



Transmitted via e-mail

March 7, 2012

Mr. Tom Bosenko, Sheriff
Shasta County Sheriff's Department
1525 Court Street
Redding, CA 96001

Dear Mr. Bosenko:

Final Report—Shasta County Sheriff's Department Compliance Audit

The Department of Finance, Office of State Audits and Evaluations, has completed its fiscal compliance audit of the Boating Safety and Enforcement Financial Aid Program for the period July 1, 2010 through June 30, 2011.

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 Shasta County Sheriff's Department. If you have any questions, please contact Susan Botkin, Manager, or Alexis Calleance, Supervisor, at (916) 322-2985.

Sincerely,

Original signed by:

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

Enclosure

cc: Ms. Lucia C. Becerra, Acting Director, California Department of Boating and Waterways
Ms. Marcia Carlock, Operations Division Chief, California Department of Boating and Waterways
Ms. Corrina Dugger, Associate Boating Administrator, California Department of Boating and Waterways
Ms. Denise Peterson, Boating Law Enforcement Manager, California Department of Boating and Waterways
Mr. Steve Hastings, Account Auditor I, Shasta County Sheriff's Department
Mr. Mike Lindsey, Chief Fiscal Officer, Shasta County Sheriff's Department
Mr. Dave Dean, Administrative Captain, Shasta County Sheriff's Department
Mr. Tom Campbell, OES Lieutenant, Shasta County Sheriff's Department
Mr. Troy Clegg, BSU Sergeant, Shasta County Sheriff's Department

Audit Report

Boating Safety Enforcement Program Shasta County Sheriff's Department July 1, 2010 through June 30, 2011



Source: Shasta County Sheriff's Department

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

MEMBERS OF THE TEAM

Susan M. Botkin, CGFM
Manager

Alexis Calleance
Supervisor

Staff
Alan Garrett

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, AND METHODOLOGY

BACKGROUND¹

The Department of Boating and Waterways' (DBW) mission is to provide safe and convenient public access to California's waterways, and leadership in promoting the public's right to safe, enjoyable, and environmentally sound recreational boating. DBW fulfills its mission through enforcement of the Boating Safety and Enforcement (BS&E) Financial Aid Program.

The purpose of the BS&E program is to provide state financial aid via grants to local government agencies whose waterways have a high usage by transient boaters and an insufficient tax base to fully support a boating safety and enforcement program. The program is intended to augment existing local resources for BS&E activities and is not intended to fully fund all BS&E programs.

Pursuant to California Code of Regulations, Title 14, section 6593.10, DBW is responsible for ensuring accountability of the funds used for the BS&E program.

SCOPE

DBW requested the Department of Finance, Office of State Audits and Evaluations, to audit agencies receiving BS&E funding to ensure fiscal compliance with state laws and regulations.

The audit's objective was to determine whether Shasta County's (County) grant expenditures were in compliance with applicable laws, regulations, and grant requirements. In order to design adequate procedures to evaluate fiscal compliance, we obtained an understanding of the relevant internal controls. We did not assess the efficiency or effectiveness of program operations.

Also included in the scope was a review of the Marine Law Enforcement Annual, Annual Activity, and Inventory Reports submitted to DBW. A review of these reports was performed to ensure all program requirements were met. These County reports were submitted timely to DBW and addressed all program requirements.

County management is responsible for ensuring accurate financial reporting and compliance with applicable laws, regulations, and grant requirements as well as evaluating the efficiency and effectiveness of the program.

The audit period was July 1, 2010 through June 30, 2011.

¹ Source: Department of Boating and Waterways.

METHODOLOGY

To determine whether County expenditures were in compliance with applicable laws and regulations, we performed the following:

- Conducted interviews of key personnel.
- Obtained an understanding of internal controls related to program expenditures.
- Reviewed relevant supporting documents for expenditures.
- Selected a sample of expenditures to determine if costs were allowable, program related, and supported by accounting records.

The results of our audit are based on our review of documentation, other information made available to us, and interviews with key staff. 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 the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Based on the audit procedures performed, the County complied with applicable laws, regulations, and grant requirements, and no findings or questioned costs were identified. The Schedule of Claimed and Questioned Costs is presented below.

Schedule of Claimed and Questioned Costs

Category	Claimed	Questioned
Program Costs		
Personnel	\$ 526,819	\$ 0
Operations Maintenance and Equipment	200,201	0
Total Direct Program Costs	727,020	0
Administrative Costs	19,076	0
Subtotal	746,096	0
<i>Less: County Boat Tax Revenue Received</i>	149,466	0
Claimed Program Costs¹	\$ 596,630	\$ 0
State Financial Aid Allocation	584,990	
Unreimbursed Program Costs	\$ 11,640	

¹ Per California Code of Regulations, Title 14, subsection 6593.7 (c) (3), Shasta County received \$9,865 as a one-time payment to reimburse the County for expenditures exceeding the baseline allocation.