



Transmitted via e-mail

June 1, 2011

Ms. Kim Garcia, Assistant Director of Administration
Office of Traffic Safety
2208 Kausen Drive, Suite 300
Elk Grove, CA 95758

Dear Ms. Garcia:

Final Audit Report—County of Shasta, Office of Traffic Safety Grant Audit

The Department of Finance, Office of State Audits and Evaluations (Finance), has completed its audit of the County of Shasta's (County) DUI & Seat Belt Safety Program, grant agreement CB0801 for the period October 1, 2007 through September 30, 2009.

The enclosed report is for your information and use. Because there were no audit findings or issues requiring a response, we are issuing the report as final.

This report will be placed on our website. Additionally, pursuant to Executive Order S-20-09, please post this report in its entirety to the Reporting Government Transparency website at <http://www.reportingtransparency.ca.gov/> within five working days of this transmittal.

We appreciate the assistance and cooperation of the County's staff. If you have any questions regarding this report, please contact Kimberly Tarvin, Manager, or Alma Ramirez, Supervisor at (916) 322-2985.

Sincerely,

Original signed by:

David Botelho, CPA
Chief, Office of State Audits and Evaluations

Enclosure

cc: Ms. Patty Wong, Regional Coordinator, Office of Traffic Safety
Ms. Deborah Hrepich, Associate Accounting Analyst, Office of Traffic Safety
Ms. Kathey Kakiuchi, Public Health Program Manager, County of Shasta
Ms. Tracy Tedder, Fiscal Manager, Health and Human Services Agency, County of Shasta
Ms. Merry Eaton, Accountant/Auditor II, Health & Human Services Agency, County of Shasta
Ms. Kathi Fitz, Accountant/Auditor II, Health & Human Services Agency, County of Shasta

AUDIT REPORT

County of Shasta
DUI & Seatbelt Safety Program
Grant Agreement CB0801

Prepared By:
Office of State Audits and Evaluations
Department of Finance

MEMBERS OF THE TEAM

Kimberly Tarvin, CPA
Manager

Alma Ramirez, CPA
Supervisor

Staff
Alice Yip

Final reports are available on our website at <http://www.dof.ca.gov>

You can contact our office at:

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Office of State Audits and Evaluations
300 Capitol Mall, Suite 801
Sacramento, CA 95814
(916) 322-2985

BACKGROUND, SCOPE, METHODOLOGY, AND RESULTS

BACKGROUND

The Office of Traffic Safety (OTS) is charged with the responsibility of obtaining and distributing federal funds in an effort to carry out the direction of the National Highway Traffic Safety Act. The federal funds are designed to mitigate traffic safety problems as defined by the Highway Safety Plan. Currently, there are eight program priority areas earmarked for grant funding: Alcohol and Other Drugs, Occupant Protection, Pedestrian and Bicycle Safety, Emergency Medical Services, Traffic Records, Roadway Safety, Motorcycle Safety, and Police Traffic Services. OTS allocates funds to local government agencies to implement these programs via grant awards.¹

The County of Shasta (County) received a grant from OTS to implement a DUI & Seat Belt Safety Program to reduce traffic collision injuries and deaths. The grant provides funding for a traffic safety seminar, traffic safety series on local television, web-based AlcoholEd Program for students, other media events and community awareness campaigns, and mini-grants to community based organizations and schools to address underage drinking.²

SCOPE

In accordance with an interagency agreement, the Department of Finance, Office of State Audits and Evaluations, conducted an audit of County's OTS grant listed below.

<u>Grant Agreement</u>	<u>Audit Period</u>	<u>Awarded</u>
CB0801	October 1, 2007 through September 30, 2009	\$490,971

The audit objective was to determine whether the County's grant expenditures were in compliance with applicable laws, regulations, and grant requirements. In order to design adequate procedures to evaluate fiscal compliance, we obtained an understanding of the relevant internal controls. We did not assess the efficiency or effectiveness of program operations.

The County's management is responsible for ensuring accurate financial reporting and compliance with applicable laws, regulations, and grant requirements as well as evaluating the efficiency and effectiveness of the program. OTS is responsible for the state-level administration of the grant funds.

¹ Excerpts from www.ots.ca.gov

² Excerpts from grant agreement CB0801

METHODOLOGY

To determine whether grant expenditures were in compliance with applicable laws, regulations, and the grant requirements, we performed the following procedures:

- Interviewed key personnel.
- Obtained an understanding of the grant-related internal controls.
- Examined the grant files, grant agreement, and applicable policies and procedures.
- Reviewed the County's accounting records and vendor invoices.
- Selected a sample of expenditures to determine if costs were allowable, grant related, incurred within the grant period, supported by accounting records, properly recorded, and not double billed to other revenue sources.
- Evaluated whether a sample of the goals and objectives required by the grant agreement were met in accordance with the established target dates.

The results of the audit are based on our review of documentation, other information made available to us, and interviews with the staff directly responsible for administering grant funds. The audit was conducted from December 2010 through May 2011.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

RESULTS

Based on the audit procedures performed, the County met the fiscal requirements for the grant agreement. No observations or questioned costs were identified. The Schedule of Claimed, Audited, and Questioned Amounts is presented in Table 1.

Table 1: Schedule of Claimed, Audited, and Questioned Amounts

Grant Agreement CB0801			
For the Period October 1, 2007 through September 30, 2009			
Category	Claimed³	Audited	Questioned
Personnel Costs	\$307,568	\$307,568	\$ 0
Travel Expenses	12,569	12,569	0
Contractual Services	62,029	62,029	0
Other Direct Costs	28,390	28,390	0
Indirect Costs	46,135	46,135	0
Total	\$456,691	\$456,691	\$ 0

³ For grant agreement CB0801, the County only claimed \$456,691 of the \$490,971 awarded.