



Transmitted via e-mail

February 16, 2012

Mr. E. G. Prieto, Sheriff
Yolo County Sheriff's Department
2500 East Gibson Road
Woodland, CA 95776

Dear Mr. Prieto:

Final Report—Yolo 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. Your response to the report observation is incorporated into this final report. This report will be placed on our website.

We appreciate the assistance and cooperation of the Yolo 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
Ms. Rosario Ruiz-Dark, Sheriff's Chief of Finance, Yolo County Sheriff's Department

Audit Report

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



Source: Yolo 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
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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, 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 Yolo 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. However, as of the last day of fieldwork, these reports had not been completed and were therefore unavailable for review.

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 September 2011 through December 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 the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Except as noted below, Yolo County’s expenditures were in compliance with applicable laws, regulations, and the grant requirements. The Schedule of Claimed and Questioned Costs is presented below.

Schedule of Claimed and Questioned Costs

Category	Claimed	Questioned
Program Costs		
Personnel	\$ 268,255	\$ 6,175
Operations Maintenance and Equipment	51,965	0
Total Direct Program Costs	320,220	6,175
Administrative Costs	0	0
Subtotal	320,220	6,175
<i>Less: County Boat Tax Revenue Received</i>	17,824	0
Reimbursed Program Costs	\$ 302,396	\$ 6,175
State Financial Aid Allocation	322,264	
Amount Unclaimed	\$ 19,868	

Observation: Questioned Personnel Expenditures

During fiscal year 2010-11 a one-time vacation buy-back of \$6,175 was claimed for reimbursement. California Code of Regulations, Title 14, section 6593.8, allows for normal reimbursement of personnel related expenditures; however, the code does not allow for one-time payments such as a vacation buy-back.

Recommendation:

The County should work with DBW to determine an appropriate method of repayment of the questioned costs. The County should also implement policies and procedures to ensure one-time benefit payments are not claimed for reimbursement.



OFFICE OF THE SHERIFF

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Crime Prevention
Department Training
Investigations
Marine Patrol
Patrol
Search & Rescue
Aero Squadron
Cadets
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STARS

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Monroe Detention
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Court Services
Foods Services
Records
Transportation

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

Dear Mr. Botelho:

Response to Draft Report – Yolo County Sheriff's Office Compliance Audit

The Yolo County Sheriff's Office first of all would like to thank you and your staff for conducting the compliance audit on behalf of the California Department of Boating and Waterways. Your staff was very professional and efficient. Yolo County is always willing to help train new auditors since we are a smaller county with the same issues as larger counties, just not same volume of paperwork.

I would like to take the time now to respond to the draft report, which did have one finding:

Observation: Questioned Personnel Expenditures

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Recommendation:

The County should work with DBW to determine an appropriate method of repayment of the questioned costs. The County should also implement policies and procedures to ensure one-time benefit payments are not claimed for reimbursement.

Response:

The Yolo County Sheriff's Office will work with CA Department of Boating and Waterways to determine how best to proceed with the recommendation.

If you have any questions or need additional information, do not hesitate to contact me (530) 668-5280 or Rosario Ruiz-Dark, Chief of Finance (530) 668-5264.

Sincerely,

Original signed by:

E.G. Prieto
Sheriff-Coroner

“Service Without Limitations”