



Transmitted via e-mail

November 29, 2012

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—Lake County Sheriff's Office, Office of Traffic Safety Grant Audit

The Department of Finance, Office of State Audits and Evaluations, has completed its audit of the Lake County Sheriff's Office Avoid the Five DUI Campaign grant AL0840 for the period October 1, 2007 through January 31, 2011.

The enclosed report is for your information and use. The draft report was issued September 18, 2012, and the Sheriff's Office response required further analysis. As a result of our analysis, an observation was removed. This report will be placed on our website.

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

Sincerely,

Original signed by:

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

Enclosure

cc: Ms. Deborah Hrepich, Associate Accounting Analyst, Office of Traffic Safety
Ms. Karen Coyle, Regional Coordinator, Office of Traffic Safety
Mr. Francisco J. Rivero, Sheriff, Lake County Sheriff's Office
Ms. Mary Beth Strong, Administrative Manager, Lake County Sheriff's Office
Ms. Nancy McCarrick, Accountant II, Lake County Sheriff's Office

AUDIT REPORT

Lake County Sheriff's Office
Avoid the Five DUI Program
Grant Agreement AL0840

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

MEMBERS OF THE TEAM

Kimberly Tarvin, CPA
Manager

Jennifer Arbis
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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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BACKGROUND, SCOPE AND METHODOLOGY

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 Lake County Sheriff's Office (Sheriff's Office) received a \$177,961 grant from OTS to serve as the host agency for a regional DUI effort in Lake County. The grant's purpose is to reduce alcohol-involved fatalities and injuries and raise general public awareness regarding the problems associated with drinking and driving. Participating agencies included police departments from the cities of Clearlake and Lakeport. Activities included DUI checkpoints, DUI saturation patrols, and warrant/court operations for multiple DUI offenders.²

SCOPE

In accordance with an interagency agreement, the Department of Finance, Office of State Audits and Evaluations, audited grant agreement AL0840 for the period October 1, 2007 through January 31, 2011.

The audit objectives were to determine whether the Sheriff's Office 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. We did not assess the efficiency or effectiveness of program operations.

The Sheriff's Office 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 AL0840.

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 Sheriff's Office 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.

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.

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.

Except as noted below, the grant expenditures claimed were in compliance with the requirements of the grant agreement. The Schedule of Claimed Amounts is presented in Table 1.

Table 1: Schedule of Claimed Amounts

Grant Agreement AL0840	
Category	Claimed³
Personnel Costs	\$42,682
Contractual Services	11,727
Equipment	5,998
Other Direct Costs	16,885
Indirect Costs	77
Total Expenditures	\$77,369

Observation 1: Two Significant Grant Objectives Were Not Met

The Sheriff’s Office conducted only 4 of 13 required DUI checkpoints, and only 42 of 96 required saturation patrols. OTS grant agreement AL0840 outlines the objectives to be accomplished by the Sheriff’s Office by the end of the grant period. Failure to meet the objectives may result in denial of future grant funding.

Recommendation:

The Sheriff’s Office should effectively plan grant activities so that objectives are met for future grants. OTS will determine the actions to take, if any, as a result of the unmet objectives.

³ The Office of Traffic Safety awarded \$177,961; however, the Sheriff’s Office only claimed \$77,369.



LAKE COUNTY SHERIFF'S OFFICE

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Civil
(707) 262-4080

Francisco Rivero
Sheriff

September 26, 2012

Department of Finance
David Botelho, CPA
Chief, Office of State Audits and Evaluations
915 L Street
Sacramento, CA 95814

Mr. Botelho,

We have received your draft report of the Office of Traffic Safety Grant Audit dated September 18, 2012.

Each of the items are addressed below:

Observation 1: Unsupported Personnel Costs Claimed

The Lake County Sheriff's Office claimed a total of \$3,753 in grant management costs during the course of this grant period (October 1, 2007 - January 31, 2011). Although functional timesheets (Personnel activity reports) were not provided at the time of this review, grant management costs can be supported for this grant period and far outweigh the amount of reimbursement requested. Attached is a spreadsheet of hours that can be supported for grant management but does not include all hours as two of the Commanders that worked this grant are no longer employed by this agency and therefore a review of their time reporting could not be adequately verified.

Observation 2: Two Significant Grant Objectives Were Not Met

Due to staffing levels during the duration of this grant, the Sheriff's Office was unable to complete all of the objectives

that were originally anticipated when this application was completed. Both the City of Lakeport and the City of Clearlake were also experiencing staffing issues during this period and were unable to include their staff in these activities.

Your review of this grant has been appreciated and we hope that you find the attached information sufficient to clear any discrepancies noted during the course of this audit.

Sincerely,

Original signed by:

*Mary Beth Strong
Administrative Manager
Lake County Sheriff's office*

Attachments

EVALUATION OF RESPONSE

We reviewed the Lake County Sheriff's Office (Sheriff's Office) response, dated September 26, 2012, to our draft audit report. The Attachment to the response was removed for brevity and consisted of budget payroll worksheets. After review of the documentation, the report was modified as follows:

Observation 1: Unsupported Personnel Costs Claimed

The Sheriff's Office disagrees that grant management claimed costs were unsupported. While Personnel Activity Reports were not provided at the time of the audit, the Sheriff's Office subsequently provided additional supporting documentation in response to the draft report that reasonably accounts for funds expended, mitigating the questioned costs. Therefore, the observation was deleted.

Observation 2: Two Significant Grant Objectives Were Not Met

The Sheriff's Office agrees with the observation which will remain as originally reported. However, it has been renumbered to Observation 1.