



# County of Yolo

**CHAD RINDE, CPA**  
Chief Financial Officer

[www.yolocounty.org](http://www.yolocounty.org)

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## DEPARTMENT OF FINANCIAL SERVICES

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- *Financial Leadership*
- *Budget & Financial Planning*
- *Treasury & Finance*
- *Tax & Revenue Collection*
- *Financial Systems Oversight*
- *Accounting & Financial Reporting*
- *Internal Audit*
- *Procurement*

## COUNTY OF YOLO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2018

Compiled by: Josh Iverson, Accounting Manager

**COUNTY OF YOLO, CALIFORNIA**

Corrective Action Plan  
Year ended June 30, 2018

**I. FINANCIAL STATEMENT FINDINGS**

**Finding Number 2018-001**

**TIMELY BANK RECONCILIATIONS**

**Management's or Department's Response:**

We concur.

**Views of Responsible Officials and Corrective Action:**

During the 2017-18 and early in the 2018-19 fiscal year, the County switched banking vendors and the resulting systems modifications required substantially more Department of Financial Services and Information Technology resources than originally planned. However, additional bank accounts were opened and corresponding systems modifications were made so that different types of cash transactions are made within separate bank accounts, which will make the bank reconciliation process more efficient going forward. In addition, bank account reconciliations have been assigned to various subject matter experts that correspond to the types of cash transactions within the new separate bank accounts, thus increasing accountability and timeliness of reconciliation.

The Department of Financial Services is updating processes and procedures to reflect the banking structure change and as part of these procedures will have reconciliations performed timely by June 30, 2019.

**Name of Responsible Person:**

Chad Rinde, Chief Financial Officer

**Name of Department Contact:**

Josh Iverson, Accounting Manager

**Projected Implementation Date:**

June 30, 2019

**COUNTY OF YOLO, CALIFORNIA**

Corrective Action Plan  
Year ended June 30, 2018

**Finding Number 2018-002**

**PROPERTY TAX**

**Management's or Department's Response:**

We concur.

**Views of Responsible Officials and Corrective Action:**

As indicated on the Corrective Action Plan for the fiscal year ended June 30, 2017, the corrective actions were implemented by August 2018. Due to the timing of the preparation of the annual tax roll, the 2017-18 fiscal year tax roll had already been prepared, hence this finding. The corrective actions implemented will pertain to the tax roll for the 2018-19 fiscal year, and the County expects no similar finding during the audit of the 2018-19 fiscal year.

**Name of Responsible Person:**

George Galang, Chief Deputy Assessor

**Name of Department Contact:**

George Galang, Chief Deputy Assessor

**Projected Implementation Date:**

August, 2018, for the Fiscal Year 2018-19

# COUNTY OF YOLO, CALIFORNIA

Corrective Action Plan  
Year ended June 30, 2018

## **Finding Number 2018-003**

### **SEGREGATION OF DUTIES**

#### **Management's or Department's Response:**

We concur.

#### **Views of Responsible Officials and Corrective Action:**

The County agrees that duties between the initiation, authorization, and recording of transactions should be segregated to the extent practicable in the INFOR financial system based on the personnel resources available to carry out financial functions. While the County purchased a software product in late 2017 to assist in the identification of segregation of duties conflicts, a mandatory system and server upgrade project pulled all available resources away from the implementation of the software. The system and server upgrade project is scheduled to be completed by the end of May 2019, at which time the resources may return to the segregation of duties software project to determine those conflicts that require mitigation. After identification, the Department of Financial Services will work closely with the Information Technology division of the General Services Department to implement enhanced segregation of duties.

On the specific segregation of duties noted, the County will take or has taken the following actions:

- Vendor file access – Procedurally, in May 2018, the task of vendor entry was transitioned from users that perform accounts payable entry and approval of invoices to the Systems Accounting unit to allow time for a thorough evaluation of processes and procedures relating to vendor creation. The result of this evaluation determined that based on the complexity of the vendor file transactions in INFOR and the personnel resources available to complete them, the optimum system functionality to achieve vendor file segregation of duties and enhanced internal control would be to create workflow for all vendor file changes. The workflow would require an additional step of review and approval prior to changes being live in the production environment. This project will resume once the system and server project is complete with a planned completion by December 31, 2019.
- Change order processing – effective November 2018, the Procurement division of Financial Services implemented enhanced system security to ensure that change orders are approved by the same authority level as the initial contract.
- Invoices over \$5,000 - the Department of Financial Services made significant progress on the accounts payable workflows design; however, the system and server project noted above required all available resources. Similar to the segregation of duties software project, this project will resume once the system and server project is complete with a planned completion by December 31, 2019.
- Editing pay rates – The County is in the final stages of implementing an electronic timekeeping system that will eliminate the manual processes for the time record that gives broader access to edit pay rates. We expect this timekeeping system to be operational by May 31, 2019.

#### **Name of Responsible Person:**

Chad Rinde, Chief Financial Officer

#### **Name of Department Contact:**

Josh Iverson, Accounting Manager

#### **Projected Implementation Date:**

December 31, 2019

**COUNTY OF YOLO, CALIFORNIA**

Corrective Action Plan  
Year ended June 30, 2018

**Finding Number 2018-004**

**TIMECARD APPROVALS**

**Management's or Department's Response:**

We concur.

**Views of Responsible Officials and Corrective Action:**

The County is in the final stages of implementing an electronic timekeeping system that will eliminate the manual processes that caused the eight timesheets to proceed to payment despite the lack of a supervisor's signature. We expect this timekeeping system to be operational by May 31, 2019. In the meantime, the Human Resources Department has discussed the need for supervisors to sign the manual timesheets prior to payroll being processed and will periodically review the departments' progress until the timekeeping system is operational. Human Resources staff will review the personnel action forms prior to input into the payroll system to ensure the appropriate Human Resources staff have signed the forms.

**Projected Implementation Date:**

**Name of Responsible Person:**

Mindi Nunes, Assistant County Administrator

**Name of Department Contact:**

Jackie Jaskowiak, Payroll Supervisor

**Projected Implementation Date:**

May 31, 2019

## COUNTY OF YOLO, CALIFORNIA

Corrective Action Plan  
Year ended June 30, 2018

### II. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

#### **Finding Number 2018-005**

**Program:** Adoption Assistance, Health and Human Services Agency (HHSA)

**CFDA No.:** 93.659

**Federal Agency:** U.S. Department of Health and Human Services

**Passed-through:** California Department of Social Services

**Award Year:** 2017-2018

**Compliance Requirement:** Eligibility

#### **Management's or Department's Response:**

We concur.

#### **Views of Responsible Officials and Corrective Action:**

HHSA agrees that in two Adoption Assistance Program (AAP) cases, form FC 8 ("Federal Eligibility Certification for Adoption Assistance Program") was not located in the AAP case file available at HHSA or at HHSA's contractor, the California Department of Social Services (CDSS). In two AAP cases, form FC 8 was located but not signed.

HHSA agrees that in one case, form AD 4320 ("Adoption Assistance Program Agreement") was not signed prior to the adoption date.

HHSA agrees that in one case, the Adoption Decree was not located in the AAP case file available at HHSA, nor in the CDSS file.

On the findings above, HHSA is taking the following actions:

- Location and completion of form FC 8 - HHSA will work with its contractor, CDSS, to complete regular reviews of case files to ensure that all forms are filed and completed appropriately.
- Completion of form AD 4320 - HHSA will work with its contractor, CDSS, to complete regular reviews of case files to ensure that all forms are completed appropriately.
- Location of the Adoption Decree - HHSA will work with its contractor, CDSS, to complete regular reviews of case files to ensure that all forms are filed appropriately.

#### **Name of Responsible Person:**

Nolan Sullivan, Service Center Branch Director

Jennie Pettet, Child, Youth, & Family Branch Director

#### **Name of Department Contact:**

Rebecca Mellott, Assistant Director

#### **Projected Implementation Date:**

April 1, 2019