



Transmitted via e-mail

May 4, 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—San Diego State University, Office of Traffic Safety Grant Audit**

The Department of Finance, Office of State Audits and Evaluations (Finance), has completed its audit of San Diego State University's (University) grant agreement AL0847 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. Additionally, pursuant to Executive Order S-20-09, please post this report in its entirety to the Reporting Government Transparency website at <http://www.reportingtransparency.ca.gov/> within five working days of this transmittal.

We appreciate the assistance and cooperation of the University's staff. If you have any questions regarding this report, please contact Cheryl McCormick, Manager, or James Kong, Supervisor, at (916) 322-2985.

Sincerely,

Original signed by:

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

Enclosure

cc: Ms. Deborah Hrepich, Associate Accounting Analyst, Office of Traffic Safety  
Ms. Marilyn Newhoff, Dean, College of Health and Human Services, San Diego State University  
Ms. Valerie Carter, Director of Audit and Tax, San Diego State University  
Ms. Rachel Lancaster, Finance and Accounting Manager, San Diego State University Research Foundation

A GRANT AUDIT

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San Diego State University  
Grant Agreement AL0847

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

**MEMBERS OF THE TEAM**

Cheryl L. McCormick, CPA  
Manager

James Kong, CPA  
Supervisor

Staff  
Amy Dieng

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

You can contact our office at:

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300 Capitol Mall, Suite 801  
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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>

San Diego State University (University) received a grant from OTS to provide training and technical assistance to schools, colleges, and community groups across the state, to assist them in developing anti-driving under the influence (DUI) campaigns that build on the brand image of the San Diego County Youth Council's "Do the Math" campaign. The University subcontracted with San Diego State University Research Foundation (Foundation) to administer the grant. The project provides a comprehensive campaign action kit, online resources, site visits, youth-led training, and workshops to youth groups committed to implementing public awareness campaigns in their schools and communities. The project goal is to increase the perception of risk for underage and binge drinking as they relate to DUI among millions of California youth, college students, parents, lawmakers, and community members.<sup>2</sup>

## SCOPE

In accordance with an interagency agreement, the Department of Finance, Office of State Audits and Evaluations, conducted an audit of the University's and the Foundation's records as they pertain to the OTS grant listed below.

| <u>Grant Agreement</u> | <u>Audit Period</u>                        | <u>Awarded</u> |
|------------------------|--|----------------|
| AL0847                 | October 1, 2007 through September 30, 2009 | \$ 201,910     |

The audit objective was to determine whether the Foundation's grant expenditures claimed 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.

The University's management is responsible for ensuring accurate financial reporting and compliance with applicable laws, regulations, and grant requirements as well as evaluating the

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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 AL0847

efficiency and effectiveness of the program. The OTS is responsible for the state-level administration of the grant funds.

## METHODOLOGY

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

- Interviewed key personnel.
- Obtained an understanding of the grant-related internal controls.
- Examined the grant files.
- Reviewed accounting records pertinent to the grant.
- Determined whether a sample of expenditures were:
  - Allowable
  - Grant related
  - Incurred within the grant period
  - Supported by accounting records
  - Properly recorded
  - Not double billed to other revenue sources
- Evaluated whether the 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 the staff directly responsible for administering grant funds. The audit was conducted from May 2010 through April 2011.

This audit was conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our observations and recommendations based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our observations and recommendations.

## RESULTS

Based on the audit procedures performed, the University met the fiscal requirements for the grant agreement. No observations or questioned costs were identified. The Schedule of Claimed, Audited, and Questioned amounts is presented in Table 1.

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

| <b>Grant Agreement AL0847</b>                                    |                |                |                   |
|--|----------------|----------------|-------------------|
| <b>For the Period October 1, 2007 through September 30, 2009</b> |                |                |                   |
| <b>Category</b>  | <b>Claimed</b> | <b>Audited</b> | <b>Questioned</b> |
| Contractual Services   | \$199,903      | \$199,903      | \$ 0              |
| Total Expenditures   | \$199,903      | \$199,903      | \$ 0              |