

Office of the Auditor-Controller
Contra Costa County

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**Corrective Action Plan
For the Year Ended June 30, 2023**

Reference Number: 2023-001
Awarding Agency: U.S. Department of Health and Human Services
Program Name: Head Start Cluster
Assistance Listing No.: 93.600
Award Number: 09CH010862-05-05

Awarding Agency: U.S. Department of Health and Human Services
Passed Through: State of California Department of Social Services
Program Name: CCDF Program Cluster
Assistance Listing No.: 93.575 and 93.596
Award Number: CAPP1009, C2AP2009, CCTR2028

Category of Finding: Activities Allowed or Unallowed and Allowable Costs/Costs Principles
Type of Finding: Significant Deficiency in Internal Control Over Compliance

The Employment and Human Services Department is in compliance with Title 2 U.S. code of Federal Regulations Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) state that the auditee shall maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Contra Costa County Employment and Human Services Division (EHSD) has taken corrective actions to ensure that this type of Internal Control deficiency is resolved. During this period, the County and employers nationwide were dealing with staffing and workforce issues because of COVID. Since then, EHSD has hired a Chief Financial Officer (CFO) and a Departmental Fiscal Officer (DFO) who oversees CSB. EHSD has also hired new Administrative Services Assistant IIIs (ASA III), and Accountants hired in the Fiscal department. The structure of the Fiscal Unit is being revamped to increase lines of communication and collaboration through regular team meetings and meetings with managers and staff. These changes will continue to build internal controls and effective communication.

In August 2022, the Head Start and Early Head Start programs were inappropriately charged with costs related to Pandemic Service Relief Payments (PSRP). Head Start was charged \$148,773.32 and Early Head Start was charged \$42,082.24 in PSRP. These disallowed costs have been corrected in the January 2024 Head Start/Early Head Start drawdown.

During the same time, the state programs were also charged with costs related to Pandemic Service Relief Payments. We continue to work with the state to take corrective action to return funds.

Contra Costa County EHSD has acted and is in the process of taking action to correct Internal Controls and to return funds for duplicated payments.

Contact person responsible for corrective action plan:

Marla Stuart, Director
Contra Costa County Employment and Human Services Department

Navdeep Singh, Chief Financial Officer
Contra Costa County Employment and Human Services Department