



Transmitted via e-mail

November 28, 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 Report—City of Rancho Cordova, Office of Traffic Safety Grant Audit

The Department of Finance, Office of State Audits and Evaluations, has completed its audit of the City of Rancho Cordova's (City) DUI Enforcement and Awareness Program grant AL0992 for the period of October 1, 2008 through September 30, 2009.

The enclosed report is for your information use. Because there were no observations or issues requiring a response, we are issuing the report as final. This report will be placed on our website.

We appreciate the assistance and cooperation of the City. If you have any questions regarding this report, please contact Kimberly Tarvin, Manager, or Rick Cervantes, 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. Donna Silva, Finance Director, City of Rancho Cordova
Mr. Doug Diamond, Chief of Police, Rancho Cordova Police Department
Mr. Gerald Lane, Sergeant, Rancho Cordova Police Department
Ms. Kristie Meeks, Budget Coordinator, Rancho Cordova Police Department

AUDIT REPORT

City of Rancho Cordova
DUI Enforcement and Awareness Program
Grant Agreement AL0992

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

MEMBERS OF THE TEAM

Kimberly Tarvin, CPA
Manager

Rick Cervantes, CPA
Supervisor

Staff
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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 City of Rancho Cordova Police Department (City) received a grant from OTS to implement a Driving Under the Influence (DUI) Enforcement and Awareness program, to reduce the persons killed and injured in alcohol involved crashes. The funded strategies include DUI/Driver's License checkpoints and DUI saturation patrols. This program will also develop a hot sheet program and conduct stakeout operations for officers to concentrate on repeat DUI offenders on probation who have their licenses suspended or revoked.²

<u>Grant Agreement</u>	<u>Grant Period</u>	<u>Award</u>
AL0992	October 1, 2008 through September 30, 2009	\$127,400

SCOPE

In accordance with an interagency agreement, the Department of Finance, Office of State Audits and Evaluations, conducted a performance audit of the grant.

The audit objectives were to determine whether the City's grant expenditures claimed were in compliance with applicable laws, regulations, and grant requirements; and to determine whether the grant goals and objectives were completed as required. In order to design adequate procedures to conduct our audit, we obtained an understanding of the relevant internal controls. We did not assess the efficiency or effectiveness of program operations.

The City's management is responsible for ensuring accurate financial reporting and compliance with applicable laws, regulations, and grant requirements. OTS is responsible for the state-level administration of the grant program.

¹ Excerpts from www.OTS.ca.gov.

² Excerpts from grant agreement AL0992.

METHODOLOGY

To determine whether grant expenditures were in compliance with applicable laws, regulations, and the grant requirements; and if the grant goals and objectives were completed as required, we performed the following procedures:

- Interviewed key personnel to obtain an understanding of the grant-related internal controls.
- Examined the grant files, the grant agreement, and applicable policies and procedures.
- Reviewed the City's accounting records, contracts, personnel documents, 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, and properly recorded.
- Performed procedures to determine if other revenue sources were used to reimburse expenditures already reimbursed with grant funds.
- Evaluated whether a sample of grant goals and objectives required by the grant agreement were met.

The results of the audit are based on our review of documentation, other information made available to us, and interviews with staff directly responsible for administering grant funds. The audit was conducted from July 2011 through November 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 based on our audit objectives. We believe that 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 City was in compliance with the requirements of the grant agreement. No observations or questioned costs were identified. The Schedule of Claimed Amounts is presented in Table 1.

Table 1: Schedule of Claimed Amounts

Grant Agreement AL0992 For the Period October 1, 2008 through September 30, 2009	
Category	Claimed³
Contractual Services	\$ 49,380
Total Expenditures	\$ 49,380

³ For grant agreement AL0992, the City claimed \$51,058 and was reimbursed \$49,380 of the \$127,400 awarded.