



Transmitted via e-mail

March 9, 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—San Diego County Probation Department, Office of Traffic Safety Grant Audit**

The Department of Finance, Office of State Audits and Evaluations, has completed its audit of the San Diego County Probation Department's (County) California Probation Felony and Repeat DUI Offender Program grant AL0962, for the period October 1, 2008 through September 30, 2010.

The enclosed report is for your information and 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 County. 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: Mr. Ron Miller, Regional Coordinator, Office of Traffic Safety  
Ms. Deborah Hrepich, Associate Accounting Analyst, Office of Traffic Safety  
Mr. Mack Jenkins, Chief Probation Officer, San Diego County Probation Department  
Ms. Debbie Patag, Chief, Administrative Services, San Diego County Probation Department  
Ms. Kim Allen, Probation Director, San Diego County Probation Department

AUDIT REPORT

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San Diego County Probation Department  
California Probation Felony and  
Repeat DUI Offender Program  
Grant Agreement AL0962

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

**MEMBERS OF THE TEAM**

Kimberly Tarvin, CPA  
Manager

Rick Cervantes, CPA  
Supervisor

Staff  
Kelly Wyatt

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

The San Diego County Probation Department (County) received a grant from OTS for the California Probation Felony and Repeat DUI Offender Program. The County serves as the grant administrator for 11 other participating counties with the purpose of reducing DUI fatalities and injuries and DUI recidivism, by supervising the highest risk and/or repeat DUI offenders to ensure compliance with court ordered conditions of probation. Participating counties include Butte, Contra Costa, Fresno, Kern, Los Angeles, Placer, Sacramento, San Bernardino, San Joaquin, Santa Barbara, and Stanislaus<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 following grant:

<u>Grant Agreement</u>	<u>Audit Period</u>	<u>Award</u>
AL0962	October 1, 2008 through September 30, 2010	\$ 5,699,058

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 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 County'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.

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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 AL0962.

## 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 County's accounting records, contracts, 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.
- Selected participating counties for testing of fiscal and programmatic compliance.

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 October 2011 through February 2012.

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 County 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**

<b>Grant Agreement AL0962 For the Period October 1, 2008 through September 30, 2010</b>	
<b>Category</b>	<b>Claimed <sup>3</sup></b>
Personnel Costs	\$1,174,046
Travel Expenses	5,024
Contractual Services	4,278,813
Equipment	32,385
Other Direct Costs	23,122
<b>Total Expenditures</b>	<b>\$5,513,390</b>

<sup>3</sup> Grant award was \$5,699,058 but only \$5,513,390 was claimed.