



Transmitted via e-mail

September 14, 2012

Mr. John Donnelly, Executive Director  
Wildlife Conservation Board  
1807 13<sup>th</sup> Street, Suite 103  
Sacramento, CA 95811

Dear Mr. Donnelly:

**Final Report—County of Lake, Proposition 40 Grant Audit**

The Department of Finance, Office of State Audits and Evaluations, has completed its audit of the County of Lake's (County) grant WC-8018TC for the period August 2008 through August 2010.

The enclosed report is for your information and use. Because there were no audit 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 County. 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

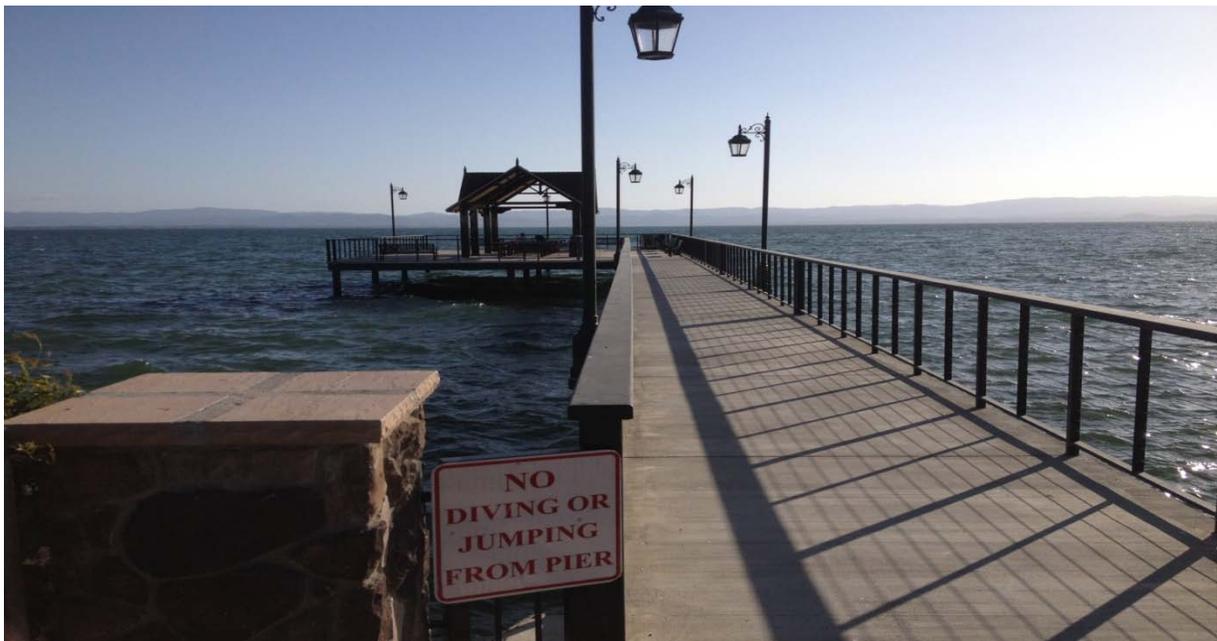
Enclosure

cc: Ms. Julie Alvis, Deputy Assistant Secretary, Natural Resources Agency  
Mr. Bryan Cash, Deputy Assistant Secretary, Natural Resources Agency  
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency  
Ms. Cynthia Alameda, Budget Officer, Wildlife Conservation Board  
Mr. Kelly Cox, County Administrative Officer, County of Lake  
Mr. Eric Seely, Deputy County Administrative Officer Special Projects, County of Lake  
Ms. Kathleen Barnwell, Administrative Analyst, County of Lake

# AUDIT REPORT

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## County of Lake Proposition 40 Bond Program Grant Agreement WC-8018TC



Lucerne Fishing Pier, County of Lake, CA

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

**MEMBERS OF THE TEAM**

Kimberly Tarvin, CPA  
Manager

Jennifer Arbis  
Supervisor

Staff  
Toni Silva

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  
915 L Street, 6<sup>th</sup> Floor  
Sacramento, CA 95814  
(916) 322-2985

# BACKGROUND, SCOPE, METHODOLOGY and RESULTS

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## **BACKGROUND**

California voters approved the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Act of 2002 (Proposition 40). The \$2.6 billion of bond proceeds provide for grants to finance a variety of resource programs.

The County of Lake (County) received a \$470,721 grant from the California Wildlife Conservation Board (Board) for construction of a fishing pier with shade structure to improve public fishing access on Clear Lake in the City of Lucerne. The County's mission is to provide public service and management of resources to enhance the quality of life for their citizens.<sup>1</sup>

## **SCOPE**

In accordance with the Department of Finance's bond oversight responsibilities, we audited grant WC-8018TC for the period of August 2008 through August 2010.

The audit objectives were to determine whether the County's grant expenditures claimed were in compliance with applicable laws, regulations, and grant requirements; and to determine whether the grant deliverables were completed as required. We did not assess the efficiency or effectiveness of program operations.

The County management is responsible for ensuring accurate financial reporting and compliance with applicable laws, regulations, and grant requirements. The Board and the California Natural Resources Agency are responsible for the state-level administration of the bond program.

## **METHODOLOGY**

To determine whether grant expenditures were in compliance with applicable laws, regulations, and the grant requirements; and if the grant deliverables 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 County's accounting records, vendor invoices, progress reports, and design specifications.
- 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.

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<sup>1</sup> Source: <http://www.co.lake.ca.us/>

- Performed procedures to determine if other revenue sources were used to reimburse expenditures already reimbursed with grant funds.
- Conducted a site visit to verify existence.
- Evaluated whether a sample of grant deliverables 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.

## RESULTS

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.

Based on the procedures performed, the grant expenditures claimed were in compliance with the requirements of the grant agreement and grant deliverables were completed as required. The Schedule of Claimed Amounts is presented in Table 1.

**Table 1: Schedule of Claimed Amounts**

<b>Grant Agreement WC-8018TC</b>	
<b>Category</b>	<b>Claimed</b>
Fishing Pier Pilings	\$ 105,800
Fishing Pier Steel Fabrication and Erection	93,404
Fishing Pier Concrete Decking	17,500
Fishing Pier Railing, Stainless Steel Cable System	31,680
Fishing Pier Shade Shelter	94,000
Fishing Pier Light Fixtures	22,800
Fishing Pier Picnic Tables	9,080
Fishing Pier Benches	13,510
Project Sign	1,000
Steel Sheet Pile Wall (seawall)	81,947
<b>Total Grant Funds</b>	<b>\$ 470,721</b>
County Redevelopment Funds	116,739
<b>Total Project Expenditures</b>	<b>\$ 587,460</b>