



Transmitted via e-mail

November 15, 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 Gardena, Office of Traffic Safety Grant Audit**

The Department of Finance, Office of State Audits and Evaluations, has completed its audit of the City of Gardena (City) DUI Enforcement and Awareness Program AL0844 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.

We appreciate the assistance and cooperation of the City. 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  
Mr. Edward Medrano, Chief, Police Department, City of Gardena  
Mr. Mike Saffell, Lieutenant, Police Department, City of Gardena  
Mr. Kazuwa Nagao, Traffic Sergeant, Police Department, City of Gardena  
Ms. Mary Simonell, Junior Accountant City of Gardena

AUDIT REPORT

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City of Gardena  
DUI Enforcement and Awareness Program  
Grant Agreement AL0844

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

## **MEMBERS OF THE TEAM**

Kimberly Tarvin  
Manager

Alma Ramirez  
Supervisor

Staff  
Alice Yip

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

You can contact our office at:

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

# BACKGROUND, SCOPE, METHODOLOGY, AND RESULTS

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## 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. The OTS allocates funds to local government agencies to implement these programs via grant awards.<sup>1</sup>

The City of Gardena 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 traffic collisions. The grant funded strategies included: DUI/Driver's License checkpoints, DUI saturation patrols, a Hot Sheet program, and stakeout and court sting operations targeting repeat DUI offenders driving with suspended or revoked driver licenses who fail to appear in court or violate probation.<sup>2</sup>

## SCOPE

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

<u>Grant Agreement</u>	<u>Grant Period</u>	<u>Award</u>
AL0844	October 1, 2007 through September 30, 2009	\$468,445

The audit objectives were to determine whether the City's 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 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.

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<sup>1</sup> Excerpts from [www.OTS.ca.gov](http://www.OTS.ca.gov).

<sup>2</sup> Excerpts from grant agreement AL0844.

## 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, purchase orders, 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 February 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 and Questioned amounts is presented in Table 1.

**Table 1: Schedule of Claimed and Questioned Amounts**

<b>Category</b>	<b>Claimed<sup>1</sup></b>
Personnel	\$413,310
Travel	5,090
Contractual Services	3,105
Other Direct Costs	25,149
<b>Total Expenditures</b>	<b>\$446,654</b>

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<sup>1</sup> Grant award was \$468,445 but only \$446,654 was claimed.