services	268,350	-	Sheriff-Coroner
2014 Homeland Security Program (SHGP) (Indirect)	97.067	2014-00093	California Office of Emergency Services	6,602	-	District Attorney
Homeland Security Grant Program (HSGP) (Indirect)	97.067	2013-00110, 2014-00093	California Office of Emergency Services	336,279	-	Health Care Agency
2011 Homeland Security Grant - Metropolitan Medical Response System (MMRS) (Indirect)	97.067	2011-SS-0077	California Office of Emergency Services	81,927	81,927	Sheriff-Coroner
2013 Operation Stonegarden Supplemental Grant (Indirect)	97.067	2013-1110	County of San Diego, Sheriff Dept.	119,281	-	Sheriff-Coroner
2013 Homeland Security Program (UASI) (Indirect)	97.067	2013-00110	City of Santa Ana Police Department	2,004	-	Sheriff-Coroner
2014 Operation Stonegarden Supplemental Grant (Indirect)	97.067	2014-00093	County of San Diego, Sheriff Dept.	45,788	-	Sheriff-Coroner
Subtotal 97.067				3,895,769	460,425	
TSA: National Explosives Detection Canine Team Program (Direct)	97.072			189,375	-	John Wayne Airport
FBI National Joint Terrorism Task Force (Direct)	97.074			3,030	-	District Attorney
TSA: Airport Checked Baggage Screening Program - Terminal A, B and C (Direct)	97.100			8,087,960	-	John Wayne Airport
Securing The Cities (Indirect)	97.106	2012-DN-106-00001	City of Los Angeles Mayor's Office	112,634	-	Sheriff-Coroner
Los Angeles Border Enforcement (LA BEST) (Direct)	97.999			7,247	-	Sheriff-Coroner
Subtotal - U.S. Department of Homeland Security				12,993,505	714,143	
U.S. Department of Housing and Urban Development						
Community Development Block Grant (Direct)	14.218			3,322,048	2,555,035	OC Community Resources
Emergency Shelter Grant Program (Direct)	14.231			256,007	237,071	OC Community Resources
Shelter Plus Care (Direct)	14.238			790,925	-	OC Community Resources
HOME Investment Partnership Program (Direct)	14.239			2,556,644	2,372,452	OC Community Resources
Housing Opportunities for Persons with AIDS (HOPWA) (Indirect)	14.241	A-2013-67	City of Santa Ana	914,077	861,742	Health Care Agency
Continuum of Care (CoC) - Rental Assistance Grant (Direct)	14.267			7,143,323	-	OC Community Resources
Continuum of Care (CoC) - Planning Grant (Direct)	14.267			188,422	130,272	OC Community Resources
Subtotal 14.267				7,331,745	130,272	
Section 8 Housing Choice Vouchers (Direct)	14.871			124,770,087	-	OC Community Resources
Family Self Sufficiency Program Evaluation (Indirect)	14.871	GS-10F-0245N	MDRC	9,554	-	OC Community Resources
Subtotal 14.871 (Housing Voucher Cluster)				124,779,641	-	
Family Self-Sufficiency Program Coordinator (Direct)	14.896			89,853	-	OC Community Resources
Subtotal - U.S. Department of Housing and Urban Development				140,040,940	6,156,572	
U.S. Department of the Interior						
Payments in Lieu of Taxes (PILT) (Direct)	15.226			76,458	-	Auditor-Controller
Newport Bay Watershed Trash Management Plan (Direct)	15.668			88,220	-	OC Public Works
Federal Forest Reserve Fund (Indirect)	15.916	12-5955	CA Dept. of Transportation	61,583	-	OC Public Works
Subtotal - U. S. Department of the Interior				226,261	-	
U.S. Department of Justice						
DOJ-FBI-Orange County Joint Terrorism Task Force (OCJTTF) - Overtime (Direct)	16.111			43,070	-	Sheriff-Coroner
DOJ-FBI-Southern CA Regional Sexual Felony Enforcement Team (Direct)	16.111			12,769	-	Sheriff-Coroner
Federal Bureau of Investigation - Computer Crime Lab (Direct)	16.111			9,455	-	Sheriff-Coroner
Federal Bureau of Investigation - Gang Task Force (Direct)	16.111			31,621	-	Sheriff-Coroner
Subtotal 16.111				96,915	-	
Juvenile Accountability Block Grant (JABG) (Indirect)	16.523	BSCC 144-14	Board of State and Community Corrections	2,592	-	Probation
Juvenile Accountability Block Grant (JABG) (Indirect)	16.523	BSCC 144-14	Board of State and Community Corrections	110,167	-	District Attorney
Juvenile Accountability Block Grant (JABG) (Indirect)	16.523	BSCC 144-14	Board of State and Community Corrections	16,849	-	Health Care Agency
Subtotal 16.523				129,608	-	
Reducing Racial and Ethnic Disparity (RED) (Indirect)	16.540	BSCC 360-13	Board of State and Community Corrections	30,000	-	Probation

See accompanying Notes to the Schedule of Expenditures of Federal Awards and the Schedule of Grant Expenditures for Grants Provided by the California Health and Human Services Agency, Department of Aging.

COUNTY OF ORANGE (OC), CALIFORNIA (CA)
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

Federal Grantor/ County Program Name (Direct or Indirect) (1)	Catalog of Federal Domestic Assistance (CFDA) Number	Pass-Through Entity's Identifying Number (2)	Pass-Through Entity's Name	Federal Disbursements/ Expenditures	Amount Provided to Subrecipient	County Department
Victim Witness Assistance Program (Indirect)	16.575	VW14330300	California Office of Emergency Services	772,792	-	County Executive Office
Child Abuse Treatment Services (Indirect)	16.575	AT13100300, ATT14110300	California Office of Emergency Services	251,104	251,104	Social Services Agency
Unserviced/Underserved Victim Advocacy and Outreach Program (Indirect)	16.575	UV13040300, UV14050300	California Office of Emergency Services	117,432	-	County Executive Office
Subtotal 16.575				1,141,328	251,104	
Violence Against Women Vertical Prosecution (Indirect)	16.588	VV14060300	California Office of Emergency Services	212,897	17,793	District Attorney
State Criminal Alien Assistance Program (SCAAP) (Direct)	16.606			2,102,737	-	Sheriff-Coroner
PREA "Zero Tolerance" (Indirect)	16.735	2010-RP-BX-K001/15881	BJA/ NCCD	30,000	-	Probation
2011 Edward Byrne Memorial Justice Assistance Grant (JAG) (Direct)	16.738			90,476	79,090	Sheriff-Coroner
2012 Edward Byrne Memorial Justice Assistance Grant (JAG) (Direct)	16.738			128,404	116,314	Sheriff-Coroner
2013 Edward Byrne Memorial Justice Assistance Grant (JAG) (Direct)	16.738			104,596	89,689	Sheriff-Coroner
2014 Edward Byrne Memorial Justice Assistance Grant (JAG) (Direct)	16.738			163,149	156,802	Sheriff-Coroner
2013 Anti-Drug Abuse (ADA) Enforcement Team Program (Indirect)	16.738	BSCC 652-13	Board of State and Community Corrections	25,776	-	District Attorney
2013 Anti-Drug Abuse (ADA) Enforcement Team Program (Indirect)	16.738	BSCC 652-13	Board of State and Community Corrections	103,192	30,687	Sheriff-Coroner
Subtotal 16.738 (JAG Program)				615,593	472,582	
2012 DNA Backlog Reduction Program (Direct)	16.741			80,486	-	Sheriff-Coroner
2013 DNA Backlog Reduction Program (Direct)	16.741			204,298	-	Sheriff-Coroner
2014 DNA Backlog Reduction Grant (Direct)	16.741			124,120	-	Sheriff-Coroner
Subtotal 16.741				408,904	-	
2013 Coverdell National Forensic Science Improvement Grant (Indirect)	16.742	CQ13090300	California Office of Emergency Services	22,132	-	Sheriff-Coroner
2014 Coverdell National Forensic Science Improvement Grant (Indirect)	16.742	CQ14100300	California Office of Emergency Services	47,261	-	Sheriff-Coroner
Subtotal 16.742				69,393	-	
Second Chance Act (Direct)	16.812			225,254	-	Sheriff-Coroner
Sheriff's Narcotic Program (SNP) Forfeitures (Direct)	16.922			2,891,068	-	Sheriff-Coroner
Regional Narcotics Suppression Program (RNSP) Forfeitures (Direct)	16.922			2,740,354	-	Sheriff-Coroner
MethLab/PROACT Asset Forfeitures (Direct)	16.922			71,331	-	Sheriff-Coroner
Department of Justice Forfeiture Program (Direct)	16.922			116,002	-	District Attorney
Subtotal 16.922				5,818,755	-	
OC Regional Computer Forensics Laboratory (OCRCFL) (Direct)	16.999			39,850	-	District Attorney
Santa Ana Gang Task Force (Direct)	16.999			8,137	-	District Attorney
Orange County Corruption Task Force (Direct)	16.999			4,478	-	District Attorney
Orange County Drug Enforcement Task Force (Direct)	16.999			17,374	-	District Attorney
Regional Fugitive Task Force (Direct)	16.999			2,095	-	District Attorney
Subtotal 16.999				71,934	-	
Subtotal - U.S. Department of Justice				10,953,318	741,479	
U.S. Department of Labor						
FY 2014-15 Title V - Senior Community Services Employment Program	17.235	TV-1415-22	CA Dept. of Aging	718,462	670,262	OC Community Resources
Workforce Investment Act Title I Adult (2012) (Indirect)	17.258	K386314	CA Employment Development Dept.	95,705	86,482	OC Community Resources
Workforce Investment Act Title I Adult (2013) (Indirect)	17.258	K491035	CA Employment Development Dept.	2,390,741	1,814,043	OC Community Resources
Workforce Investment Act Title I Adult (2014) (Indirect)	17.258	K594778	CA Employment Development Dept.	1,845,957	1,333,180	OC Community Resources
Workforce Investment Act Title I Youth (2013) (Indirect)	17.259	K491035	CA Employment Development Dept.	1,709,418	1,386,693	OC Community Resources
Workforce Investment Act Title I Youth (2014) (Indirect)	17.259	K594778	CA Employment Development Dept.	1,880,624	1,296,199	OC Community Resources
Workforce Investment Act Title I Dislocated Worker (2012) (Indirect)	17.278	K386314	CA Employment Development Dept.	93,177	76,263	OC Community Resources
Workforce Investment Act Title I Dislocated Worker (2013) (Indirect)	17.278	K491035	CA Employment Development Dept.	3,155,327	2,324,369	OC Community Resources
Workforce Investment Act Title I Dislocated Worker (2014) (Indirect)	17.278	K594778	CA Employment Development Dept.	3,648,408	3,398,161	OC Community Resources
CA Multi-Sector Workforce Partnership 25% (Indirect)	17.278	13-WO-65	South Bay Workforce Investment Board	506,516	471,916	OC Community Resources
Subtotal 17.258, 17.259 and 17.278 (WIA Cluster)				15,325,873	12,187,306	
CA Multi-Sector Workforce Partnership (Indirect)	17.277	11-W124	South Bay Workforce Investment Board	111,933	53,585	OC Community Resources
National Emergency Grant Dislocated Worker (Indirect)	17.277	NEGPY1415	Southeast Los Angeles County Workforce Investment Board	121,041	105,260	OC Community Resources
Subtotal 17.277				232,974	158,845	
Workforce Innovation Fund Grant - Info Tech Cluster Comp Project (Direct)	17.283			1,274,267	1,165,332	OC Community Resources
Subtotal - U.S. Department of Labor				17,551,576	14,181,745	

See accompanying Notes to the Schedule of Expenditures of Federal Awards and the Schedule of Grant Expenditures for Grants Provided by the California Health and Human Services Agency, Department of Aging.

COUNTY OF ORANGE (OC), CALIFORNIA (CA)
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

Federal Grantor/ County Program Name (Direct or Indirect) (1)	Catalog of Federal Domestic Assistance (CFDA) Number	Pass-Through Entity's Identifying Number (2)	Pass-Through Entity's Name	Federal Disbursements/ Expenditures	Amount Provided to Subrecipient	County Department
U.S. Department of Transportation						
FAA: Airport Improvement Programs Grant 43 & 44 (Direct)	20.106			1,126,819	-	John Wayne Airport
Highway Bridge Program (HBP) (Indirect)	20.205	12-5955	CA Dept. of Transportation	11,798	-	OC Public Works
Coyote Creek Bike Trail (Indirect)	20.205	12-5955R	CA Dept. of Transportation	630,140	-	OC Public Works
Highway Safety Improvement Program (Trabuco Canyon Road) (Indirect)	20.205	12-5955(089)	CA Dept. of Transportation	15,577	-	OC Public Works
Subtotal 20.205 (Highway Planning and Construction Cluster)				657,515	-	
New Freedom (Indirect)	20.521	C-3-1835	OC Transportation Authority	206,318	192,547	OC Community Resources
2013 OTS- STEP (Selective Traffic Enforcement Program) (Indirect)	20.600	PT1430	CA Office of Traffic Safety	19,979	-	Sheriff-Coroner
2014 OTS- STEP (Selective Traffic Enforcement Program) (Indirect)	20.600	PT1561	CA Office of Traffic Safety	31,434	-	Sheriff-Coroner
Alcohol and Drug Impaired Driver Vertical Prosecution Program (Indirect)	20.601	DI1425	CA Office of Traffic Safety	102,282	-	District Attorney
Alcohol and Drug Impaired Driver Vertical Prosecution Program (Indirect)	20.601	DI1513	CA Office of Traffic Safety	401,888	-	District Attorney
Subtotal 20.600 and 20.601 (Highway Safety Cluster)				555,583	-	
2013 OTS - Avoid DUI Grant (Indirect)	20.608	AL1402	CA Office of Traffic Safety	47,138	-	Sheriff-Coroner
2013 OTS- STEP (Selective Traffic Enforcement Program) (Indirect)	20.608	PT1430	CA Office of Traffic Safety	36,843	-	Sheriff-Coroner
2014 OTS- STEP (Selective Traffic Enforcement Program) (Indirect)	20.608	PT1561	CA Office of Traffic Safety	151,606	-	Sheriff-Coroner
2013 UC Berkeley- Sobriety Checkpoint Grant Program (Indirect)	20.608	SCI4530	CA Office of Traffic Safety	7,376	-	Sheriff-Coroner
Subtotal 20.608				242,963	-	
Subtotal - U.S. Department of Transportation				2,789,198	192,547	
U.S. Department of the Treasury						
Regional Narcotics Suppression Program (RNSP) Forfeitures (Direct)	21.000			328,583	-	Sheriff-Coroner
Department of Treasury Forfeiture Program (Direct)	21.000			371	-	District Attorney
Sheriff's Narcotics Program (SNP) Forfeitures (Direct)	21.000			165,625	-	Sheriff-Coroner
Subtotal - U.S. Department of the Treasury				494,579	-	
Election Assistance Commission						
VoteCal Statewide Voter Registration System Project ("VoteCal") (Indirect)	90.401	13G30332	CA Secretary of State	20,508	-	Registrar of Voters
Subtotal - Election Assistance Commission				20,508	-	
Executive Office of the President						
High Intensity Drug Trafficking Area (HIDTA) (Direct)	95.001			1,057,700	-	Sheriff-Coroner
Regional Methamphetamine Task Force (RMTF) (Direct)	95.001			185,734	-	Sheriff-Coroner
Subtotal - Executive Office of the President				1,243,434	-	
Institute of Museum and Library Services						
OC Stories: An Online Digitized History of the County of Orange (Indirect)	45.310	LSTA 40-8307	California State Library	35,388	-	OC Community Resources
California Reads (Indirect)	45.149	CAR13-74	Cal Humanities	15,000	-	OC Community Resources
Mobile Media Lab-rary (Indirect)	45.310	LSTA 40-8454	California State Library	110,000	-	OC Community Resources
Subtotal - Institute of Museum and Library Services				160,388	-	
Grand Total				\$ 684,955,885	\$ 50,373,160	

LEGEND:

- (1) Indirect refers to Federal monies passed through various non-federal agencies, primarily State of CA agencies.
- (2) The State of CA does not assign a pass-through identification number for certain programs passed to the County. Accordingly, a pass-through identification number is not listed for certain indirect programs.

COUNTY OF ORANGE, CALIFORNIA (CA)
 Supplementary Schedule of Grant Expenditures
 For Grants Provided by the CA Health and Human Services Agency, Department of Aging (1)
 For the Year Ended June 30, 2015

Federal or State Grantor/Pass-through Entity/County Program Name/Direct or Indirect	Catalog of Federal Domestic Assistance Number (CFDA #)	Pass-Through Entity's Identifying Number (2)	Grant Award			Expenditures		
			Federal	State	Total	Federal	State	Total
U.S. Department of Agriculture								
Pass-through the CA Department of Aging:								
Value of Senior Farmer's Market Coupons (Indirect)	10.576		\$ 35,000	\$ -	\$ 35,000	\$ 35,000	\$ -	\$ 35,000
Total U.S. Department of Agriculture			35,000	-	35,000	35,000	-	35,000
U.S. Department of Health and Human Services								
Pass-through the CA Department of Aging:								
Title VII-B: Elder Abuse Prevention (Indirect)	93.041	AP-1415-22	34,817		34,817	34,817		34,817
Title VII-A: Ombudsman (Indirect)	93.042	AP-1415-22	98,668		98,668	98,668		98,668
Title III-D: Preventive Health (Indirect)	93.043	AP-1415-22	151,126		151,126	151,126		151,126
Title III-B: Senior Supportive Services (Indirect)	93.044	AP-1415-22	2,371,650		2,371,650	2,255,330		2,255,330
Title III-C1: Congregate Meals for Seniors (Indirect)	93.045	AP-1415-22	2,334,170	246,371	2,580,541	2,305,540	246,371	2,551,911
Title III-C2: Home Delivered Meals for Seniors (Indirect)	93.045	AP-1415-22	2,546,852	254,040	2,800,892	2,532,402	254,040	2,786,442
Title III-C1: Nutrition Services Incentive Program (NSIP) (Indirect)	93.053	AP-1415-22	305,339		305,339	305,339		305,339
Title III-C2: Nutrition Services Incentive Program (NSIP) (Indirect)	93.053	AP-1415-22	858,511		858,511	858,511		858,511
C1 Special Nutrition Funds		AP-1415-22		120,676	120,676		120,676	120,676
C2 Special Nutrition Funds		AP-1415-22		70,986	70,986		70,986	70,986
Subtotal 93.044, 93.045, 93.053 (Aging Cluster)			8,416,522	500,411	8,916,933	8,257,122	500,411	8,757,533
National Family Caregiver Support Program (Indirect)	93.052	AP-1415-22	1,079,334		1,079,334	1,069,652	-	1,069,652
Medicare Improvements for Patients and Provider Act (MIPPA)	93.071	MI-1415-22	119,587		119,587	119,068		119,068
SHIP Options Counseling for Medicare/Medicaid-Financial Alignment (Indirect)	93.626	FA-1316-22	58,843		58,843	58,353		58,353
Health Insurance Counseling and Advocacy Program (Indirect)	93.779	HI-1415-22	242,237	421,995	664,232	236,312	417,063	653,375
Total U.S. Department of Health and Human Services			10,201,134	1,114,068	11,315,202	10,025,118	1,109,136	11,134,254
U.S. Department of Labor								
Pass-through the CA Department of Aging:								
FY 2014-15 Title V - Senior Community Services Employment Program (Indirect)	17.235	TV-1415-22	747,322	-	747,322	718,462	-	718,462
Total U.S. Department of Labor			747,322	-	747,322	718,462	-	718,462
CA Health and Human Services Agency								
Pass-through the CA Department of Aging:								
Long Term Care Ombudsman Program								
Special Deposit Fund (SDF) - State Health Facilities Citation Penalties Account		AP-1415-22	-	74,259	74,259	-	74,259	74,259
Skilled Nursing Facility Quality & Accountability Fund (SNFQAF)		AP-1415-22	-	178,294	178,294	-	178,294	178,294
Total CA Health and Human Services Agency			-	252,553	252,553	-	252,553	252,553
Total			\$ 10,983,456	\$ 1,366,621	\$ 12,350,077	\$ 10,778,580	\$ 1,361,689	\$ 12,140,269

(1) All federal and state grants provided to the County of Orange, CA by the CA Health and Human Services Agency, Department of Aging.

(2) The State of CA does not assign a pass-through identification number for certain programs passed to the County. Accordingly, a pass-through identification number is not listed for certain indirect programs.

COUNTY OF ORANGE, CALIFORNIA

Notes to the Schedule of Expenditures of Federal Awards and the Supplementary Schedule of Grant Expenditures for Grants Provided by the California Health and Human Services Agency, Department of Aging
For the Year Ended June 30, 2015

(1) GENERAL

The accompanying Schedule of Expenditures of Federal Awards (SEFA) presents the activity of all federal award programs of the County of Orange, California (County). The County's reporting entity is defined in Note 1 of the notes to the County's basic financial statements. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies, primarily the State of California, are included on the schedule.

(2) BASIS OF ACCOUNTING

The accompanying SEFA and Supplementary Schedule of Grant Expenditures for Grants Provided by the California Health and Human Services Agency, Department of Aging, are presented using the modified accrual basis of accounting except for programs recorded in the County's enterprise funds, which are presented using the accrual basis of accounting, which is described in Note 1 of the County's basic financial statements.

(3) RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal award expenditures and the Supplementary Schedule of Grant Expenditures for Grants Provided by the California Health and Human Services Agency, Department of Aging, agree or can be reconciled with the amounts reported in the County's basic financial statements.

(4) CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY, DEPARTMENT OF AGING

At the request of the California Health and Human Services Agency, Department of Aging, the schedule of grant expenditures for their grant programs is included as a supplementary schedule on page 12

COUNTY OF ORANGE, CALIFORNIA
 Schedule of Findings and Questioned Costs
 For Year Ended June 30, 2015

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 reported
Noncompliance material to financial statements noted?	No

Federal Awards:

Internal control over major federal programs:	
• Material weakness (es) identified?	No
• Significant deficiency (ies) identified?	Yes
Type of auditor’s report issued on compliance for major federal 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 federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
14.218	Community Development Block Grants/Entitlement Grants
16.922	Equitable Sharing Program
21.000	Equitable Sharing Program
93.044, 93.045, 93.053	Aging Cluster: Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers; Special Programs for the Aging Title III, Part C Nutrition Services; Nutrition Services Incentive Program
93.659	Adoption Assistance Program
93.778	Medical Assistance Program
93.959	Block Grants for Prevention and Treatment of Substance Abuse
97.067	Homeland Security Grant Program
97.100	Transportation Security Administration (TSA): Airport Checked Baggage Screening Program – Terminal A, B and C

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

COUNTY OF ORANGE, CALIFORNIA
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2015

Section II – Financial Statement Findings

None noted.

COUNTY OF ORANGE, CALIFORNIA
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2015

Section III – Federal Award Findings and Questioned Costs

Reference Number: 2015-001
Federal Program Title: Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers; Special Programs for the Aging Title III, Part C Nutrition Services; and Nutrition Services Incentive Programs (Aging Cluster)
Federal Catalog Number: 93.044, 93.045, 93.053
Federal Agency: U.S. U.S. Department of Health and Human Services
Pass-Through Entity: California Department of Aging
Federal Award Number and Year: AP-1415-22 (2015)

Federal Program Title: Medical Assistance Program (Medicaid; Title XIX)
Federal Catalog Number: 93.778
Federal Agency: U.S. U.S. Department of Health and Human Services
Pass-Through Entity: California Department of Health Care Services
Federal Award Number and Year: 14-90023, 30-1318

Category of Finding: Subrecipient Monitoring

Criteria

OMB Circular A-133 states:

“Determining Subrecipient Eligibility - In addition to any programmatic eligibility criteria under E, ‘Eligibility for Subrecipients,’ determining whether an applicant for a subaward has provided a Dun and Bradstreet Data Universal Numbering System (DUNS) number as part of its subaward application or, if not, before award (2 CFR section 25.110 and Appendix A to 2 CFR part 25).”

Condition and Context

During our review of compliance with subrecipient monitoring for the Aging Cluster, we noted all four (4) subawards selected for testing did not contain written evidence that a DUNS number was obtained prior to issuing the subaward.

During our review of compliance with subrecipient monitoring for the Medicaid Cluster, we noted all eight (8) subawards selected for testing did not contain written evidence that a DUNS number was obtained prior to issuing the subaward.

Cause

The County did not have an internal policy in place to obtain the DUNS numbers prior to issuance of the subaward(s). The Health Care Agency established a policy to address this issue in November of 2014, however the policy was implemented prospectively and not to existing contracts.

COUNTY OF ORANGE, CALIFORNIA
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2015

Section III – Federal Award Findings and Questioned Costs (Continued)

Effect

Failure to obtain the DUNS numbers prior to subaward(s) issuance results in an incomplete evaluation of the subrecipient's eligibility for federal funds.

Questioned Costs

None noted.

Recommendation

We recommend that management design and implement procedures to obtain and update the valid DUNS numbers for subrecipients prior to the issuance of a subaward in accordance with the federal requirements.

Views of Responsible Officials and Planned Corrective Action

Orange County Community Resources – Concur. The Orange County Community Resources in collaboration with Contract Development and Management (CDM) will require all applicants for federal sub-awards to identify their DUNS number under the Applicant Information section of the Request for Proposal (RFP) application. In addition, as a result of an RFP, under the initial Fiscal Year of a contract, CDM will incorporate into the contract under the first paragraph of the Contract, where the contractor address is listed, unless otherwise specified by County Counsel, the valid DUNS number for the respective subrecipient. Program staff will validate and provide the DUNS number to CDM, for every contract renewal and include the DUNS number in the Expediter when requesting a contract renewal.

Health Care Agency – Concur. The Health Care Agency will implement the established policy for new contracts starting on July 1, 2015 and after. The Contracts Services Division will review all current subrecipient contracts for compliance and document any corrections necessary.

COUNTY OF ORANGE, CALIFORNIA
 Summary Schedule of Prior Audit Findings
 For the Year Ended June 30, 2015

<i>Prior Year Financial Statement Findings</i>		
Finding No.	Finding Description	Status of Corrective Action
2013-01	Capital Assets	Resolved. The County has implemented procedures to evaluate project expenditures and timing of when costs are recorded to mitigate potential material misstatements to the financial statements.
2013-03	Health Care Agency Expenditure and Revenue Accruals	Implemented.

<i>Prior Year Federal Award Findings</i>				
Finding No.	Federal Program Name	CFDA No.	Compliance Requirements	Status of Corrective Action
2013-06	Equitable Sharing Program	16.922	Procurement, Suspension & Debarment	Implemented.
2014-001	Community Development Block Grants/Entitlement Grants	14.218	Reporting	Implemented.
2014-002	Adoption Assistance	93.659	Cash Management	Implemented.
2014-003	Block Grants for Prevention and Treatment of Substance Abuse	93.959	Subrecipient Monitoring	In progress. A policy was established to address the issue in November 2014 and will be applied prospectively to new contracts. There were no new contracts entered into in fiscal year 2015.
2014-004	Homeland Security Grant Program	97.067	Cash Management	In progress. Several reimbursement requests submitted during fiscal year 2015 were submitted prior to the County paying all of the expenditures.
2014-005	Equitable Sharing Program (ESP)	16.922	Reporting	Implemented.
2014-006	Equitable Sharing Program (ESP)	16.922	Procurement, Suspension & Debarment	Implemented.