

COUNTY OF STANISLAUS

SINGLE AUDIT REPORT

JUNE 30, 2007

**COUNTY OF STANISLAUS
SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2007**

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REPORTS

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**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**

The Honorable Grand Jury and Board of Supervisors
Stanislaus County
Modesto, California

Harvey J. McCown, MBA, CPA
Lynn R. Krausse, CPA, MST
Rosalva Flores, CPA
Connie M. Perez, CPA
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Craig A. Rickett, CPA

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Stanislaus, California (the County), as of and for the year ended June 30, 2007, which collectively comprise the County's basic financial statements and have issued our report thereon dated January 7, 2008. 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.

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 of Stanislaus' internal control over financial reporting.

A control deficiency 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 significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects an entity's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control over financial reporting.

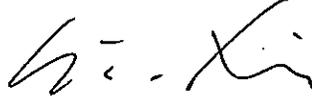
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be presented or detected by the entity's internal control. Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the County of Stanislaus in a separate letter dated January 7, 2008.

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*.

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.

BROWN ARMSTRONG PAULDEN
McCOWN STARBUCK THORNBURGH & KEETER
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink, appearing to read "S. - X. i", is written over the printed name of the accounting firm.

Bakersfield, California
January 7, 2008



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REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Honorable Grand Jury and Board of Supervisors
Stanislaus County
Modesto, California

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Compliance

We have audited the compliance of the County of Stanislaus, California (the County), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2007. 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, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County of Stanislaus' management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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.

The results of our auditing procedures disclosed instances of noncompliance with the requirements referred to above, which are required to be reported in accordance with OMB Circular A-133 and that are described in the accompanying Schedule of Findings and Questioned Costs as items 07-2 and 07-3. We also noted certain immaterial instances of noncompliance, which we have reported to management of the County of Stanislaus in a separate report dated January 7, 2008.

In our opinion, except for the noncompliance described in the preceding paragraph, the County of Stanislaus complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with 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 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, 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 would not necessarily identify all deficiencies in the County's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be deficiencies.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompany Schedule of Findings and Questioned Costs as items 07-01 through 07-03 to be control deficiencies

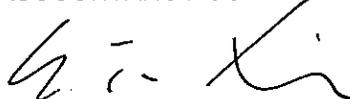
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. However, we believe that none of the deficiencies described above are material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Stanislaus, California, as of and for the year ended June 30, 2007, and have issued our report thereon dated January 7, 2008. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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.

BROWN ARMSTRONG PAULDEN
McCOWN STARBUCK THORNBURGH & KEETER
ACCOUNTANCY CORPORATION



Bakersfield, California
January 7, 2008

SCHEDULE

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2007**

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Catalog of federal domestic assistance number</u> | <u>Supplemental identifying number</u> | <u>Expenditures</u> |
|---|--|--|---------------------|
| Passed through Office of National Drug Control Policy (ONDCP) | | | |
| High Intensity Drug Traffic Area (HIDTA) 2004 | 07.xxx | 14PVCP501 | \$ 120,512 |
| High Intensity Drug Traffic Area (HIDTA) 2005 | 07.xxx | 15PVCP501 | 1,632,913 |
| High Intensity Drug Traffic Area (HIDTA) 2006 | 07.xxx | 16PVCP501 | 2,227,370 |
| High Intensity Drug Traffic Area (HIDTA) 2007 | 07.xxx | 17PVCP501 | <u>99,266</u> |
| TOTAL DRUG-FREE COMMUNITIES SUPPORT PROGRAM GRANT | | | <u>4,080,061</u> |
| U.S. DEPARTMENT OF AGRICULTURE | | | |
| Direct Program - | | | |
| Seniors Farmers Market Program | 10.576 | 30-06-07 | 21,740 |
| Passed through California Department of Food and Agriculture: | | | |
| Inspection, Grading, & Standardization | 10.162 | 06-0236 | 5,254 |
| Passed through California Department of Education | | | |
| National School Lunch Program | 10.555 | N/A | 209,265 |
| Summer Food Service Prog (SFSP) | 10.559 | CN066047 | 1,611 |
| Passed through California Department of Aging: | | | |
| SAWS CIV Food Stamps | 10.561 | * | 919,642 |
| Passed through California Department of Social Services: | | | |
| Food Stamps-Issuance | 10.551 | * | 49,782,186 |
| Food Stamp - Administration | 10.561 | * | 3,888,531 |
| Passed through California Department of Health Services: | | | |
| Special Supp Food Pgm for WIC | 10.557 | * | 2,270,858 |
| CNN | 10.557 | * | 166,111 |
| Nutrition Education (PHCA) | 10.561 | * | <u>87,000</u> |
| TOTAL U.S. DEPARTMENT OF AGRICULTURE | | | <u>57,352,198</u> |
| U.S. DEPARTMENT OF HUD | | | |
| Passed through California Department of Housing & Comm Development: | | | |
| HUD - CDBG Funds 03/04 | 14.228 | B-03-UC-06-0010 | 36,163 |
| HUD - CDBG Funds 04/05 | 14.228 | B-04-UC-06-0010 | 225,442 |
| HUD - CDBG Funds 05/06 | 14.228 | B-05-UC-06-0010 | 1,368,889 |
| HUD - CDBG Funds 06/07 | 14.228 | B-06-UC-06-0010 | 1,339,446 |
| HUD - ESG Funds 05/06 | 14.231 | B-05-UC-06-0010 | 16,916 |
| HUD - ESG Funds 06/07 | 14.231 | B-06-UC-06-0010 | <u>92,625</u> |
| TOTAL U.S. DEPT. OF HUD | | | <u>3,079,481</u> |

* Major Program

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133.

COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2007

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Catalog of federal assistance number</u> | <u>Supplemental Identifying number</u> | <u>Expenditures</u> |
|---|---|--|---------------------|
| U.S. DEPARTMENT OF LABOR | | | |
| Passed through California Dept of Aging: | | | |
| Senior Community Service Employment Program | 17.235 | 30-06-07 | 54,571 |
| Passed through California Development Department: | | | |
| WIA 15%- Youth Special Program-Bridge | 17.253 | * R692512-648 | 45,199 |
| WIA 15% LVN Grant | 17.258 | * R588761-693 | 17,424 |
| WIA-Adult Program | 17.258 | * R692512-202 | 475,693 |
| WIA-Adult Program | 17.258 | * R760360-201 | 420,222 |
| WIA-Adult Program | 17.258 | * R760360-202 | 1,885,665 |
| WIA-Incentive | 17.258 | * R692512-113 | 5,761 |
| WIA 15% Central partnership for San Joaquin Valley | 17.258 | * R692512-688 | 2,811 |
| WIA-Youth Activities | 17.259 | * R692512-302 | 584,950 |
| WIA-Youth Activities | 17.259 | * R760360-301 | 1,774,307 |
| WIA-Youth Activities | 17.259 | * R760360-302 | 45,880 |
| WIA-Dislocated Workers | 17.260 | * R692512-501 | 209,838 |
| WIA-Dislocated Workers | 17.260 | * R692512-511 | 932 |
| WIA-Dislocated Workers | 17.260 | * R760360-501 | 752,233 |
| WIA-Dislocated Workers | 17.260 | * R760360-502 | 660,501 |
| WIA-Rapid Response | 17.260 | * R760360-540 | 44,972 |
| WIA-Rapid Response | 17.260 | * R760360-541 | 134,917 |
| TOTAL U.S. DEPARTMENT OF LABOR | | | <u>7,115,876</u> |
| U.S. DEPARTMENT OF TRANSPORTATION | | | |
| Passed through California Department of Transportation | | | |
| Highway Planning and Construction | 20.205 | various | 1,305,741 |
| Rural Transit & Procurement FTA Section 5311 | 20.509 | | 389,031 |
| TOTAL U.S. DEPARTMENT OF TRANSPORTATION | | | <u>1,694,772</u> |
| U.S. ENVIRONMENTAL PROTECTION AGENCY | | | |
| Passed through California Water Resources Control Board: | | | |
| Local Groundwater Protection Pilot | 66.606 | EP059000206 | 24,629 |
| Underground Storage Tank Trust Fund Program | 66.805 | 06-027-250-0 | 54,354 |
| TOTAL U.S. DEPARTMENT OF ENVIRONMENTAL PROTECTION | | | <u>78,983</u> |

* Major Program

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133.

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2007**

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Catalog of federal domestic assistance number</u> | <u>Supplemental identifying number</u> | <u>Expenditures</u> |
|--|--|--|---------------------|
| U.S. DEPARTMENT OF HOMELAND SECURITY | | | |
| Passed through California Department of Homeland Security: | | | |
| FY04, CERT | 97.004 | 2004-45 | 12,870 |
| FY05, EMPG | 97.042 | 2005-15 | 97,920 |
| FY05, MMRS | 97.071 | 2005-15 | 220,764 |
| FY03, II Homeland Security | 97.073 | 2003-35 | 187,933 |
| FY04, SHSP | 97.073 | 2004-45 | 821,906 |
| FY05, SHSP | 97.073 | 2005-15 | 989,035 |
| FY06, EMPG | 97.073 | 2009-8 | 213,664 |
| FY06, SHSP | 97.073 | 2006-71 | 131,046 |
| FY04, LETPP | 97.074 | 2004-45 | 7,682 |
| FY05, LETPP | 97.074 | 2005-15 | 291,091 |
| FY06, LETPP | 97.074 | 2006-71 | 35,022 |
| FY05, BZPP | 97.078 | 2005-68 | <u>96,845</u> |
| TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY | | | <u>3,105,778</u> |
| U.S. DEPARTMENT OF JUSTICE | | | |
| Bureau of Justice Assistance (JAG 2006) (subrecipient) | 16.738 | | 30,593 |
| Passed through Office of Criminal Justice Planning | | | |
| Juvenile Accountability Grant 2006 | 16.523 | N/A | 40,960 |
| Juvenile Accountability Grant 2005 | 16.523 | N/A | 25,531 |
| Juvenile Accountability Grant 2004 | 16.523 | N/A | 35,934 |
| Juvenile Accountability Grant 2003 | 16.523 | N/A | 12,006 |
| Victim Witness Program | 16.575 | AT06 03 0500 | 158,664 |
| Weed & Seed Program | 16.595 | 2006-WS-Q-0137 | 25,046 |
| Passed through State Office of Justice Planning | | | |
| 2006 Justice Administration Grant | 16.738 | 2006DJBX0106 | 33,310 |
| 2005 Justice Administration Grant | 16.738 | 2005DJBX1542 | 38,868 |
| Passed through California Department of Social Services: | | | |
| Stop Abusive & Violent Environments (SAVE) Grant | 16.588 | N/A | 51,037 |
| Passed through State Office of Emergency Services (OES) | | | |
| Violence Against Women Vertical Prosecution | 16.588 | PU06050500 | 42,189 |
| Elder Abuse Prosecution | 16.575 | EA05080500 | 6,877 |
| Elder Abuse Prosecution | 16.575 | EA06090500 | 54,898 |
| Victims of Crime ACT-CHAT | 16.575 | VW05240500 | <u>155,868</u> |
| TOTAL U.S. DEPARTMENT OF JUSTICE | | | <u>711,781</u> |
| ELECTIONS ASSISTANCE PROGRAMS | | | |
| Passed through Secretary of State's Office: | | | |
| Help America Vote Act Requirements Payments | 90.401 | 05GR301007 | <u>669,601</u> |
| TOTAL ELECTIONS ASSISTANCE PROGRAMS | | | <u>669,601</u> |

* Major Program

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133.

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2007**

| Federal grantor/pass-through grantor/program title | Catalog of federal domestic assistance number | Supplemental identifying number | Expenditures |
|--|---|---------------------------------|--------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | |
| Passed through Secretary of State's Office: | | | |
| Voting Access for Individual with Disabilities Grant | 93.617 | 05GREAID50 | 44,777 |
| Passed through California Department of Education: | | | |
| Stage 2 Child Care (D) | 93.575 | C2AP-6073 | 5,069,939 |
| Stage 3 Child Care (D) | 93.575 | C3AP-6073 | 1,526,088 |
| Stage 3 Child Care (D) | 93.596 | CAPP-6081 | 36,440 |
| Passed through California Department of Social Services: | | | |
| Promoting Safe and Stables Families | 93.556 | N/A | 426,505 |
| Temporary Assistance for Needy Families | 93.558 | * | 47,038,726 |
| Child Support Enforcement | 93.563 | 2708/2907/2711 | 11,940,237 |
| Refugee and Entrant Assistance | 93.566 | N/A | 511,056 |
| Child Welfare Services/CWS Direct Cost IVB | 93.645 | N/A | 413,067 |
| Foster Care -Title IVB | 93.658 | N/A | 6,836,399 |
| Out-of-Home Placement Prevention - Title Ivc | 93.658 | N/A | 1,950,520 |
| Adoptions Assistance | 93.659 | * | 4,859,942 |
| CWS Title XX | 93.667 | N/A | 281,279 |
| Foster Home Licensing Title XX | 93.667 | N/A | 1,616 |
| Independent Living - ILP | 93.674 | N/A | 207,643 |
| SB933 Monthly Group Home Visits | 93.660 | N/A | 25,423 |
| Passed through California Department of Health Services: | | | |
| TB Prevention | 93.116 | N/A | 57,189 |
| Childhood Lead Poisoning | 93.197 | 02-25082 | 63,850 |
| Family Planning Services Title X | 93.217 | N/A | 141,863 |
| Immunization Project Subvention | 93.268 | 02-26012 | 190,236 |
| Emergency Preparedness | 93.283 | EPO 0650 | 638,022 |
| Calif Children's Services | 93.778 | * | 1,081,200 |
| Medi-Cal Administration Activities | 93.778 | * | 1,015,393 |
| Targeted Case management | 93.778 | * | 3,653,721 |
| Child Health & Disability Program | 93.778 | * | 607,206 |
| Outreach, Enrollment, Retention & Utilization Grant | 93.778 | * | 117,877 |
| Maternal & Child Health Services | 93.994 | 200350 | 401,348 |
| Passed through California Department of Aging: | | | |
| Title VII(B), Elder Abuse Prevention | 93.041 | 30-06-07 | 6,496 |
| Title VII(A), Ombudsman Program | 93.042 | 30-06-07 | 17,874 |
| Title III-f, Preventive Health | 93.043 | 30-06-07 | 26,519 |
| Title III-B, Supportive Services | 93.044 | 30-06-07 | 374,682 |
| Title III-C1, Congregate Nutrition | 93.045 | 30-06-07 | 282,727 |
| Title III-C2 Home Delivered Nutrition | 93.045 | 30-06-07 | 384,030 |
| Title III-E, Family Caregiver | 93.052 | 30-06-07 | 170,443 |
| Food Distribution | 93.053 | 30-06-07 | 102,912 |
| SAWS CIV TANF | 93.558 | * | 1,009,832 |
| SAWS CIV Refugee | 93.566 | N/A | 587 |
| SAWS CIV KINGAP | 93.658 | N/A | 10,674 |
| SAWS CIV Midi-Cal | 93.778 | * | 1,619,718 |
| Multi-Purpose Senior Services (MSSP) Title XIX | 93.778 | * | 429,877 |
| CBSP Health Insurance Advocacy Program | 93.779 | 30-06-07 | 56,358 |

* Major Program

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133.

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2007**

| <u>Federal grantor/pass-through grantor/program title</u> | <u>Catalog of federal domestic assistance number</u> | <u>Supplemental identifying number</u> | <u>Expenditures</u> |
|---|--|--|-----------------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | |
| Passed through California Department of Mental Health: | | | |
| Transition from Homelessness(PATH) | 93.150 | N/A | 137,371 |
| Projects for Assistance in AB3015 SAMHSA | 93.958 | N/A | 2,717,085 |
| Passed through California Department of Alcohol & Drug Program: | | | |
| SAMHSA-CSAP State Incentive Grant | 93.243 | N/A | 400,351 |
| Refugee Health | 93.576 | 06-509460-1 | 100,614 |
| AIDS/HIV Testing | 93.940 | 04-35388 | 118,283 |
| SAPT Block Grant | 93.959 | 84.186 | 2,750,050 |
| Passed through California Department of Social Services: | | | |
| APS/CSBG Title Title XIX | 93.778 | * | 750,972 |
| CWS Title XIX | 93.778 | * | 986,278 |
| State Family Preservation Title XIX | 93.778 | * | 104,444 |
| In Home Supportive Svcs-PCSP Title XIX | 93.778 | * | 3,232,839 |
| Public Authority Administration | 93.778 | * | 228,310 |
| Public Authority Benefits Administration | 93.778 | * | 885,264 |
| IHSS Waiver Title XIX | 93.778 | * | 398,087 |
| IHSS IP Title XIX | 93.778 | * | 17,401,397 |
| Medi-Cal Title XIX (E) | 93.778 | * | <u>8,242,042</u> |
| TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | <u>132,083,678</u> |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | <u>\$ 209,972,209</u> |

* Major Program

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133.

**COUNTY OF STANISLAUS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2007**

NOTE 1 – REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the County of Stanislaus (the County). 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 government agencies are included in the schedule.

NOTE 2 – BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is sometimes prepared on a basis other than that used to record transactions in the accounting records and as reported in the basic financial statements (such as cash basis). 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 this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

NOTE 3 – RELATIONSHIP TO FINANCIAL STATEMENTS

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree, in all material respects, to amounts reported within the County's financial statements. Federal award revenues are reported principally in the County's financial statements as intergovernmental revenues in the General and Special Revenue funds.

NOTE 4 – SUBRECIPIENTS

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

| <u>CFDA</u> | <u>Program</u> | <u>Amount</u> |
|-------------|-----------------------------------|---------------|
| 14.228 | City of Ceres | \$ 338,764 |
| 14.228 | City of Newman | 310,823 |
| 14.228 | City of Oakdale | 290,663 |
| 14.228 | City of Patterson | 291,901 |
| 14.228 | City of Waterford | 295,104 |
| 14.228 | Children's Crisis Center | 20,000 |
| 14.228 | Second Harvest Food Bank | 20,000 |
| 14.228 | Parents Resource Center | 19,548 |
| 14.228 | Visually Impaired Persons Support | 20,000 |
| 14.228 | We Care Shelter Program | 20,000 |
| 14.228 | DRAIL | 20,000 |
| 14.228 | Inter-Faith Ministries | 25,000 |

NOTE 4 – SUBRECIPIENTS (Continued)

| CFDA | Program | Amount |
|--------|---|---------------------|
| 14.228 | Habitat for Humanity | \$ 18,795 |
| 14.228 | Healthy Aging Association | 20,000 |
| 14.228 | United Way of Stanislaus County | 20,000 |
| 14.228 | Center for Human Services | 40,000 |
| 14.228 | El Concilio | 19,113 |
| 14.228 | Haven Women's Center | 20,000 |
| 14.228 | Project Sentinel | 50,000 |
| 14.231 | Inter-Faith Ministries | 61,462 |
| 14.231 | Childrens' Crisis Center | 10,957 |
| 14.231 | Community Housing Shelter | 20,564 |
| 14.231 | We Care Shelter Program | 10,415 |
| 17.258 | Friends Outside | 248,242 |
| 17.260 | Friends Outside | 4,243 |
| 17.259 | Arbor | 14,103 |
| 17.259 | Ceres Unified School District | 380,234 |
| 17.259 | Center for Human Services | 13,651 |
| 17.259 | Computer Tutor | 275,696 |
| 17.259 | Central Valley Opportunity Center | 61,761 |
| 17.259 | Excell Center | 11,262 |
| 17.259 | Modesto City Schools | 116,072 |
| 17.259 | Stanislaus Office of Education | 29,408 |
| 17.259 | World Wide | 19,649 |
| 17.259 | Henkels & McCoy | 18,663 |
| 20.509 | Stanislaus County - PW Transit | 389,031 |
| 93.778 | Stanislaus County Area Agency on Agency | 65,268 |
| 93.778 | Stanislaus County Public Guardian | 101,573 |
| 93.778 | Ceres Partnership for Healthy Children | 9,770 |
| | Total | \$ 3,721,735 |

NOTE 5 – PROGRAM CLUSTERS

Federal programs, which must be audited together as a program cluster, include the following:

| Federal CFDA | Program Title | Federal Expenditures |
|----------------------------|---|-------------------------|
| Food Stamp Cluster: | | |
| 10.551 | Food Stamps | \$ 49,782,166 |
| 10.561 | State Administrative Matching Grants for Food Stamp Program | 3,888,531 |
| 10.561 | Food Stamp Administration - SAWS CIV Food Stamps | 919,642 |
| 10.561 | Nutrition Education (PHCA) | 87,000 |
| 10.557 | Special Support Food Program | 2,436,969 |
| | Total | \$ 57,114,308 |

NOTE 5 – PROGRAM CLUSTERS (Continued)

| Federal CFDA | Program Title | Federal Expenditures |
|---------------------------------|--|-------------------------|
| <u>Child Nutrition Cluster:</u> | | |
| 10.559 | Summer Food Service Program (SFSP) | \$ 1,611 |
| 10.555 | National School Lunch Program | <u>209,265</u> |
| | Total | <u>\$ 210,876</u> |
| <u>WIA Cluster:</u> | | |
| 17.258 | WIA - Adult | \$ 2,807,576 |
| 17.259 | WIA - Youth | 2,405,137 |
| 17.260 | WIA - Dislocated Workers | 1,803,393 |
| 17.253 | WIA - Youth Special Program - Bridge | <u>45,199</u> |
| | Total | <u>\$ 7,061,305</u> |
| <u>Aging Cluster:</u> | | |
| 93.041 | Special Programs for the Aging - Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect and Exploitation | \$ 6,496 |
| 93.042 | Special Programs for the Aging - Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals | 17,874 |
| 93.043 | Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services | 26,519 |
| 93.044 | Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers | 374,682 |
| 93.045 | Special Programs for the Aging - Title III, Part C - Nutrition Services | 666,757 |
| 93.052 | Title III-E - Family Caregiver | 170,443 |
| 93.053 | Food Distribution-Nutrition Service | <u>102,912</u> |
| | Total | <u>\$ 1,365,683</u> |
| <u>CCDF Cluster:</u> | | |
| 93.575 | Child Care and Development Block Grant | \$ 6,596,027 |
| 93.596 | Child Care Mandatory and Matching Funds of the Child Care and Development Fund | <u>36,440</u> |
| | Total | <u>\$ 6,632,467</u> |

NOTE 6 – 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, 2007:

| Federal CFDA | Program Title | Amount Outstanding |
|-----------------|---|-----------------------|
| 93.558 | Temporary Assistance for Needy Families - Housing Authority | \$ 17,927 |

NOTE 7 – PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

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

NOTE 8 – DEPARTMENT OF AGING FEDERAL/STATE SHARE

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

| CFDA | Contract No. | Federal Expenditures | State Expenditures |
|--------|--------------|-------------------------|-----------------------|
| 10.576 | 30-06-07 | \$ 21,740 | \$ - |
| 17.235 | 30-06-07 | 54,571 | 13,593 |
| 93.041 | 30-06-07 | 6,496 | 291 |
| 93.042 | 30-06-07 | 17,874 | 2,468 |
| 93.043 | 30-06-07 | 26,519 | 1,181 |
| 93.044 | 30-06-07 | 374,682 | 55,967 |
| 93.045 | 30-06-07 | 666,757 | 70,915 |
| 93.052 | 30-06-07 | 170,443 | - |
| 93.053 | 30-06-07 | 102,912 | - |
| 93.778 | MS-060-14 | 429,877 | 413,019 |
| 93.779 | 30-06-07 | 56,358 | 173,818 |
| | TOTAL | <u>\$ 1,928,229</u> | <u>\$ 731,252</u> |

NOTE 9 – OFFICE OF EMERGENCY SERVICES GRANTS

The following represents expenditures for Office of Emergency Services programs for the year ended June 30, 2007. The amount reported in the Schedule of Expenditures of Federal Awards is determined by calculating the federal portion of the current year expenditures.

| Program | Expenditures Claimed | | | Share of Expenditures Current Year | | |
|----------------------------|--|--|--------------------------------------|---------------------------------------|---------------------|------------------|
| | For the Period Through June 30, 2006 | For the Year Ended June 30, 2007 | Cumulative As of June 30, 2007 | Federal Share | State Share | County Share |
| MH06060500 - CalMet | | | | | | |
| Personal services | \$ - | \$ 883,541 | \$ 883,541 | \$ - | \$ 883,541 | \$ - |
| Operating expenses | - | 280,864 | 280,864 | - | 277,397 | 3,467 |
| Equipment | - | 54,761 | 54,761 | - | 20,000 | 34,761 |
| Totals | <u>\$ -</u> | <u>\$ 1,219,166</u> | <u>\$ 1,219,166</u> | <u>\$ -</u> | <u>\$ 1,180,938</u> | <u>\$ 38,228</u> |

NOTE 9 – OFFICE OF EMERGENCY SERVICES GRANTS (Continued)

| Program | Expenditures Claimed | | | Share of Expenditures Current Year | | |
|--|--------------------------------------|----------------------------------|--------------------------------|------------------------------------|-------------------|------------------|
| | For the Period Through June 30, 2006 | For the Year Ended June 30, 2007 | Cumulative As of June 30, 2007 | Federal Share | State Share | County Share |
| <u>RU05070500 and RU06080500 - Rural Crimes</u> | | | | | | |
| Personal services | \$ 253,904 | \$ 244,887 | \$ 498,791 | \$ - | \$ 244,887 | \$ - |
| Operating expenses | 30,121 | 39,268 | 69,389 | - | 39,268 | - |
| Equipment | - | - | - | - | - | - |
| Totals | \$ 284,025 | \$ 284,155 | \$ 568,180 | \$ - | \$ 284,155 | \$ - |
| <u>VB05030500 and VB06040500 - Vertical Prosecution Block</u> | | | | | | |
| Personal services | \$ 253,965 | \$ 315,670 | \$ 569,535 | \$ - | \$ 315,670 | \$ - |
| Operating expenses | - | 14,284 | 14,284 | - | 14,284 | - |
| Equipment | - | - | - | - | - | - |
| Totals | \$ 253,965 | \$ 329,954 | \$ 583,819 | \$ - | \$ 329,954 | \$ - |
| <u>VV04060500 - Violence Against Women</u> | | | | | | |
| Personal services | \$ 115,318 | \$ 86,489 | \$ 201,807 | \$ 64,867 | \$ - | \$ 21,622 |
| Operating expenses | - | - | - | - | - | - |
| Equipment | - | - | - | - | - | - |
| Totals | \$ 115,318 | \$ 86,489 | \$ 201,807 | \$ 64,867 | \$ - | \$ 21,622 |
| <u>VW06250500 - Victim Witness Assistance</u> | | | | | | |
| Personal services | \$ 335,988 | \$ 339,107 | \$ 695,095 | \$ 155,125 | \$ 183,982 | \$ - |
| Operating expenses | 3,960 | 743 | 4,703 | 743 | - | - |
| Equipment | - | - | - | - | - | - |
| Totals | \$ 339,948 | \$ 339,850 | \$ 699,798 | \$ 155,868 | \$ 183,982 | \$ - |
| <u>EA05080500 - Elder Abuse Prosecution</u> | | | | | | |
| Personal services | \$ 29,114 | \$ 6,739 | \$ 35,853 | \$ 6,739 | \$ - | \$ - |
| Operating expenses | 39,971 | 138 | 40,109 | 138 | - | - |
| Equipment | - | - | - | - | - | - |
| Totals | \$ 69,085 | \$ 6,877 | \$ 75,962 | \$ 6,877 | \$ - | \$ - |
| <u>EA06090500 - Elder Abuse Prosecution</u> | | | | | | |
| Personal services | \$ - | \$ 8,409 | \$ - | \$ 8,409 | \$ - | \$ - |
| Operating expenses | - | 46,489 | - | 46,489 | - | - |
| Equipment | - | - | - | - | - | - |
| Totals | \$ - | \$ 54,898 | \$ - | \$ 54,898 | \$ - | \$ - |

NOTE 9 – OFFICE OF EMERGENCY SERVICES GRANTS (Continued)

| Program | Expenditures Claimed | | | Share of Expenditures Current Year | | |
|--|--------------------------------------|----------------------------------|--------------------------------|------------------------------------|-------------|------------------|
| | For the Period Through June 30, 2006 | For the Year Ended June 30, 2007 | Cumulative As of June 30, 2007 | Federal Share | State Share | County Share |
| PU06050500 - Violence Against Women | | | | | | |
| Personal services | \$ 51,148 | \$ 56,252 | \$ 107,400 | \$ 42,189 | \$ - | \$ 14,063 |
| Operating expenses | - | - | - | - | - | - |
| Equipment | - | - | - | - | - | - |
| Totals | \$ 51,148 | \$ 56,252 | \$ 107,400 | \$ 42,189 | \$ - | \$ 14,063 |
| DC04150500 - Stanislaus Anti-Drug | | | | | | |
| Personal services | \$ 96,155 | \$ 109,900 | \$ 206,055 | \$ 109,900 | \$ - | \$ - |
| Operating expenses | - | - | - | - | - | - |
| Equipment | - | - | - | - | - | - |
| Totals | \$ 96,155 | \$ 109,900 | \$ 206,055 | \$ 109,900 | \$ - | \$ - |

NOTE 10 – DEPARTMENT OF CORRECTIONS AND REHABILITATION GRANTS

The following represents expenditures for the Department of Corrections and Rehabilitation programs for the year ended June 30, 2007. The amount reported in the Schedule of Expenditures of Federal Awards is determined by calculating the federal portion of the current year expenditures.

| Program | Expenditures Claimed | | | Share of Expenditures Current Year | | |
|---------------------------|--------------------------------------|----------------------------------|--------------------------------|------------------------------------|------------------|-----------------|
| | For the Period Through June 30, 2006 | For the Year Ended June 30, 2007 | Cumulative As of June 30, 2007 | Federal Share | State Share | County Share |
| CSA 965-06 - MIOCR | | | | | | |
| Personal services | \$ - | \$ 91,838 | \$ 91,838 | \$ - | \$ 91,838 | \$ - |
| Operating expenses | - | 1,967 | 1,967 | - | 1,967 | - |
| Equipment | - | 10,264 | 10,264 | - | 1,038 | 9,226 |
| Totals | \$ - | \$ 104,069 | \$ 104,069 | \$ - | \$ 94,843 | \$ 9,226 |

NOTE 11 – DEPARTMENT OF JUSTICE GRANTS

The following represents expenditures for the Department of Justice programs for the Year ended June 30, 2007.

| Program | Expenditures Claimed | | | Share of Expenditures Current Year | | |
|------------------------|--------------------------------------|----------------------------------|--------------------------------|------------------------------------|------------------|------------------|
| | For the Period Through June 30, 2006 | For the Year Ended June 30, 2007 | Cumulative As of June 30, 2007 | Federal Share | State Share | County Share |
| 06SA13B035 SAPP | | | | | | |
| Personal services | \$ - | \$ 104,928 | \$ 104,928 | \$ - | \$ 75,925 | \$ 29,004 |
| Operating expenses | - | - | - | - | - | - |
| Equipment | - | - | - | - | - | - |
| Totals | \$ - | \$ 104,928 | \$ 104,928 | \$ - | \$ 75,925 | \$ 29,004 |

FINDINGS AND QUESTIONED COSTS

**COUNTY OF STANISLAUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2007**

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. Deficiencies and 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? | No |
| b. Deficiencies and significant deficiencies identified not considered to be material weaknesses? | Yes |
| 2. Type of auditor's report issued on compliance for major programs: | Qualified |
| 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

Program

| | |
|--------|--|
| 93.558 | Temporary Assistance for Needy Families |
| 93.659 | Adoption Assistance |
| 93.778 | Medical Assistance Program |

Food Stamp Cluster:

| | |
|--------|---|
| 10.551 | Food Stamps |
| 10.561 | State Administrative Matching Grants for Food Stamp Program |
| 10.561 | Food Stamp Administration – SAWS CIV Food Stamps |
| 10.561 | Nutrition Education (PHCA) |
| 10.557 | Special Support Food Program |

WIA Cluster:

| | |
|--------|---|
| 17.258 | WIA – Adult |
| 17.259 | WIA – Youth |
| 17.260 | WIA – Dislocated Workers |
| 17.253 | WIA – Youth Special Program – Bridge |

**COUNTY OF STANISLAUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
YEAR ENDED JUNE 30, 2007**

- | | |
|---|-------------|
| 5. Dollar threshold used to distinguish between Type A and Type B programs? | \$3,000,000 |
| 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

| | |
|-------------|------------|
| CFDA 93.659 | Finding 07 |
| CFDA 10.551 | Finding 07 |
| CFDA 10.551 | Finding 07 |

| | |
|----------------|-------------------------------|
| <u>Program</u> | <u>Findings/Noncompliance</u> |
|----------------|-------------------------------|

Finding 07-1

Adoption Assistance *Compliance Requirement: Eligibility (Income Requirements)*

Program: Adoption Assistance

CFDA No.: 93.659

Federal Agency: U.S. Department of Health and Human Services

Passed-through: California Department of Social Services

Award Year: Fiscal Year 2006/2007

Compliance Requirement: Eligibility

Criteria

Per County procedures, based on the Adoption Assistance Agreement and inquiry of the adoptive parent, a Federal Eligibility Certification for Adoption Assistance Program form (AAP-4) is completed by an adoptions social worker and signed by a Family Services Specialist indicating their review and approval of the form and the determined eligibility of the child.

Condition

Seven cases out of the forty cases tested for Adoption Assistance Eligibility lacked a signature by a Family Services Specialist on the AAP-4 Eligibility Form. Although all eligibility determinations were performed properly, a signature is required to document that the determinations were correct. The AAP-4 was preceded by the FC-9. The FC-9 did not require an eligibility workers signature, but the AAP-4 does require a signature. The time frame for the missing signatures is from 1988-2001, at which time the County became aware of the problem. Six cases were between the years from 1988-2001, and one case was from 2003. This finding was previously identified in 2005 and designated 05-3 and was described as implemented in 2006.

**COUNTY OF STANISLAUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
YEAR ENDED JUNE 30, 2007**

| <u>Program</u> | <u>Findings/Noncompliance</u> |
|----------------|-------------------------------|
|----------------|-------------------------------|

Questioned Costs

None.

Effect

The failure of the Family Services Specialist to provide a signature to indicate their review and approval of the determined eligibility could result in the eligibility of the child being determined incorrectly.

Cause

The previous form (FC9) did not require a signature and county policy requiring a signature was not implemented until 2001. While we did identify seven cases, only one case was identified after the signature policy was implemented. This appears to be an isolated case.

Recommendation

We recommend that staff be reminded of the importance of the review procedures and steps should be taken to ensure the completeness of all eligibility forms and that county policy is followed.

Corrective Action Plan

Stanislaus County agrees with the findings. All AAP cases are being reviewed, looking at the AAP 4 forms for signature, dates and making sure that the correct eligibility boxes are checked. Staff has been trained and will be reminded in unit meetings that these forms are to be complete and accurate.

**Finding 07-2
Food Stamps**

Compliance Requirement: Eligibility (Income Requirements)

Program: Food Stamps
CFDA No.: 10.551
Federal Agency: U.S. Department of Agriculture
Passed-through: N/A – Direct Program
Award Year: Fiscal Year 2006/2007
Compliance Requirement: Eligibility

Criteria

Eligibility Determination and Benefit Calculations must compute benefits accurately for eligible recipients.

Condition

We tested eligibility in forty Food Stamp cases and identified the following two cases which resulted in improper benefit calculations:

COUNTY OF STANISLAUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
YEAR ENDED JUNE 30, 2007

| <u>Program</u> | <u>Findings/Noncompliance</u> |
|----------------|-------------------------------|
|----------------|-------------------------------|

Case One: Client's Excess Shelter Costs were inaccurately computed on the EDBC Summary Report. There were eleven active members in the household, with nine members being eligible for excess shelter costs since they did not receive SSI/SSP payments. However, excess shelter costs were calculated incorrectly by using ten active members in the household, and eight eligible members.

Case Two: Client's child was improperly excluded from the EDBC Summary. According to the Food Stamp Manual, a child cannot be excluded from the EDBC calculation for failing to report their sponsor's income to the County unless they are over the age of 18. However, the client's child was only 17 at the time and should not have been sanctioned.

Questioned Costs

We did not question costs because the amount questioned would be under the \$10,000 threshold identified in OMB A133 §510(a)(3).

Effect

The clients in the identified cases received benefits that were not correctly calculated.

Recommendation

Ongoing reviews of Eligibility Determination and Benefit Calculations should be conducted with special focus on large or unusually complicated households. Benefits should be recalculated when errors are found and corrected in a timely fashion.

Corrective Action Plan

Stanislaus County agrees with these findings. Benefits in the first case cited will be recomputed to prorate shelter costs correctly. In the second case, Food Stamp budgets will be recalculated from March 2005 through August 2007 to correct Food Stamp allotments. Child's non-compliance records will be removed from C-IV.

Finding 07-3
Food Stamps

Compliance Requirement: Eligibility

Program: Food Stamps
CFDA No.: 10.551
Federal Agency: U.S. Department of Agriculture
Passed-through: N/A – Direct Program
Award Year: Fiscal Year 2006/2007
Compliance Requirement: Eligibility

**COUNTY OF STANISLAUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
YEAR ENDED JUNE 30, 2007**

| <u>Program</u> | <u>Findings/Noncompliance</u> |
|----------------|-------------------------------|
|----------------|-------------------------------|

Criteria

The county is required to verify client provided social security numbers as part of its eligibility determination procedures.

Condition

We tested eligibility in forty Food Stamp cases and noted one case in which the participant's case files in C-IV lacked verification of social security numbers for all household members who were determined to be eligible.

Questioned Costs

None.

Effect

County is not performing required procedures regarding verification of all eligible household members social security numbers.

Recommendation

All eligible household members should have their social security numbers verified and the case review process should ensure that this has been completed.

Corrective Action Plan

Stanislaus County agrees with this finding. County will verify social security numbers of all eligible household members for this case and reinforce the importance of verification with eligibility determination staff.

**COUNTY OF STANISLAUS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2007**

Audit Reference
Number

Status of Prior Year Audit Findings

Finding 06-1
Medical Assistance
Program
CFDA 93.778

Recommendation

We recommend that the Department review this omission to request, review, and compare the IEVS to information in the case record and attempt to determine why the current system of controls failed. We further recommend that the Department remind the eligibility workers that the IEVS must be signed after it is reviewed.

Status

Implemented.

Finding 06-02
Medical Assistance
Program
CFDA 93.778

Recommendation

We recommend that the Department review this incorrect alien coding and omission to obtain evidence of legal permanent resident status and determine whether (1) this is an isolated instance of noncompliance; or (2) procedures can be implemented to prevent recurrence. If necessary, we recommend that the County modify internal controls regarding alien status.

Status

Implemented.

Finding 06-03
Medical Assistance
Program
CFDA 93.778

Recommendation

We recommend that the Department review and correct, if necessary, its process of making sure that individuals who become ineligible for Medi-Cal due to change in their circumstances do not continue to receive benefits.

Status

Implemented.

Finding 06-04
Temporary
Assistance for
Needy Families
CFDA 93.558

Recommendation

We recommend that the County review and improve its internal control system of ensuring that each adult individual who does not participate in WTW is sanctioned, as required.

Status

Implemented.

**COUNTY OF STANISLAUS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (Continued)
FOR THE YEAR ENDED JUNE 30, 2007**

Finding 06-05

Adoption
Assistance
CFDA 93.659

Recommendation

The circumstances in this case, that is, that the child came from a public adoptions agency, are highly unusual. However, the fact that the Department indicates that the new system could have changed the aid code is of concern. We recommend that the Department investigate whether or not the C-IV system changed the aid code, determine what types of cases might have been affected and what corrective action is necessary.

Status

Implemented.