

COUNTY OF EL DORADO

SINGLE AUDIT REPORT

JUNE 30, 2010

COUNTY OF EL DORADO

Single Audit Report
For the Year Ended June 30, 2010

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Supervisors of
the County of El Dorado
Placerville, California

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of El Dorado (County), as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 28, 2011. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of South Lake Tahoe Transit Enterprise Fund, the Children and Families Commission, and the El Dorado Transit Authority, component units of the County, as described in our report on the County's financial statements. This report does not include the results of other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material

To the Board of Supervisors of
the County of El Dorado
Placerville, California

Internal Control Over Financial Reporting (continued)

weaknesses have been identified. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the County in a separate letter dated March 28, 2011.

This report is intended solely for the information and use of the audit committee, management, Board of Supervisors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Gallina LLP

Roseville, California
March 28, 2011



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Supervisors of
the County of El Dorado
Placerville, California

Compliance

We have audited the compliance of the County of El Dorado (County), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2010. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulation, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit. The County's basic financial statements include the operations of El Dorado County Transit Authority which expended \$3,959,223 in federal expenditures. These federal expenditures are not included in the attached Schedule of Expenditures of Federal Awards. Our audit, described below, did not include the operations of El Dorado County Transit Authority because this component unit engaged other auditors to perform a separate audit in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

To the Board of Supervisors of
the County of El Dorado
Placerville, California

In our opinion, the County complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 10-SA-1 and 10-SA-2.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified a deficiency in internal control over compliance that we consider to be a material weakness.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 10-SA-1 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 10-SA-2 to be a significant deficiency.

To the Board of Supervisors of
the County of El Dorado
Placerville, California

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2010, and have issued our report thereon dated March 28, 2011 which contained unqualified opinions on those financial statements. Our report includes a reference to other auditors. Our audit, described below, did not include the operations of El Dorado County Transit Authority because this component unit engaged other auditors to perform a separate audit in accordance with OMB Circular A-133. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of the audit committee, management, Board of Supervisors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Gallina LLP

Roseville, California
March 28, 2011

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass- through Grantor Award Number	Federal Expenditures
U.S. Department of Agriculture			
<u>Direct Programs:</u>			
Forestry Research	10.652	09-DG-11272170-063	\$ 11,435
Rural Development, Forestry, and Communities: Lake Tahoe Restoration Act	10.672	06-DG-11051900-022	35,131
Rural Development, Forestry, and Communities: Lake Tahoe Restoration Act	10.672	07-DG-11051900-019	186,017
Rural Development, Forestry, and Communities: Lake Tahoe Restoration Act	10.672	08-DG-11051900-030	718,799
Subtotal CFDA 10.672			<u>939,947</u>
Lake Tahoe Erosion Control Grant Program	10.690	09-DG-11051900-018	<u>798,917</u>
Subtotal Direct Programs - U.S. Department of Agriculture			<u>1,750,299</u>
<u>Passed through State Department of Food and Agriculture:</u>			
Forest Health Protection	10.680	09-0264	4,500
Forest Health Protection	10.680	09-0261	4,500
Forest Health Protection	10.680	08-0124	39,475
Subtotal CFDA 10.680			<u>48,475</u>
ARRA - Wildland Fire Management	10.688	FO9015-09-0550	<u>38,637</u>
Subtotal passed through State Department of Food and Agriculture			<u>87,112</u>
<u>Passed through State Department of Public Health:</u>			
Special Supplemental Nutrition Program for Women, Infants and Children	10.557*	08-85437-01	166,465
Special Supplemental Nutrition Program for Women, Infants and Children-Vouchers Redeemed	10.557*	08-85437-01	433,383
Special Supplemental Nutrition Program for Women, Infants and Children	10.557*	08-85437-02	552,471
Special Supplemental Nutrition Program for Women, Infants and Children-Vouchers Redeemed	10.557*	08-85437-02	1,360,376
Subtotal passed through State Department of Public Health and CFDA 10.557*			<u>2,512,695</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass- through Grantor Award Number	Federal Expenditures
U.S. Department of Agriculture (Continued)			
<u>Passed through State Department of Social Services:</u>			
State Administrative Matching Grants for Supplemental Nutrition Assistance Program (SNAP)	10.561*	N/A	\$ 1,367,488
ARRA - State Administrative Matching Grants for SNAP	10.561*	N/A	<u>29,395</u>
Subtotal passed through State Department of Social Services and CFDA 10.561*			<u>1,396,883</u>
<u>Passed through State Department of Aging:</u>			
Aging Program			
Senior Farmers Market Nutrition Program - Coupons	10.576	AP-0910-29	<u>5,000</u>
Subtotal CFDA 10.576 Aging Program (See Note 7)			<u>5,000</u>
<u>Passed through State Controller's Office:</u>			
Schools and Roads - Grants to States Title III			
Community Projects 2009-10	10.665	N/A	508,574
Schools and Roads - Grants to States: Federal Forest Reserve	10.665	N/A	<u>1,437,501</u>
Subtotal passed through State Controller's Office and CFDA 10.665			<u>1,946,075</u>
Total U.S. Department of Agriculture			<u>\$ 7,698,064</u>
U.S. Department of Housing and Urban Development			
<u>Direct Program:</u>			
Section 8 Housing Choice Vouchers - Administration	14.871	CA151VO	2,826,200
Section 8 Housing Choice Vouchers - Project	14.871	CA151VO	<u>431,705</u>
Subtotal Direct Programs - U.S. Department of Housing and Urban Development and CFDA 14.871			<u>3,257,905</u>
<u>Passed through State Department of Housing and Community Development:</u>			
Community Development Block Grants (CDBG)/State's program:			
CDBG Revolving Loan Fund, Housing Rehabilitation	14.228	N/A	30,119
2006 CDBG Business Loan and Microenterprise Assistance	14.228	06-EDBG-2767	128,466

See accompanying Notes to Schedule of Expenditures of Federal Awards.

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass- through Grantor Award Number	Federal Expenditures
U.S. Department of Housing and Urban Development (Continued)			
2005 CDBG Housing Rehabilitation/Acquisition	14.228	05-STBG-1407	\$ 11,504
CDBG	14.228	07-PTAE-3137	13,884
CDBG	14.228	08-EDEF-5877	4,259
Subtotal CFDA 14.228			<u>188,232</u>
HOME Investment Partnerships Program	14.239*	08-HOME-4701	489,382
Homeless Management Information Systems Technical Assistance	14.261	CA01B725001	8,546
Subtotal passed through State Department of Housing and Community Development			<u>686,160</u>
<u>Passed through Sacramento Housing Authority:</u>			
Housing Opportunities for Persons with AIDS	14.241	DHA/CS-ELD-01-09	29,087
Housing Opportunities for Persons with AIDS	14.241	DHA/CS-ELD-01-10	20,048
Subtotal passed through Sacramento Housing Authority and CFDA 14.241			<u>49,135</u>
Total U.S. Department of Housing and Urban Development			<u>\$ 3,993,200</u>
U.S. Department of Interior			
<u>Direct Program:</u>			
Payments in Lieu of Taxes	15.226	N/A	183,609
Total U.S. Department of Interior			<u>\$ 183,609</u>
U.S. Department of Justice			
<u>Direct Programs:</u>			
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580	D-09-SF-0044 / D-09-SF-0038	3,369
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580	D-10-SF-0049	24,834
Subtotal CFDA 16.580			<u>28,203</u>
Drug Court Discretionary Grant Program	16.585	2009-DC-BX-0076	56,569

See accompanying Notes to Schedule of Expenditures of Federal Awards.

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass- through Grantor Award Number	Federal Expenditures
U.S. Department of Justice (Continued)			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2007-DJ-BX-0735	\$ 30,134
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2008-DJ-BX-0201	11,259
Subtotal CFDA 16.738			<u>41,393</u>
ARRA - Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program / Grants To Units Of Local Government	16.804	2009-SB-B9-2859	37,143
Equitable Sharing of Federally Forfeited Property	16.999	N/A	<u>189,518</u>
Subtotal Direct Programs - U.S. Department of Justice			<u>352,826</u>
<u>Passed through State Department of Corrections and Rehabilitation, Corrections Standards Authority:</u>			
Juvenile Accountability Block Grants	16.523	CSA-108-09	<u>9,587</u>
<u>Passed through California Emergency Management Agency:</u>			
Crime Victim Assistance	16.575	EA08110090	4,422
Crime Victim Assistance	16.575	EA09120090	74,437
Crime Victim Assistance	16.575	VW09280090	84,585
Subtotal CFDA 16.575			<u>163,444</u>
ARRA - Recovery Act - State Victim Assistance Formula Grant Program	16.801	VS09010090	4,858
ARRA - Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program / Grants To States and Territories	16.803	ZP09010090	<u>18,997</u>
Subtotal passed through California Emergency Management Agency			<u>187,299</u>
Total U.S. Department of Justice			<u>\$ 549,712</u>
U.S. Department of Labor			
<u>Passed through State Department of Employment Development via Golden Sierra Job Training Agency:</u>			
<i>Workforce Investment Act (WIA) Cluster:</i>			
WIA Adult Program	17.258*	K074139	318,300

See accompanying Notes to Schedule of Expenditures of Federal Awards.

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass- through Grantor Award Number	Federal Expenditures
U.S. Department of Labor (Continued)			
ARRA - WIA Adult Program	17.258*	R970535-20	\$ 78,116
Subtotal CFDA 17.258*			<u>396,416</u>
WIA Youth Activities	17.259*	K074139	202,122
ARRA - WIA Youth Activities	17.259*	R970535-20	67,292
Subtotal CFDA 17.259*			<u>269,414</u>
WIA Dislocated Workers	17.260*	K074139	331,447
ARRA - WIA Dislocated Workers	17.260*	R970535 GS106	83,215
ARRA - WIA Dislocated Workers	17.260*	R970535-02	32,732
ARRA - WIA Dislocated Workers	17.260*	R970535-03	12,149
ARRA - WIA Dislocated Workers	17.260*	R970535-20	223,922
Subtotal CFDA 17.260*			<u>683,465</u>
Subtotal WIA Cluster (see Note 10) and passed through State Department of Employment Development via Golden Sierra Job Training Agency			<u>1,349,295</u>
Total U.S. Department of Labor			<u>\$ 1,349,295</u>
U.S. Department of Transportation			
<u>Direct Programs:</u>			
Airport Improvement Program	20.106	AIP 3-06-0188-12	7,221
Airport Improvement Program	20.106	AIP 3-06-0093-07	3,740
Subtotal Direct Programs - U.S. Department of Transportation and CFDA 20.106			<u>10,961</u>
<u>Passed through State Department of Transportation:</u>			
Highway Planning and Construction	20.205*	BPMP-5925 (048)	874
Highway Planning and Construction	20.205*	SPOA-5925 (047)	14,375
Highway Planning and Construction	20.205*	STPCMLN-5925 (059)	4,803,798
Highway Planning and Construction	20.205*	RPSTPLE-5925 (043)	449,684
Highway Planning and Construction	20.205*	SRTSL-5925 (070)	96,189
Highway Planning and Construction	20.205*	STPLH-5925 (037)	42,514
Highway Planning and Construction	20.205*	STPLH-5925 (038)	278,730
Highway Planning and Construction	20.205*	HRRRL-5925 (055)	65,156

See accompanying Notes to Schedule of Expenditures of Federal Awards.

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass- through Grantor Award Number	Federal Expenditures
U.S. Department of Transportation (Continued)			
Highway Planning and Construction	20.205*	HSIPL-5925 (061)	\$ 135,579
Highway Planning and Construction	20.205*	HRRRL-5925 (056)	71,008
Highway Planning and Construction	20.205*	HSIPL-5925 (060)	52,362
Highway Planning and Construction	20.205*	BRLS-5925 (030)	239,265
Highway Planning and Construction	20.205*	BRLS-5925 (046)	519,636
Highway Planning and Construction	20.205*	BRLS-5925 (050)	224,847
Highway Planning and Construction	20.205*	BRLS-5925 (051)	149,945
Highway Planning and Construction	20.205*	BRLO-5925 (054)	105,931
Highway Planning and Construction	20.205*	BRLO-5925 (053)	108,165
Highway Planning and Construction	20.205*	BRLO-5925 (066)	35,137
Highway Planning and Construction	20.205*	BRLO-5925 (064)	88,900
Highway Planning and Construction	20.205*	CML-5925 (063)	155,089
Highway Planning and Construction	20.205*	CML-5925 (062)	4,908
ARRA - Highway Planning and Construction	20.205*	ESPL-5925 (069)	576,511
ARRA - Highway Planning and Construction	20.205*	ESPL-5925 (071)	3,939,229
ARRA - Highway Planning and Construction	20.205*	ESPL-5925 (072)	1,717,942
ARRA - Highway Planning and Construction	20.205*	ESPL-5925 (073)	439,255
Subtotal passed through State Department of Transportation and CFDA 20.205*			<u>14,315,029</u>
Total U.S. Department of Transportation			<u>\$ 14,325,990</u>
U.S. Institute Of Museum and Library Services			
<u>Passed through California State Library:</u>			
Grants to States: Eureka Leadership Grant 2009/10	45.310	40-7470	<u>1,469</u>
Total U.S. Institute of Museum and Library Services			<u>\$ 1,469</u>
U.S. Department of Energy			
<u>Passed through State Department of Community Services and Development:</u>			
ARRA - Weatherization Assistance for Low-Income Persons	81.042	09C-1808	<u>45,159</u>
Total U.S. Department of Energy			<u>\$ 45,159</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass- through Grantor Award Number	Federal Expenditures
U.S. Department of Education			
<u>Passed through State Department of Education via El Dorado County Office of Education:</u>			
Special Education Grants to States (IDEA, Part B)	84.027	N/A	\$ 91,159
<u>Passed through State Department of Rehabilitation:</u>			
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	27044	22,158
<u>Passed through State Department of Alcohol and Drug Programs:</u>			
Safe and Drug-Free Schools and Communities-States Grants	84.186	SDF-07-15	<u>161,715</u>
Total U.S. Department of Education			<u>\$ 275,032</u>
U.S. Department of Health and Human Services			
<u>Passed through State Department of Aging:</u>			
Special Programs for the Aging, Title VII, Chapter 3			
Programs for the Prevention of Elder Abuse, Neglect and Exploitation Program			
	93.041	AP-0910-29	3,252
Special Programs for the Aging, Title VII, Chapter 2			
Long Term Care Ombudsman Services for Older Individuals			
	93.042	AP-0910-29	18,082
Special Programs for the Aging, Title III, Part D -			
Disease Prevention and Health Promotion Services			
	93.043	AP-0910-29	12,322
National Family Caregiver Support, Title III, Part E			
	93.052	AP-0910-29	<u>96,312</u>
Subtotal			<u>129,968</u>
<i>Aging Cluster:</i>			
Special Programs for the Aging, Title III, Part B -			
Grants for Supportive Services and Senior Centers			
	93.044	AP-0910-29	229,582
Special Programs for the Aging, Title III,			
Part C_Nutrition Services			
	93.045	AP-0910-29	409,003
Nutrition Services Incentive Program			
	93.053	AP-0910-29	124,136
ARRA - Aging Home-Delivered Nutrition Services for States			
	93.705	NS-0809-29	13,010
ARRA - Aging Congregate Nutrition Services for States			
	93.707	NS-0809-29	<u>26,426</u>
<i>Total - Aging Cluster (see Note 10)</i>			<u>802,157</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass- through Grantor Award Number	Federal Expenditures
U.S. Department of Health and Human Services (Continued)			
Subtotal passed through State Department of Aging			\$ 932,125
<i>Total - passed through State Department of Aging , including CFDA 10.576 and 93.778 totals \$1,071,545 (see Note 7)</i>			
<u>Passed through Secretary of State:</u>			
Voting Access for Individuals with Disabilities - Grants to States HAVA 261 VOTE Grant	93.617	09G26104	1,650
Voting Access for Individuals with Disabilities - Grants to States HAVA 261 Polling Place Accessibility Training Program	93.617	09G26116	444
Subtotal passed through Secretary of State and CFDA 93.617			2,094
<u>Passed through County of Sacramento Department of Health & Human Services:</u>			
HIV Emergency Relief Project Grants: Ryan White	93.914	7275-07/10-07/09	59,300
HIV Emergency Relief Project Grants: Ryan White	93.914	N/A	95,800
Subtotal passed through County of Sacramento Department of Health and Human Services and CFDA 93.914			155,100
<u>Passed through State Department of Child Support Services:</u>			
Child Support Enforcement	93.563	1004-CA4004	3,344,064
ARRA - Child Support Enforcement	93.563	1004-CA4002	536,992
Subtotal passed through State Department of Child Support Services and CFDA 93.563			3,881,056
<u>Passed through State Department of Community Services and Development:</u>			
Low Income Home Energy Assistance (LIHEAP)			
LIHEAP - Energy Crisis Intervention Program (ECIP)	93.568	09B-5508	672,887
LIHEAP - Weatherization	93.568	09B-5508	400,510
LIHEAP - ECIP	93.568	10B-5608	260,351
LIHEAP - Weatherization	93.568	10B-5608	162,645
Subtotal CFDA 93.568			1,496,393

See accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass- through Grantor Award Number	Federal Expenditures
U.S. Department of Health and Human Services (Continued)			
<i>Community Services Block Grant (CSBG) Cluster:</i>			
Community Services Block Grant	93.569	08F-4910 (2009)	\$ 128,196
Community Services Block Grant	93.569	10F-4010	175,408
Subtotal CFDA 93.569			303,604
ARRA - Community Services Block Grant	93.710	09F-5110	98,256
<i>Total - CSBG Cluster (see Note 10)</i>			401,860
Subtotal Passed through State Department of Community Services and Development			1,898,253
<u>Passed through State Department of Public Health:</u>			
Public Health Emergency Preparedness - Bioterrorism	93.069	EPO-08-09	146,439
Public Health Emergency Preparedness - Bioterrorism	93.069	EPO-09-10	222,841
Public Health Emergency Preparedness - City Readiness	93.069	EPO-08-09	19,273
Public Health Emergency Preparedness - City Readiness	93.069	EPO-09-10	98,849
Public Health Emergency Preparedness - H1N1	93.069	EPO-09-10	241,586
Subtotal CFDA 93.069			728,988
Immunization Grants	93.268	09-11270	116,461
National Bioterrorism Hospital Preparedness Program	93.889	EPO-09-10	211,219
Maternal and Child Health Services Block Grant to the States	93.994	N/A	149,617
Subtotal passed through State Department of Public Health			1,206,285
<u>Passed through Marshall Medical Center:</u>			
Research on Healthcare Costs, Quality & Outcomes	93.226	5UC1HS016129-03	84,274
<u>Passed through State Department of Mental Health:</u>			
Projects for Assistance in Transition from Homelessness (PATH)	93.150	N/A	9,004
Block Grants for Community Mental Health Services	93.958	N/A	137,239
Subtotal passed through State Department of Mental Health			146,243

See accompanying Notes to Schedule of Expenditures of Federal Awards.

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass- through Grantor Award Number	Federal Expenditures
U.S. Department of Health and Human Services (Continued)			
<u>Passed through State Department of Social Services:</u>			
Promoting Safe and Stable Families (PSSF)	93.556	N/A	\$ 85,996
<i>Temporary Assistance for Needy Families (TANF) Cluster:</i>			
TANF - Maintenance Payments	93.558*	N/A	3,616,916
TANF - Administration	93.558*	N/A	4,444,838
TANF - ISAWS CIV	93.558*	N/A	50,507
Subtotal CFDA 93.558*			<u>8,112,261</u>
ARRA - Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Program	93.714*	N/A	<u>59,967</u>
Subtotal			<u>8,172,228</u>
<i>Total - TANF Cluster, including beginning federal loan balances in CFDA 93.558 totals \$8,173,863 (see Note 10)</i>			
Refugee and Entrant Assistance_State Administered Programs	93.566	N/A	2,607
Community-Based Child Abuse Prevention Grants	93.590	N/A	23,973
Child Welfare Services State Grants	93.645	N/A	141,489
Subtotal			<u>168,069</u>
Foster Care - Title IV-E Grant and Group Home Monthly Visits	93.658	N/A	70,830
Foster Care - Title IV-E	93.658	N/A	1,459,498
ARRA - Foster Care - Title IV-E	93.658	N/A	109,923
Foster Care - Title IV-E - Administration	93.658	N/A	1,159,407
Subtotal CFDA 93.658			<u>2,799,658</u>
Adoption Assistance	93.659	N/A	1,091,613
ARRA - Adoption Assistance	93.659	N/A	135,266
Adoption Assistance - Administration	93.659	N/A	144,426
Subtotal CFDA 93.659			<u>1,371,305</u>
Social Services Block Grant	93.667	N/A	188,002
Chafee Foster Care Independence Program	93.674	N/A	61,177
Subtotal			<u>249,179</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass- through Grantor Award Number	Federal Expenditures
U.S. Department of Health and Human Services (Continued)			
Subtotal passed through State Department of Social Services			<u>\$ 12,846,435</u>
Medicaid Programs			
<u>Passed through State Department of Aging:</u>			
Medical Assistance Program -			
Multipurpose Senior Services Program	93.778	MS-0910-35	<u>134,420</u>
Subtotal Medicaid Programs			
passed through State Department of Aging (See Note 7)			<u>134,420</u>
<u>Passed through State Department of Health Care Services:</u>			
Medical Assistance Program: Medicaid; Title XIX -Medical			
Administration Activities (MAA) FY 2006-2007	93.778	04-35086 A1	173,796
Medical Assistance Program: Medicaid; Title XIX -			
MAA FY 2007-2008	93.778	04-35086 A2	565,727
Medical Assistance Program: Medicaid; Title XIX -			
MAA FY 2008-2009	93.778	04-35086 A2	341,922
Medical Assistance Program: Medicaid; Title XIX - MAA	93.778	04-35086 A2	85,560
Medical Assistance Program: Medicaid; Title XIX - MAA	93.778	04-35086 A2	508,557
Medical Assistance Program: Child Health Administration	93.778	N/A	168,751
Medical Assistance Program: Maternal & Child Health	93.778	N/A	189,672
Medical Assistance Program: Child Health Disability Prevention	93.778	N/A	209,564
Medical Assistance Program: Child Health Diagnostic	93.778	N/A	<u>12,312</u>
Subtotal passed through			
State Department of Health Care Services			<u>2,255,861</u>
<u>Passed through State Department of Health Care</u>			
<u>Services via State Department of Social Services:</u>			
Medical Assistance Program Title XIX	93.778	N/A	1,678,071
Medical Assistance Program Title XIX	93.778	N/A	1,284,944
Medical Assistance Program: IHSS Public Authority	93.778	N/A	329,982
ARRA - Medical Assistance Program: IHSS Public Authority	93.778	N/A	47,392

See accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass- through Grantor Award Number	Federal Expenditures
U.S. Department of Health and Human Services (Continued)			
Medical Assistance Program: Medicaid; Title XIX Medi-Cal ISAWS C-IV	93.778	N/A	\$ 78,506
Subtotal passed through State Department of Health Care Services via State Department of Social Services			<u>3,418,895</u>
<u>Passed through State Department of Veterans Affairs:</u>			
Medical Assistance Program - Medi-Cal Cost Avoidance - CVSO	93.778	N/A	4,103
Subtotal CFDA 93.778			<u>5,813,279</u>
<u>Passed through State Department of Alcohol and Drug Programs:</u>			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	07-NNA09 A2	877,657
Total U.S. Department of Health and Human Services			<u>\$ 27,842,801</u>
U.S. Department of Homeland Security			
<u>Passed through California Emergency Management Agency:</u>			
Emergency Management Performance Grant	97.042	2009-15 OES #017-00000	101,159
State Homeland Security Program (SHSP)	97.073	2007-0008 OES ID #017-00000	41,384
State Homeland Security Program (SHSP)	97.073	2008-0006 OES ID #017-00000	130,986
State Homeland Security Program (SHSP)	97.073	2009-0019 Cal EMA ID #017-00000	13,050
Subtotal CFDA 97.073			<u>185,420</u>
Law Enforcement Terrorism Prevention Program (LETPP)	97.074	2007-0008 OES ID #017-00000	16,260
Subtotal passed through California Emergency Management Agency			<u>302,839</u>
Total U.S. Department of Homeland Security			<u>\$ 302,839</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 56,567,170</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass- through Grantor Award Number	Federal Expenditures
<u>Beginning Federal Loan Balances With a Continuing Compliance Requirement</u>			
U.S. Department of Housing and Urban Development			
Passed through State Department of <u>Housing and Community Development:</u>			
Community Development Block Grant (CDBG)/State's Program	14.228	N/A	\$ 2,271,328
Home Investment Partnerships Program (HOME)	14.239*	N/A	<u>3,356,509</u>
Total U.S. Department of Housing and Urban Development			<u>\$ 5,627,837</u>
U.S. Department of Health and Human Services			
Passed through State Department of Social Services:			
Temporary Assistance for Needy Families	93.558*	N/A	<u>1,635</u>
Total U.S. Department of Health and Human Services			<u>\$ 1,635</u>
Total Federal Loan Balances from Previous Years with a Continuing Compliance Requirement (see Note 5)			<u>\$ 5,629,472</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS INCLUDING LOANS FROM PREVIOUS YEARS			<u>\$ 62,196,642</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

* Major Program

COUNTY OF EL DORADO

Notes to Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2010

Note 1: **Reporting Entity**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) presents the activity of all federal awards programs of the County of El Dorado (County), with the exception of El Dorado County Transit Authority, which expended \$3,959,223 of federal awards, and was subject to a separate single audit by independent auditors. The County's reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included in the Schedule.

Note 2: **Basis of Accounting**

The accompanying Schedule includes the federal grant activity of the County, and is presented on accounting principles generally accepted in the United States of America. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Non-cash Assistance. The Schedule contains values for the following non-cash assistance, which are not presented in the financial statements:

10.557 Special Supplement Nutrition Program for Women, Infants and Children-Vouchers Redeemed totaling \$2,512,695 are reported at the value of client purchases of authorized food products.

10.576 Senior Farmers Market Nutrition Program – Coupons of \$5,000 are reported at the value of coupons distributed.

COUNTY OF EL DORADO

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Note 3: **Relationship to Financial Statements**

The expenditures reported in the accompanying Schedule agree, in all material respects, to the associated expenditures reported within the County's fund financial statements. Specifically, with the exception of federal award expenditures reported on a cash basis, federal award expenditures accounted for under governmental fund types use the modified accrual basis of accounting while those accounted for under proprietary fund types use the accrual basis of accounting. Federal award expenditures that are required to be reported by the federal cognizant agency on a cash basis have been reported on the Schedule on a cash basis. Any differences between the cash and modified accrual basis of accounting for these expenditures are immaterial.

Note 4: **Subrecipients**

Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the County provided federal awards to subrecipients as follows:

<u>CFDA</u>	<u>Program</u>	<u>Amount</u>
10.665	Schools and Roads – Grants to States	\$ 281,283
14.241	Housing Opportunities for Persons with AIDS	49,135
16.585	Drug Court Discretionary Grant Program	44,242
93.226	Research on Healthcare Costs, Quality and Outcomes	71,137
93.658	Foster Care (Maintenance Payments)	943,035
93.659	Adoption Assistance	65,912
93.778	Medical Assistance Program	276,765
93.889	National Bioterrorism Hospital Preparedness Program	66,038
93.914	HIV Emergency Relief Project Grants	146,905
93.959	Block Grants for Prevention and Treatment of Substance Abuse	315,735
97.073	State Homeland Security Program (SHSP)	<u>15,314</u>
	TOTAL	<u>\$ 2,275,501</u>

COUNTY OF EL DORADO

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Note 5: **Loans with Continuing Compliance Requirement**

Loans funded through federal programs, for which the federal government is at risk, carried the following balances as of June 30, 2010:

Federal CFDA Number	Program Title	Balance of Loans from Previous Years, Net of Repayments a)	New Loans b)	Amount Outstanding June 30, 2010
14.228	Community Development Block Grant	\$ 2,271,328	\$ 57,744	\$ 2,329,072
14.239	HOME Investment Partnership Program	3,356,509	438,648	3,795,157
93.558	Temporary Assistance for Needy Families	1,635	--	1,635
	TOTAL	\$ 5,629,472	\$ 496,392	\$ 6,125,864

a) Value of loans made in previous years, net of principal loan repayments received to date (including repayments on new loans), for which the federal government imposes continuing compliance requirements.

b) Value of loans made during the year, exclusive of repayments.

Note 6: **Pass-Through Grantor Award Number**

When federal awards were received from a pass-through entity, the Schedule of Expenditures of Federal Awards shows, if available, the grantor award number assigned by the pass-through entity. When no grantor award number is shown, the County has either determined that no grantor award number is assigned for the program or the County was unable to obtain a grantor award number from the pass-through entity.

COUNTY OF EL DORADO

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Note 7: **Department of Aging Federal/State Share**

The California Department of Aging (CDA) requires agencies that receive CDA funding to display state-funded expenditures discretely along with the related federal expenditures. The County expended the following federal and state amounts under these grants:

<u>CFDA</u>	<u>Contract</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>
10.576	AP-0910-29 (SFMNP)	\$ 5,000	\$ -
93.041	AP-0910-29 (VII Chapter 3)	3,252	-
93.042	AP-0910-29 (VII Chapter 2)	18,082	-
93.043	AP-0910-29 (III Part D)	12,322	-
93.044	AP-0910-29 (III Part B)	229,582	-
93.045	AP-0910-29 (III C-1)	268,959	16,922
93.045	AP-0910-29 (III C-2)	140,044	12,276
93.052	AP-0910-29 (III Part E)	96,312	-
93.053	AP-0910-29 (C-1)	60,626	-
93.053	AP-0910-29 (C-2)	63,510	-
93.705	NS-0809-29 (ARRA)	13,010	-
93.707	NS-0809-29 (ARRA)	26,426	-
93.778	MS-0910-35 (MSSP)	134,420	134,420
*CBSP	AP-0910-29 (CBSP)	-	88,289
*OVRI	AP-0910-29	-	10,271
	TOTAL	<u>\$ 1,071,545</u>	<u>\$ 262,178</u>

* The state-only funded grants do not have an applicable CFDA number. The two grants funded entirely by the state that are included above are the Community Based Services Program (CBSP) for \$88,289 and the Ombudsman Volunteer Recruitment Initiative (OVRI) program for \$10,271.

COUNTY OF EL DORADO

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Note 8: **California Department of Transportation**

The County expended the State amounts on the following projects during the year ended June 30, 2010:

<u>Program</u>	<u>Contract</u>	<u>State Expenditures</u>
Federal Apportionment Exchange Program and State Match Program (RSTP Exchange)		
Direct Program:		
RSTP Exchange	X09-5925(068)	\$ 176,150
RSTP Exchange	X08-5925(058)	332,615
State Match	X08-5925(058)	42,898
State Match	X07-5925(052)	<u>61,259</u>
Subtotal		<u>612,922</u>
Passed through El Dorado County Transportation Commission:		
RSTP Exchange	X08-6157(033)	<u>79,381</u>
Passed through Tahoe Regional Planning Agency:		
RSTP Exchange	X98-6125(004)	10,216
RSTP Exchange	X99-6125(006)	3,060
RSTP Exchange	X04-6125(017)	<u>1,612</u>
Subtotal		<u>14,888</u>
TOTAL		<u>\$ 707,191</u>

In addition to the amounts reported above, in the fiscal year ended June 30, 2008 the County over reported RSTP Exchange expenditures under Contract X06-5925(044) by \$3,491. The correct amount that should have been reported as State Expenditures for the year ended June 30, 2008 is \$172,668.

COUNTY OF EL DORADO

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Note 9: **Change in Reporting Department of Transportation Administration and Indirect Costs**

In prior fiscal years the amounts expended and recorded as administration and indirect costs associated with the County's Department of Transportation (DOT) federal awards were not reported as federal funded expenditures in the respective years because the State had not approved the administration or indirect rates. In fiscal year 2009-2010 procedures were modified to include these amounts in the Schedule. Further, unreported prior year administration and indirect costs have been added to the Schedule.

Adjustments included in the reported 2009-2010 Schedule totaled \$765,683 for the fiscal years ended June 30, 2006, 2007, and 2008 and \$252,359 for fiscal year ended June 30, 2009. The schedule below details the prior year adjustments by CFDA# and pass-through grantor award number that are reported in the Schedule in addition to the federally funded expenditures incurred in 2009-2010.

<u>Federal CFDA</u>	<u>Pass-through Grantor Award Number</u>	<u>Fiscal Years Ended June 30, 2006 through 2008</u>	<u>Fiscal Year Ended June 30, 2009</u>
20.205	BPMP-5925 (048)	\$ 874	\$ -
20.205	SPOA-5925 (047)	14,375	-
20.205	STPLH-5925 (037)	42,514	-
20.205	STPLH-5925 (038)	278,729	-
20.205	HRRRL-5925 (055)	65,156	-
20.205	HSIPL-5925 (061)	-	18,324
20.205	HRRRL-5925 (056)	50,213	-
20.205	HSIPL-5925 (060)	-	3,895
20.205	BRLS-5925 (030)	93,030	5,747
20.205	BRLS-5925 (046)	157,775	97,419
20.205	BRLS-5925 (050)	61,748	57,957
20.205	BRLS-5925 (051)	1,269	25,315
20.205	BRLO-5925 (054)	-	14,994
20.205	BRLO-5925 (053)	-	12,678
20.205	BRLO-5925 (066)	-	5,955
20.205	BRLO-5925 (064)	-	10,075
	TOTAL	<u>\$ 765,683</u>	<u>\$ 252,359</u>

COUNTY OF EL DORADO

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Note 10: **Program Clusters**

Federal programs, which are considered together as a program cluster, include the following:

<u>Federal CFDA</u>	<u>Program Title</u>	<u>Federal Expenditures</u>
<u>WIA Cluster:</u>		
17.258	WIA Adult Program	\$ 318,300
17.258	ARRA – WIA Adult Program	78,116
17.259	WIA Youth Activities	202,122
17.259	ARRA – WIA Youth Activities	67,292
17.260	WIA Dislocated Workers	331,447
17.260	ARRA – WIA Dislocated Workers	<u>352,018</u>
	TOTAL	<u>\$ 1,349,295</u>
<u>Aging Cluster:</u>		
93.044	Special Programs for the Aging – Title III, Part B – Grants for Supportive Services and Senior Centers	\$ 229,582
93.045	Special Programs for the Aging – Title III, Part C – Nutrition Services	409,003
93.053	Nutrition Services Incentive Program	124,136
93.705	ARRA – Aging Home-Delivered Nutrition Services for States	13,010
93.707	ARRA – Aging Congregate Nutrition Services for States	<u>26,426</u>
	TOTAL	<u>\$ 802,157</u>
<u>TANF Cluster:</u>		
93.558	Temporary Assistance for Needy Families (TANF)	\$ 8,113,896
93.714	ARRA – Emergency Contingency Fund for TANF State Program	<u>59,967</u>
	TOTAL	<u>\$ 8,173,863</u>

COUNTY OF EL DORADO

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Note 10: **Program Clusters** (continued)

CSBG Cluster:

93.569	Community Services Block Grant	\$ 303,604
93.710	ARRA – Community Services Block Grant	<u>98,256</u>
	TOTAL	<u>\$ 401,860</u>

COUNTY OF EL DORADO

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010

Section 1

Financial Statements

Summary of Auditor's Results

- | | |
|--|---------------|
| 1. Type of auditor's report issued: | Unqualified |
| 2. Internal controls over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None Reported |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|-------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| 2. Type of auditor's report issued on compliance for major programs: | Unqualified |
| 3. Any audit findings disclosed that are required to be reported in accordance with Circular OMB A-133, Section 510(a)? | Yes |
| 4. Identification of major programs: | |

CFDA Number

- | | |
|------------------------|---|
| 10.561 | State Administrative Matching Grants for Supplemental Nutrition Assistance Program (SNAP) |
| 10.557 | Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) |
| 14.239 | Home Investment Partnerships Program (HOME) |
| 17.258, 17.259, 17.260 | Workforce Investment Act (WIA) Cluster |
| 20.205 | Highway Planning and Construction |
| 93.558, 93.714 | Temporary Assistance for Needy Families (TANF) Cluster |

COUNTY OF EL DORADO

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010

Section 1

Federal Awards

Summary of Auditor's Results

- | | |
|---|--------------|
| 5. Dollar threshold used to distinguish between Type A and Type B programs? | \$ 1,865,899 |
| 6. Auditee qualified as a low-risk auditee under OMB Circular A-133, Section 530? | No |

Section 2

Financial Statement Findings

None Reported

Section 3

Federal Award Findings and Questioned Costs

Temporary Assistance for Needy Families Cluster	Finding 10-SA-1
Temporary Assistance for Needy Families Cluster	Finding 10-SA-2

COUNTY OF EL DORADO

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010

Finding/Program	Findings/Noncompliance
<p>Finding 10-SA-1: Temporary Assistance for Needy Families (TANF) Cluster CFDA 93.558 and 93.714 Award No. n/a Year: 09/10</p>	<p><i>Federal Grantor: U.S. Department of Health and Human Services</i> <i>Pass-Through Entity: State Department of Social Services</i> <i>Compliance Requirement: Eligibility, Special Tests</i></p> <p><u>Criteria</u></p> <p>As required by § 1137 of the Social Security Act, income and benefit information from the Income Eligibility and Verification System (IEVS) database must be requested and used when making eligibility determinations. The County must review and compare the information obtained from IEVS against information contained in the case record to determine whether it affects the individual's eligibility or level of assistance, benefits or services.</p> <p><u>Condition</u></p> <p>We tested eligibility in 40 TANF cases and found that proper documentation of the IEVS being received and reviewed prior to determining eligibility was not provided for 12 cases or 22 individuals out of the 99 tested.</p> <p><u>Questioned Costs</u></p> <p>We do not question costs as recipients appeared to be eligible based on other procedures performed.</p> <p><u>Perspective</u></p> <p>The error rate for the sample was 22.2%.</p> <p><u>Effect of Condition</u></p> <p>The IEVS system is an elaborate, federally-mandated system which compiles government information for the purpose of tracking federal program eligibility data. Not requesting and using IEVS or properly documenting the IEVS use in eligibility determination can result in individuals receiving benefits to which they are not entitled.</p> <p><u>Recommendation</u></p> <p>We recommend that the County implement procedures to use IEVS in each eligibility determination and that the review of IEVS is documented in each case.</p>

COUNTY OF EL DORADO

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2010

Finding/Program	Findings/Noncompliance
Finding 10-SA-1: (continued) Temporary Assistance for Needy Families (TANF) Cluster CFDA 93.558 and 93.714	<u>Corrective Action Plan</u> In response to Audit Finding 10-SA-1, the processes outlined below were implemented on January 13, 2011. Eligibility Workers (EWs) have been trained on these processes and random case reviews are performed by the supervisor and lead workers to ensure that IEVS is used in each eligibility determination and that the IEVS review is documented in each case. Debbie Stack, Program Manager, is responsible for the implementation of this plan and she can be reached at (530) 642-7325. <ul style="list-style-type: none">• EWs are to print an Eligibility Workload Inventory Report (EWIR) from the C-IV system on a monthly basis. TANF cases will be identified on this report. The EW will note the person number of the individuals for whom an IEVS report is needed and the list will be forwarded to the Medi-Cal Eligibility Data System (MEDS) clerk who is located in the main DHS Placerville office. The MEDS clerk will request an IEVS report through MEDS for each person noted on the EWIR.<ul style="list-style-type: none">○ A quality control solution is also being implemented. In addition to the individual EW printing the EWIR, a report from the DHS Help Desk will be created monthly. This report will provide the supervisor with a list of those cases which require an IEVS report. The supervisor and lead worker will use this list as a tool for random case reviews to ensure that IEVS are requested appropriately.○ The EWs are required to complete a case tracking sheet for each case that is granted benefits. IEVS are to be signed off by the EW, per regulation, verifying each IEVS has been received and reviewed for each required person in the case prior to determining eligibility is included on the case tracking sheet.○ The County is also supporting a System Change Request (SCR) with C-IV to automate the process of requesting IEVS reports for TANF cases at renewal. Currently IEVS reports are automatically requested in the C-IV system at application and add a person.• The supervisor has informed each EW in the unit that benefits shall only be authorized after an IEVS report has been reviewed and cleared in accordance with TANF regulation.<ul style="list-style-type: none">○ EWs will enter case notes in the C-IV system when an IEVS report has been requested.○ The MEDS clerk will enter case notes in the C-IV system when an IEVS report has been ordered.○ When the IEVS report has been received and reviewed, the EW will enter case notes in the C-IV system noting the outcome.

COUNTY OF EL DORADO

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010

Finding/Program	Findings/Noncompliance
<p>Finding 10-SA-2: Temporary Assistance for Needy Families (TANF) Cluster CFDA 93.558 and 93.714 Award No. n/a Year: 09/10</p>	<p><i>Federal Grantor: U.S. Department of Health and Human Services</i> <i>Pass-Through Entity: State Department of Social Services</i> <i>Compliance Requirement: Eligibility</i></p> <p><u>Criteria</u></p> <p>As required by federal law, each individual applying for federal assistance is required to complete and return to the County a quarterly report commonly known as the QR7. This document is used to report all income for the quarter by everyone living in the home. This information is used when making eligibility determinations for the upcoming quarter regarding whether it affects the individual's eligibility or level of assistance, benefits or services.</p> <p><u>Condition</u></p> <p>We tested eligibility in 40 TANF cases and found one case for which the QR7 was not in the case file. It appears the QR7 was not completed.</p> <p><u>Questioned Costs</u></p> <p>We do not question costs as recipients appeared to be eligible based on other procedures performed.</p> <p><u>Perspective</u></p> <p>The error rate for the sample was 2.5%.</p> <p><u>Effect of Condition</u></p> <p>When documentation of income is not complete or is not correct it may result in individuals receiving more benefits to which they are entitled.</p> <p><u>Recommendation</u></p> <p>We recommend that the County implement procedures to ensure that the QR7 for each case is received, reviewed, and retained and that the information that is reported on the QR7 matches the information in the eligibility system.</p>

COUNTY OF EL DORADO

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010

Finding/Program	Findings/Noncompliance
<p>Finding 10-SA-2: (continued)</p> <p>Temporary Assistance for Needy Families (TANF) Cluster CFDA 93.558 and 93.714</p> <p>Award No. n/a Year: 09/10</p>	<p><u>Corrective Action Plan</u></p> <p>In response to Audit Finding 10-SA-2, the processes outlined below were implemented on May 18, 2010. Eligibility Workers (EWs) have been trained on these processes and random case reviews are performed by the supervisor and lead workers to ensure that the QR 7 for each case is received, reviewed, and retained and that the information that is reported on the QR 7 is matched to the information in the eligibility system. Debbie Stack, Program Manager, is responsible for the implementation of this plan and she can be reached at (530) 642-7325.</p> <ul style="list-style-type: none">• Bar-coded QR 7s are now electronically logged in and imaged by DHS staff. The C-IV system is programmed to discontinue cases in which the QR 7 has not been submitted and appropriate Notice of Actions are sent to the clients, terminating benefits.• A monthly productivity list which reports the status of QR 7s as well as other critical eligibility documents for each month is available in the C-IV system. EWs monitor this list and can identify missing or incomplete QR 7s and take appropriate action.• El Dorado County implemented the scanning, imaging and indexing of eligibility documents in 2010.<ul style="list-style-type: none">○ An instructive email was distributed to staff regarding proper imaging techniques on May 18, 2010.○ Subsequent training was provided on May 27, 2010.○ Discussions on how to fine tune and improve this element of case work is a routine topic at Eligibility Unit meetings, individual EW trainings and Supervisor/Manager Meetings.• Processes have been put into place to ensure that:<ul style="list-style-type: none">○ All scanned cases and individual documents will be reviewed for quality and completeness.○ All images being scanned must be reviewed for quality and completeness before they are indexed to a case.○ Images found to be indexed incorrectly are to be updated and re-indexed to the correct area of record.○ Images found to be indexed to the wrong case/person are to be re-indexed to the proper case/person.

COUNTY OF EL DORADO

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2010

<u>Finding/Program</u>	<u>Findings/Noncompliance</u>
N/A	None reported.