

COMMUNITY ACTION PARTNERSHIP of KERN
BOARD OF DIRECTORS
AUDIT & PENSION COMMITTEE MEETING
5005 Business Park North
April 7, 2016
12:00 p.m.

AGENDA

1. **Call to Order**

2. **Roll Call**

Craig Henderson
Mike Maggard

Yolanda Ochoa
Ana Vigil

Warren Peterson

3. **Approval of Agenda**

4. **Public Forum:** *(The public may address the Committee on items not on the agenda. Speakers are limited to 3 minutes. If more than one person wishes to address the same topic, the total group time for the topic will be 10 minutes. Please state your name before making your presentation.)*

5. **New Business**

- a. Update on Pension Report by Mutual of America – Christine Anami, Director of Finance – ***Info Item***
- b. January 6, 2016: CSBG Close-Out Report from the Department of Community Services and Development for the Income Volunteer Tax Assistance (VITA) Program Discretionary Contract# 14F-3073 – Romala Ramkissoon, Director of Community Services – ***Info Item (p. 1)***
- c. January 26, 2016: CSBG Close-Out Report from the Department of Community Services and Development for Contract# 14F-3089 – Ralph Martinez, Director of Community Development – ***Info Item (p. 2)***
- d. March 22, 2016: Annual Administrative Review from First 5 Kern for 2-1-1 Kern County – Romala Ramkissoon, Director of Community Services – ***Info Item (p. 3-4)***
- e. March 23, 2016: Overview of Findings for Head Start/State Child Development from the Administration for Children & Families – Yolanda Gonzales, Director of Head Start/State Child Development – ***Info Item (p. 5-10)***
- f. March 24, 2016: Single Audit Report for Fiscal Year 2015 from the California State Controller – Christine Anami, Director of Finance – ***Info Item (p. 11)***

6. **Committee Member Comments**

7. **Next Scheduled Meeting**

Audit Committee Meeting
Thursday, August 4, 2016
12:00 p.m.
5005 Business Park North
Bakersfield, California 93309

8. **Adjournment**

This is to certify that this Agenda notice was posted in the lobby of the CAPK Administrative Office at 5005 Business Park North, Bakersfield, and online at www.capk.org by 12:00pm on April 4, 2016. Amanda Norman, Assistant to the Executive Director.



LINNÉ K. STOUT
DIRECTOR

State of California-Health and Human Services Agency
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
2389 Gateway Oaks Drive, Suite 100, Sacramento, CA 95833
Telephone: (916) 576-7109 | Fax: (916) 263-1406
www.csd.ca.gov



EDMUND G. BROWN JR.
GOVERNOR

Romala.
Chris
Audit Committee.

January 6, 2016

Jeremy T. Tobias, Executive Director
Community Action Partnership of Kern
5005 Business Park North,
Bakersfield, CA 93309

SUBJECT: CSBG CLOSE-OUT PACKAGE – DISCRETIONARY CONTRACT
14F-3073 (VITA)

Dear Mr. Tobias:

The Department of Community Services and Development's (CSD) Program Development and Technical Support (PDTs) Unit has received your agency's close-out report for contract 14F-3073. My analysis of the close-out information indicates the following:

- Your agency did not fully expend all of the funds under this contract. As a result, a total of \$756.36 was disencumbered from your contract allocation.
- The programmatic reports associated with this contract have been reviewed and accepted.

FOU considers this contract closed and the close-out report has been forwarded to CSD's Financial Services Unit for processing. However, this contract is subject to a final review by CSD's Audit Unit. If you have any questions, please contact me at (916) 576-7189 or e-mail at Sukie.Montes@csd.ca.gov.

Sincerely,

Sukie Montes, Manager
Program Development and Technical Support Unit

cc: Phillip Robinson





LINNÉ K. STOUT
DIRECTOR

State of California-Health and Human Services Agency
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EDMUND G. BROWN JR.
GOVERNOR

*Chris
Romala.
Audit Committee*

January 26, 2016

Jeremy Tobias, Executive Director
Community Action Partnership of Kern
5005 Business Park North
Bakersfield, CA 93309

SUBJECT: CSBG CLOSE-OUT PACKAGE – CONTRACT 14F-3089

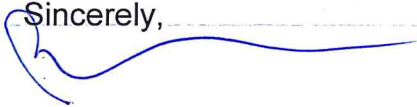
Dear Mr. Tobias:

The Department of Community Services and Development's (CSD) Field Operations Unit (FOU) has received your agency's Close-out Report for contract 14F-3089. My analysis of the Close-out information indicates the following:

- Your agency did not fully expend all of the funds under this contract. As a result, a total of \$21,933.60 was disencumbered from your contract allocation.
- The programmatic reports associated with this contract have been reviewed and accepted.

FOU considers this contract closed and the Close-out Report has been forwarded to CSD's Financial Services Unit for processing. However, this contract is subject to a final review by CSD's Audit Unit. If you have any questions concerning this report, please call me at (916)576-7198 or e-mail your comments to me at Phillip.Robinson@csd.ca.gov.

Sincerely,


Phillip Robinson, AGPA

c: Sukie Montes, Manager





2724 L Street
Bakersfield, California 93301

Telephone (661) 328-8888

Fax (661) 328-8880

March 22, 2016

*Copy to - Romala
- Chris
- Audit Committee*

Jeremy T. Tobias, Executive Director
Community Action Partnership of Kern
5005 Business Park North
Bakersfield, CA 93309

Re: 2015.2.5 – 2-1-1 Kern County

Dear Mr. Tobias:

This letter addresses the results of our Annual Administrative Review conducted on March 7, 2016, of the 2-1-1 Kern County program. The objectives of the review determine program compliance with First 5 Kern program, evaluation and fiscal requirements. The visit was also an opportunity to discuss accomplishments and challenges experienced by the program.

Program Summary

Quarterly Reports were reviewed to verify milestone progress, participant counts and an executive summary detailing community activities. Milestone progress is based on estimated quarterly target projections set by the program coordinator.

Milestone Review:

- FY 2014-15: Of the 3 milestones, 2 were not met: health insurance application assistance referral (3%) and referrals for prenatal care (1%).
- FY 2015-16:
 - Quarter 1: All milestone projections were met.
 - Quarter 2: All milestone projections were met.

Fiscal Summary

From a fiscal perspective, the contractor has complied with contractual requirements. Claims have been submitted timely, are reliable and accurate. Supporting documentation has been readily available and provides adequate detail to support transactions. The expenditures are reasonable and necessary. Inventory and resources purchased with Proposition 10 funds, per our interview, are being used in accordance with Proposition 10 requirements. The program-specific audit for the year ending February 28, 2015, was submitted late and the payments were confirmed. An audit extension request letter will be submitted for the upcoming audit, which is due August 28, 2016.

Sustainability efforts included funding from the County of Kern, the United Way, the California Department of Social Service (CalFresh stipend program) and the California Department of Public Health. The program has pursued several grants and entered into service agreements with Kings County, Tulare County and Mountain Valley to further its overall sustainability goals. Quarterly Fiscal Executive Summary reports are timely. The program utilized volunteers' time to support its efforts.

Accounting policies and procedures, safeguards and separation of duties appear to be adequately in place and are being followed for purchasing, contract transactions and payroll. Community Action Partnership of Kern has consistently demonstrated the administrative capacity and commitment to this program serving children 0-5 years old and their families.

Recommendations

2014-15: Recommendations:

- No recommendations made.

2015-16: Recommendations:

- No recommendations made

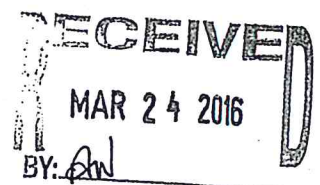
A copy of the full report is maintained on file with First 5 Kern and is available at your request. If you have any questions or comments regarding this correspondence, please feel free to contact your respective program or finance officer.

Sincerely,



Roland Maier
Executive Director

cc: Romala Ramkissoon, Director of Family, Youth and Community Services
Esperanza Contreras, Program Manager
William Richmond, Accountant
Christine Anami, Director of Finance





Office of Head Start | 4th floor Switzer Memorial Building, 330 C Street SW, Washington DC | eclkc.ohs.acf.hhs.gov

To: Board Chairperson
Mr. Garth Corrigan
Board Chairperson
Community Action Partnership of Kern
5005 Business Park N
Ste 130
Bakersfield, CA 93309-1652

From: Responsible HHS Official
Dr. Blanca Enriquez
Director, Office of Head Start

Ann Linahan

Date
3-23-16

Overview of Findings

From 2/8/2016 to 2/12/2016, the Administration for Children and Families (ACF) conducted a Fiscal/ERSEA (Eligibility, Recruitment, Selection, Enrollment, and Attendance) review event for the Community Action Partnership of Kern Head Start and Early Head Start programs. We wish to thank the governing body, Policy Council, staff, and parents of your program for their cooperation and assistance during the review event. This Head Start Review Event Report has been issued to Mr. Garth Corrigan, Board Chairperson, as legal notice to your agency of the results of the on-site review event.

Based on the information gathered, no area of noncompliance was found during the course of the review. Accordingly, no corrective action is required at this time.

During your review, the team used a sampling methodology that included a random selection of child files. If your report includes findings related to evidence that involved sampling, the finding narratives in your report include specific percentages from each sample that were determined by dividing the number of issues found by the total sample size. This methodology, which uses statistically driven random samples, allows the OHS to use information collected through the representative samples to make generalizations regarding your program as a whole.

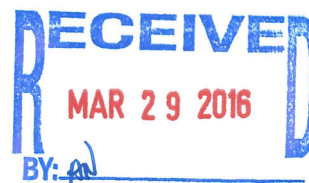
For example, if, during your review, the reviewer(s) examined a sample of 45 child files, the finding narrative will indicate the percentage of files that were identified with an issue. The percentage will be determined by dividing the number of child files with issues by 45.

Please contact your ACF Regional Office with any questions or concerns you may have about this report.

Distribution of the Head Start Review Report

Copies of this report will be distributed to the following recipients:

Ms. Jan Len, Regional Program Manager
Ms. Ashley Womack, Policy Council Chairperson
Mr. Jeremy Tobias, CEO/Executive Director
Mrs. Yolanda Gonzales, Head Start Director



Overview Information

Review Type: *Fiscal/ERSEA*
Organization: *Community Action Partnership of Kern*
Program Type: *Head Start and Early Head Start*
Field Lead: *Ms. Kimberly Spriggs*
Funded Enrollment HS: *2211*
Funded Enrollment EHS: *328*

Glossary

A glossary of terms has been included to explain the various terms used throughout this report.

Term	Definition
Compliance Measure (CM)	The specific statements that collectively assess the level of program performance for each Key Indicator, focusing on one or more Federal regulations critical to the delivery of quality services and the development of strong management systems.
Strength	A new and/or unique way of reaching the community.
Compliant	No findings. Meets requirements of Compliance Measure.
Concern	An area or areas of performance which need improvement or technical assistance. These items should be discussed with the Regional Office and do not include a timeframe for correction.
Noncompliance	A finding that indicates the agency is out of compliance with Federal requirements (including, but not limited to, the Head Start Act or one or more of the performance standards) in an area or areas of program performance, but does not constitute a deficiency. Noncompliances require a written timeline of correction and possible technical assistance (TA) or guidance from their program specialist, and if not corrected within the specified timeline, can become a deficiency.
Deficiency	An area or areas of performance in which an Early Head Start or Head Start grantee agency is not in compliance with State or Federal requirements (including but not limited to, the Head Start Act or one or more of the regulations) and which involves: (A) A threat to the health, safety, or civil rights of children or staff; (B) A denial to parents of the exercise of their full roles and responsibilities related to program governance; (C) A failure to perform substantially the requirements related to Early Childhood Development and Health Services, Family and Community Partnerships, or Program Design and Management; or (D) The misuse of Head Start grant funds. (ii) The loss of legal status or financial viability, as defined in part 1302 of this title, loss of permits, debarment from receiving Federal grants or contracts or the improper use of Federal funds; or (iii) Any other violation of Federal or State requirements including, but not limited to, the Head Start Act or one or more of the performance standards of this title, and which the grantee has shown an unwillingness or inability to correct within the period specified by the responsible HHS official, of which the responsible HHS official has given the grantee written notice of pursuant to section 1304.61.

Fiscal Integrity

CM#	Compliance Measure	Compliance Level
FIS 1.1	The grantee's financial management systems provide for effective control over and accountability for grant and sub-grant funds, property, and other assets and ensure they are used solely for authorized purposes.	Compliant 75.302(b)(4-5), 75.303(a-e), 75.352(d)(1-3), 75.352(f-g), 75.501(b)
FIS 1.2	The grantee sought and received prior approval in writing for budget changes where prior approval is required and obtained approval for hiring designated key personnel.	Compliant 75.308(b), 75.308(c)(1-3)
FIS 1.3	The grantee has obtained and maintained required insurance coverage for risks and liabilities.	Compliant 1301.11(a-b), 75.317
FIS 2.1	Financial reports and accounting records are timely and complete and contain accurate information pertaining to grant or sub-grant awards, authorizations, obligations, unobligated balances, assets, liabilities, outlays (total expenditures), income, and interest. Reports include: • SF-425 (paper-based Federal Financial Report filed with the Regional Office) • SF-425 (web-based Federal Cash Transactions Report filed with Division of Payment Management) • USDA/Child and Adult Care Food Program (CACFP) reports	Compliant 1304.23(b)(1)(i), 1304.51(h), 75.302(b)(2-3)
FIS 3.1	The grantee implemented procurement procedures that met, at a minimum, all requirements specified in the applicable Federal, State, and local statutes, regulations, and administrative rules for Federal grants, including a written code or standards of conduct governing the performance of its employees engaged in awarding and administering contracts. The grantee can demonstrate that contractual agreements were met.	Compliant 1309.54, 642(c)(1)(E)(iv)(X)(aa), 75, App II (B, B), 75.327(b), 75.327(c)(1-2), 75.327(h-i), 75.328(a)(1-7), 75.328(b), 75.329(a-b), 75.329(f)(1-4), 75.403(a-g), 75.509(a-c)
FIS 4.1	Original time records are prepared and properly signed by the individual employee and approved by a responsible supervisory official, and an appropriate methodology is used to allocate salaries among Head Start and other programs.	Compliant 75.430(h)(1)(i-ii), 75.430(h)(2-3), 75.430(h)(4)(i-v), 75.430(h)(5)(i-ii), 75.430(h)(6), 75.430(h)(7)(i-ii), 75.430(h)(8), 75.430(i)(1)(i-vii), 75.430(i)(1)(viii)(A-C), 75.430(i)(3-4), 75.430(i)(5)(i)(A-C), 75.430(i)(5)(ii-iii), 75.430(i)(6-8)
FIS 4.2	Head Start or Early Head Start grant funds are not used as any part of the monetary compensation (e.g. salary, bonuses, severance) of an individual employed by the grantee who is paid at an annual rate in excess of Executive Level II (\$183,300, effective January 2015).	Compliant 653(b)
FIS 4.3	Total compensation for personal services, including employee wages and incentive-compensation payments, charged to the grant are allowable and reasonable.	Compliant 75.430(a)(1), 75.430(b-f)
FIS 5.1	The grantee has implemented procedures to determine allowability, allocability, and	Compliant

	reasonableness of costs charged against its Head Start and Early Head Start (EHS) grant awards as required by the applicable cost principles. If the grantee is required to allocate costs among funding sources (including Head Start and EHS awards), the program utilizes a method for allocating costs that reflects the relative degree of benefit for each program receiving the benefit of the allocated cost.	75.309(a), 75.404(a-e), 75.405(a)(1, 3), 75.405(b-c, e)
FIS 5.2	Indirect cost charges are supported by a negotiated Indirect Cost Rate Agreement, are claimed under a valid election to charge a de minimis rate or are included in a written, internally maintained cost allocation plan identifying a reasonable basis for allocating all shared costs of the organization. The grantee did not charge indirect costs.	N/A 1301.32, 75.405(a)(2), 75.405(d), 75.414(f)
FIS 5.3	The grantee can demonstrate all contributions of non-Federal share (NFS), including cash and third-party in-kind, are necessary and reasonable for accomplishing program objectives, allowable under applicable cost principles, and allocable if also benefiting another award. Financial records are sufficient and support the verification of adherence to applicable cost principles.	Compliant 75.306(b)(1-5), 75.306(e-g), 75.306(f)(1-3), 75.434(d)
FIS 5.4	During each funding period reviewed, the grantee charged to the award only costs resulting from obligations incurred during the funding period.	Compliant 75.309(a)
FIS 6.1	The grantee has established the allowability of costs for owned or leased facilities and has adequately protected any Federal Interest in facilities through the filing of Notices of Federal Interest, insurance, and maintenance of property records. Compensation for the use of facilities owned by the grantee, a delegate agency, or other related party was through depreciation or use allowance based on the cost of the facility (excluding costs paid by Head Start). The grantee obtained advanced Regional Office permission for any mortgage or loan agreements using collateral property acquired or subject to major renovation using Head Start funds and has ensured that mortgage/loan agreements include the required provisions.	Compliant 1309.10, 1309.20, 1309.21(b), 1309.21(d)(1-3), 1309.21(d)(4)(i-iii), 1309.22(a-c), 1309.23(a)(1-2), 1309.23(b), 1309.31(b), 1309.40, 75.436(a-b), 75.436(c)(1-4), 75.436(d)(1-5), 75.436(e), 75.465(a-b), 75.465(c)(1-3), 75.465(c)(4)(i-vii), 75.465(e)(5-6)
FIS 6.2	The grantee has safeguarded equipment purchased using Head Start funds by maintaining complete and accurate equipment records, verifying the accuracy of records by conducting a physical inventory, and following disposition requirements. The grantee obtained advance Regional Office permission for any encumbrance of equipment acquired using Head Start funds.	Compliant 75.320(a)(2), 75.320(d)(1-2), 75.320(e)(1-4)

ERSEA

CM#	Compliance Measure	Compliance Level
ERSEA 1.1	When monthly average daily attendance in center-based programs falls below 85 percent (except in the case of illness or well-documented absences), the causes of absenteeism are analyzed, and the program initiates appropriate family support as needed.	Compliant 1305.8(a-b)
ERSEA 2.1	Program staff verified each child's eligibility and included in each file a statement signed by a program employee identifying the child's eligibility category and the documents examined to determine eligibility.	Compliant 1305.4(c-e)
ERSEA 2.2	The program enrolls children who are categorically eligible (who fall within defined	Compliant

income-eligibility requirements).

645(a)(1)(B)(iii)(I-II)

Defined Eligibility Requirements include:

- Family income is below the poverty line
- Family or child receives public assistance (SSI and TANF)
- Family is homeless
- Child is a foster child

Additional income-eligibility requirements:

- Ten percent of children enrolled in the program may be over the income threshold
- An additional 35 percent of children who are not categorically eligible may be from families whose income is between 100 and 130 percent of poverty

ERSEA 3.1	Actual program enrollment is composed at least 10 percent of children with disabilities.
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Compliant

1308.5(c)(1-4), 640(d)(1)

ERSEA 3.2	The program enrolled 100% of its funded enrollment and ensures an active and ranked waiting list is maintained at all times.
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Compliant

642(g)

— END OF REPORT —



BETTY T. YEE
California State Controller

March 24, 2016

Christine Anami, Fiscal Officer
Community Action Partnership of Kern
5005 Business Park North
Bakersfield, CA 93309

Re: Single Audit Report Review for Fiscal Year 2015

Dear Ms. Anami:

We completed a desk review of your single audit report relative to the WIC program for the fiscal year ended 2015. We determined that the report meets the requirements of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. OMB Circular A-133 prescribes the audit and reporting standards for private non-profit organizations that expend federal awards.

Your audit satisfies the financial and compliance audit requirements under the WIC program. This does not preclude state and federal agencies from conducting additional audits that are necessary to carry out their responsibilities under federal laws and regulations. State and federal agencies may contact you to arrange for additional audits.

If you have any questions regarding this letter, please contact Michael Sweeney, Audit Manager, by telephone at (916) 323-6970 or by email at msweeney@sco.ca.gov.

Sincerely,

A handwritten signature in blue ink, which appears to read "Lisa Hughes", is written over a horizontal line.

LISA HUGHES, Chief
Community-Related Audits Bureau
Division of Audits

LH/as

16967

cc: Cheryl Ungerman, Chief (via email)
Audit Review Unit
WIC Supplemental Nutrition Program
California Department of Public Health
Michael Sweeney, Audit Manager (via email)
Division of Audits, State Controller's Office