

COUNTY OF STANISLAUS

SINGLE AUDIT REPORT

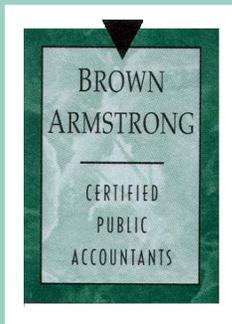
JUNE 30, 2008

**COUNTY OF STANISLAUS
SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2008**

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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**

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Kenneth J. Witham, CPA
Clint W. Baird, CPA
Jose Garcia, CPA
Adrian Rich, CPA
Lance Larralde, CPA

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

We have audited the 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, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 10, 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 opinions 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 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 the County'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 County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

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 prevented or detected by the County's internal control.

Our consideration of 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 internal control that might be significant deficiencies or material weaknesses. 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*.

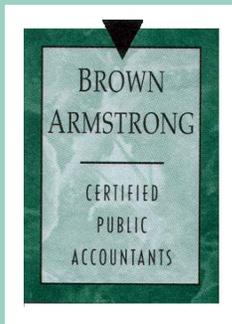
We noted certain matters that we reported to management of the County of Stanislaus, California in a separate letter dated December 10, 2008.

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 black ink, appearing to read "B. A. Paulden", is written over the printed name of the firm.

Bakersfield, California
December 10, 2008



BROWN ARMSTRONG PAULDEN
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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**

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Lance Larralde, CPA

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

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, 2008. 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's 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 of the County's compliance with those requirements.

In our opinion, 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, 2008.

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 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, 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.

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.

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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the 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, 2008, and have issued our report thereon dated December 10, 2008. Our audit was performed for the purpose of forming our 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
December 10, 2008

SCHEDULE

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008**

Federal grantor/pass-through grantor/program title	Catalog of federal domestic assistance number		Supplemental identifying number	Expenditures
U.S. OFFICE OF NATIONAL DRUG CONTROL POLICY				
Direct Program -				
High Intensity Drug Traffic Area (HIDTA) 2004	07.xxx	*	14PVCP501	\$ 1,843
High Intensity Drug Traffic Area (HIDTA) 2005	07.xxx	*	15PVCP501	1,011,322
High Intensity Drug Traffic Area (HIDTA) CPOT 2005	07.xxx	*	I5PMIP5981	15,168
High Intensity Drug Traffic Area (HIDTA) 2006	07.xxx	*	16PVCP501	1,814,659
High Intensity Drug Traffic Area (HIDTA) 2007	07.xxx	*	17PVCP501	1,852,750
TOTAL DRUG-FREE COMMUNITIES SUPPORT PROGRAM GRANT				4,695,742
U.S. DEPARTMENT OF AGRICULTURE				
Direct Program -				
Food Stamps-Issuance	10.551	*	N/A	60,125,259
Food Stamp - Administration	10.561	*	N/A	4,332,584
National School Lunch Program	10.555		N/A	208,111
Seniors Farmers Market Program	10.576		30-06-07	10,000
Passed through California Department of Food and Agriculture:				
Inspection, Grading, & Standardization	10.162		07-0092	6,497
Passed through California Department of Education				
Summer Food Service Program (SFSP)	10.559		2049-00	1,221
Passed through California Department of Aging:				
SAWS CIV Food Stamps	10.561	*	N/A	1,115,407
Passed through California Department of Health Services:				
Special Support Food Program for WIC	10.557	*	05-45805	2,490,134
CNN	10.557		06-55118	161,422
Nutrition Education (PHCA)	10.561	*	3-75378	91,000
TOTAL U.S. DEPARTMENT OF AGRICULTURE				68,541,635
U.S. DEPARTMENT OF HUD				
Passed through California Department of Housing & Comm Development:				
HUD - Entitlement Funds 03/04	14.218		B-03-UC-06-0010	256,803
HUD-CDBG Funds 04/05	14.228		B-04-UC-06-0010	242,488
HUD-CDBG Funds 05/06	14.228		B-05-UC-06-0010	361,260
HUD-CDBG Funds 06/07	14.228		B-06-UC-06-0010	857,237
HUD-CDBG Funds 07/08	14.228		B-06-UC-06-0010	1,198,338
HUD-ESG Funds 06/07	14.231		B-05-UC-06-0010	11,802
HUD-ESG Funds 07/08	14.231		B-06-UC-06-0010	84,524
TOTAL U.S. DEPT. OF HUD				3,012,452

* 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, 2008**

<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 LABOR			
Passed through California Dept of Aging:			
Senior Community Service Employment Program	17.235	30-06-08	104,674
Passed through California Development Department:			
WIA 15% Central Partnership for San Joaquin Valley	17.258	R692512-688	397,189
WIA-Adult Program	17.258	R865496-201	446,135
WIA-Adult Program	17.258	R865496-202	872,800
WIA-Adult Program	17.258	R760360-202	1,011,041
WIA-Incentive	17.258	R692512-113	10,697
WIA-Incentive	17.258	R760360-113	20,855
WIA 15% Central Partnership for San Joaquin Valley	17.258	R865496-688	289,430
WIA-Youth Activities	17.259	R865496-301	690,051
WIA-Youth Activities	17.259	R865496-302	1,104,048
WIA-Youth Activities	17.259	R760360-301	521,438
WIA-Youth Activities	17.259	R760360-302	188,791
WIA-Dislocated Workers	17.260	R760360-501	14,000
WIA-Dislocated Workers	17.260	R760360-502	277,088
WIA-Dislocated Workers	17.260	R760360-519	168,690
WIA-Dislocated Workers	17.260	R865496-501	456,307
WIA-Dislocated Workers	17.260	R865496-502	1,076,109
WIA-Dislocated Workers	17.260	R865496-200	292,309
WIA-Rapid Response	17.260	R865496-540	89,944
WIA-Rapid Response	17.260	R865496-541	269,833
WIA Mortgage and Banks Layoff	17.260	R865496-762	7,392
TOTAL U.S. DEPARTMENT OF LABOR			<u>8,308,821</u>
U.S. DEPARTMENT OF TRANSPORTATION			
Passed through California Department of Transportation			
Highway Planning and Construction	20.205	*	3,549,503
Rural Transit & Procurement FTA Section 5311	20.509	N/A	300,812
Passed through State Office of Emergency Services (OES)			
Hazardous Materials Emergency Preparedness Grant	20.703	3033-110g	13,407
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>3,863,722</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY			
Passed through California Water Resources Control Board:			
Local Groundwater Protection Pilot	66.606	EP059000206	6,781
TOTAL U.S. DEPARTMENT OF ENVIRONMENTAL PROTECTION			<u>6,781</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, 2008**

<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:			
FY05, Homeland Security Grant	97.067	N/A	40,273
FY06, Homeland Security Grant	97.067	N/A	1,026,274
FY07, Homeland Security Grant	97.067	N/A	153,428
FY07, EMPG	97.042	N/A	<u>88,245</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>1,308,220</u>
U.S. DEPARTMENT OF JUSTICE			
Bureau of Justice Assistance (JAG 2006) (subrecipient)	16.738	N/A	43,594
Passed through Office of Criminal Justice Planning			
Juvenile Accountability Grant 2007	16.523	N/A	28,248
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	150,000
Weed & Seed Program	16.595	2007-WS-Q6-0010	27,124
Passed through California Department of Social Services:			
Stop Abusive & Violent Environments (SAVE) Grant	16.588	N/A	42,189
Passed through State Office of Emergency Services (OES)			
Elder Abuse Prosecution	16.575	EA07100500	79,086
Victims of Crime ACT-CHAT	16.575	VW07260500	<u>152,089</u>
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>636,761</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, 2008**

<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 Education:			
Stage 2 Child Care (D)	93.575	C2AP-7072	1,478,019
Stage 3 Child Care (D)	93.575	C3AP-7072	1,289,382
Stage 3 Child Care (D)	93.596	CAPP-7081	61,998
Passed through California Department of Social Services:			
Temporary Assistance for Needy Families:	93.558	*	N/A
Promoting Safe and Stable Families	93.556		N/A
Child Support Enforcement	93.563	2708/2907/2711	11,819,039
Refugee and Entrant Assistance:	93.566		N/A
Child Welfare Services/CWS Direct Cost IVB	93.645		N/A
Foster Care - Title IVE	93.658		N/A
Adoptions Assistance	93.659	*	N/A
CWS Title XX	93.667		N/A
Independent Living - ILP	93.674		N/A
Out-of-Home Placement Prevention - Title IVe	93.658		N/A
Passed through California Department of Health Services:			
TB Prevention	93.116		N/A
Family Planning Services Title X	93.217		N/A
Immunization Project Subvention	93.268	02-26012	210,143
Childhood Lead Poisoning	93.917	02-25082	71,009
California Children's Services	93.778		N/A
Maternal & Child Health Services	93.994	200350.00	398,396
Emergency Preparedness	93.283	EPO 0650	819,203
Medi-Cal Administration Activities	93.778	03-75094	801,688
Targeted Case Management	93.778	50-0712	3,887,617
Child Health & Disability Program	93.778		N/A
Information & Education - Teen Pregnancy Prevention	93.xxx	03-75843	36,643
Passed through California Department of Aging:			
Title VII(B), Elder Abuse Prevention	93.041	30-06-08	6,540
Title VII(A), Ombudsman Program	93.042	30-06-08	18,435
Title III-f, Preventive Health	93.043	30-06-08	27,366
Title III-B, Supportive Services	93.044	30-06-08	369,300
Title III-C1, Congregate Nutrition	93.045	30-06-08	233,753
Title III-C2 Home Delivered Nutrition	93.045	30-06-08	402,971
CBSP Health Insurance Advocacy Program	93.779	30-06-08	53,656
Title III-E, Family Caregiver	93.052	30-06-08	171,272
Food Distribution	93.053	30-06-08	99,795
SAWS CIV TANF	93.558	*	N/A
SAWS CIV KINGAP	93.658		N/A
SAWS CIV Midi-Cal	93.778		N/A
SAWS CIV Refugee	93.566		N/A
Multi-Purpose Senior Services (MSSP) Title XIX	93.778	MS-0708-14	423,971
Passed through Department of Mental Health			
AB3015 SAMHSA/DualDiag SAMHSA	93.958		N/A
Transition from Homelessness(PATH)	93.150		N/A

* 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, 2008**

<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 State of California Dept of Alcohol & Drug Program:			
AIDS/HIV Testing	93.940	07-65089	81,984
Refugee Health	93.576	07-5090840-1	156,855
SAMHSA-CSAP State Incentive Grant	93.243	N/A	76,720
SAPT Block-Discr/Club/Fri Night/Perinatal/SACPA SAPT/HIV Services	93.959	* 84.186	3,337,067
Passed through Department of Health and Human Services:			
APS/CSBG Title XIX	93.778	N/A	677,024
CWS Title XIX	93.778	N/A	937,428
State Family Preservation Title XIX	93.778	N/A	44,877
In Home Supportive Services-PCSP Title XIX	93.778	N/A	2,600,388
Public Authority Administration	93.778	N/A	599,664
Public Authority Benefits Administration	93.778	N/A	1,390,979
IHSS Waiver Title XIX	93.778	N/A	622,747
IHSS IP Title XIX	93.778	N/A	22,660,483
Medi-Cal Title XIX (E)	93.778	N/A	10,079,064
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>153,239,816</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 243,613,950</u></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, 2008**

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:

CFDA	Program	Amount
14.228	City of Ceres	\$ 314,089
14.228	City of Newman	286,148
14.228	City of Oakdale	265,663
14.228	City of Patterson	266,901
14.228	City of Waterford	270,104
14.228	Catholic Charities	56,300
14.228	Center for Human Services	20,000
14.228	Children's Crisis Center	20,000
14.228	Haven Women's Center	9,090
14.228	Red Cross of Stanislaus County	12,350
14.228	Parents Resource Center	20,000
14.228	Salida Union School District	18,000
14.228	Second Harvest	20,000
14.228	We Care Shelter Program	20,000
14.228	DRAIL	20,000

NOTE 4 – SUBRECIPIENTS (Continued)

CFDA	Program	Amount
14.228	The ARC of Stanislaus County	\$ 10,000
14.228	Healthy Aging Association	20,000
14.228	Westside Food Pantry	9,601
14.228	Project Sentinel	40,000
14.231	Computer Tutor	20,000
14.231	Childrens' Crisis Center	10,000
14.231	Community Housing Shelter	15,139
14.231	Interfaith Ministries	51,866
14.231	Salvation Army	27,210
17.258	Friends Outside	281,465
17.260	Friends Outside	15,737
17.259	Ceres Unified School District	598,036
17.259	Computer Tutor	454,556
20.509	Stanislaus County - PW Transit	300,812
93.045	The Howard Training Center	636,724
93.778	Stanislaus County Area Agency on Agency	38,654
93.778	Stanislaus County Public Guardian	50,697
	Total	<u>\$ 4,299,501</u>

NOTE 5 – PROGRAM CLUSTERS

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

Federal CFDA	Program Title	Federal Expenditures
<u>Food Stamp Cluster:</u>		
10.551	Food Stamps	\$ 60,125,259
10.561	State Administrative Matching Grants for Food Stamp Program	4,332,584
10.561	Food Stamp Administration - SAWS CIV Food Stamps	1,115,407
10.561	Nutrition Education (PHCA)	91,000
10.557	Special Support Food Program for WIC	2,490,134
	Total	<u>\$ 68,154,384</u>

NOTE 5 – PROGRAM CLUSTERS (Continued)

Federal CFDA	Program Title	Federal Expenditures
<u>Child Nutrition Cluster:</u>		
10.559	Summer Food Service Program (SFSP)	\$ 1,221
10.555	National School Lunch Program	208,111
	Total	<u>\$ 209,332</u>
 <u>WIA Cluster:</u>		
17.258	WIA - Adult	\$ 3,048,147
17.259	WIA - Youth	2,504,328
17.260	WIA - Dislocated Workers	2,651,672
	Total	<u>\$ 8,204,147</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	\$ 6,540
93.042	Special Programs for the Aging - Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals	18,435
93.043	Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	27,366
93.044	Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	369,300
93.045	Special Programs for the Aging - Title III, Part C - Nutrition Services	636,724
93.052	Title III-E - Family Caregiver	171,272
93.053	Food Distribution-Nutrition Service	99,795
	Total	<u>\$ 1,329,432</u>
 <u>CCDF Cluster:</u>		
93.575	Child Care and Development Block Grant	\$ 2,767,401
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	61,998
	Total	<u>\$ 2,829,399</u>

NOTE 6 – 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 7 – 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:

<u>CFDA</u>	<u>Contract No.</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>
10.576	30-06-08	\$ 10,000	\$ -
17.235	30-06-08	104,674	43,412
93.041	30-06-08	6,540	291
93.042	30-06-08	18,435	3,298
93.043	30-06-08	27,366	1,180
93.044	30-06-08	369,300	55,987
93.045	30-06-08	636,724	58,694
93.052	30-06-08	171,272	-
93.053	30-06-08	99,795	-
93.778	MS-060-14	423,971	407,345
93.779	30-06-08	53,656	164,480
	TOTAL	\$ 1,921,733	\$ 734,687

NOTE 8 – OFFICE OF EMERGENCY SERVICES GRANTS

The following represents expenditures for Office of Emergency Services programs for the year ended June 30, 2008. The amount reported in the Schedule of Expenditures of Federal Awards is determined by calculating the federal portion of the current year expenditures.

<u>Program</u>	<u>Expenditures Claimed</u>			<u>Share of Expenditures Current Year</u>		
	<u>For the Period Through June 30, 2007</u>	<u>For the Year Ended June 30, 2008</u>	<u>Cumulative As of June 30, 2008</u>	<u>Federal Share</u>	<u>State Share</u>	<u>County Share</u>
MH06060500 - CalMet						
Personal services	\$ -	\$ 881,502	\$ 881,502	\$ -	\$ 881,502	\$ -
Operating expenses	-	237,451	237,451	-	237,451	-
Equipment	-	34,810	34,810	-	-	34,810
Totals	\$ -	\$ 1,153,763	\$ 1,153,763	\$ -	\$ 1,118,953	\$ 34,810

NOTE 8 – OFFICE OF EMERGENCY SERVICES GRANTS (Continued)

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period Through June 30, 2007	For the Year Ended June 30, 2008	Cumulative As of June 30, 2008	Federal Share	State Share	County Share
<u>DC04150500 - SDEA</u>						
Personal services	\$ -	\$ 233,455	\$ 233,455	\$ 65,804	\$ -	\$ 167,651
Operating expenses	-	-	-	-	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ 233,455</u>	<u>\$ 233,455</u>	<u>\$ 65,804</u>	<u>\$ -</u>	<u>\$ 167,651</u>
<u>PU06050500 - Violence Against Women</u>						
Personal services	\$ 56,252	\$ 56,252	\$ 112,504	\$ 42,189	\$ -	\$ 14,063
Operating expenses	-	-	-	-	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 56,252</u>	<u>\$ 56,252</u>	<u>\$ 112,504</u>	<u>\$ 42,189</u>	<u>\$ -</u>	<u>\$ 14,063</u>
<u>DC04150500 - Stanislaus Anti-Drug</u>						
Personal services	\$ 109,900	\$ 76,826	\$ 186,726	\$ 27,474	\$ -	\$ 49,352
Operating expenses	-	-	-	-	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 109,900</u>	<u>\$ 76,826</u>	<u>\$ 186,726</u>	<u>\$ 27,474</u>	<u>\$ -</u>	<u>\$ 49,352</u>
<u>RU07090500 - Rural Crimes</u>						
Personal services	\$ 266,260	\$ 225,766	\$ 492,026	\$ -	\$ 225,766	\$ -
Operating expenses	17,045	23,131	40,176	-	23,131	-
Other Charges	-	-	-	-	-	-
Totals	<u>\$ 283,305</u>	<u>\$ 248,897</u>	<u>\$ 532,202</u>	<u>\$ -</u>	<u>\$ 248,897</u>	<u>\$ -</u>
<u>VB07050500 - Vertical Prosecution Block</u>						
Personal services	\$ 315,671	\$ 345,227	\$ 660,898	\$ -	\$ 345,227	\$ -
Operating expenses	14,284	6,285	20,569	-	4,986	1,299
Equipment	-	-	-	-	-	-
Totals	<u>\$ 329,955</u>	<u>\$ 351,512</u>	<u>\$ 681,467</u>	<u>\$ -</u>	<u>\$ 350,213</u>	<u>\$ 1,299</u>
<u>VW07260500 - Victim Witness</u>						
Personal services	\$ 344,457	\$ 343,769	\$ 688,226	\$ 152,089	\$ 172,330	\$ 19,350
Operating expenses	4,815	14,118	18,933	-	11,652	2,466
Equipment	-	-	-	-	-	-
Totals	<u>\$ 349,272</u>	<u>\$ 357,887</u>	<u>\$ 707,159</u>	<u>\$ 152,089</u>	<u>\$ 183,982</u>	<u>\$ 21,816</u>
<u>EA07100500 - Elder Abuse Prosecution</u>						
Personal services	\$ 15,149	\$ 63,964	\$ 79,113	\$ 63,964	\$ -	\$ -
Operating expenses	46,627	15,122	61,749	15,122	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 61,776</u>	<u>\$ 79,086</u>	<u>\$ 140,862</u>	<u>\$ 79,086</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 9 – DEPARTMENT OF CORRECTIONS AND REHABILITATION GRANTS

The following represents expenditures for the Department of Corrections and Rehabilitation programs for the year ended June 30, 2008. 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, 2007	For the Year Ended June 30, 2008	Cumulative As of June 30, 2008	Federal Share	State Share	County Share
<u>CSA 965-06 - MIOCR</u>						
Personal services	\$ 91,838	\$ 541,261	\$ 633,099	\$ -	\$ 490,368	\$ 50,893
Operating expenses	1,967	135,595	137,562	-	11,706	123,889
Equipment	10,264	24,075	34,339	-	-	24,075
Totals	<u>\$ 104,069</u>	<u>\$ 700,931</u>	<u>\$ 805,000</u>	<u>\$ -</u>	<u>\$ 502,074</u>	<u>\$ 198,857</u>

NOTE 10 – DEPARTMENT OF JUSTICE GRANTS

The following represents expenditures for the Department of Justice programs for the Year ended June 30, 2008.

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period Through June 30, 2007	For the Year Ended June 30, 2008	Cumulative As of June 30, 2008	Federal Share	State Share	County Share
<u>06SA13B035 SAPP</u>						
Personal services	\$ 104,929	\$ 124,133	\$ 229,061	\$ -	\$ 102,080	\$ 22,053
Operating expenses	-	2,288	2,288	-	-	2,288
Equipment	-	-	-	-	-	-
Totals	<u>\$ 104,929</u>	<u>\$ 126,421</u>	<u>\$ 231,349</u>	<u>\$ -</u>	<u>\$ 102,080</u>	<u>\$ 24,341</u>

FINDINGS AND QUESTIONED COSTS

**COUNTY OF STANISLAUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2008**

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? | No |
| b. Significant deficiencies identified
not considered to be material weaknesses? | No |
| 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)? | No |
| 4. Identification of major programs: | |

CFDA Number

Program

93.558	Temporary Assistance for Needy Families
93.659	Adoption Assistance
07.xxx	High Intensity Drug Traffic Area
20.205	Highway Planning and Construction Program
93.959	SAPT Block Grant
<i>Food Stamp Cluster:</i>	
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 for WIC

**COUNTY OF STANISLAUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
YEAR ENDED JUNE 30, 2008**

- | | |
|---|-------------|
| 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.

Section 3

Federal Award Findings and Questioned Costs

None.

**COUNTY OF STANISLAUS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008**

<u>Program</u>	<u>Findings/Noncompliance</u>
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Finding 07-1

Adoption Assistance

Compliance Requirement: Eligibility (Income Requirements)

CFDA 93.659

Year: 06/07

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.

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.

**COUNTY OF STANISLAUS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (Continued)
FOR THE YEAR ENDED JUNE 30, 2008**

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

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.

Current Year Status

Implemented

Finding 07-2

Food Stamps

CFDA 10.551

Year: 06/07

Compliance Requirement: Eligibility (Income Requirements)

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:

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.

**COUNTY OF STANISLAUS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (Continued)
FOR THE YEAR ENDED JUNE 30, 2008**

Program _____ Findings/Noncompliance _____

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.

Current Year Status

Implemented.

Finding 07-3
Food Stamps

Compliance Requirement: Eligibility

CFDA 10.551
Year: 06/07

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.

**COUNTY OF STANISLAUS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (Continued)
FOR THE YEAR ENDED JUNE 30, 2008**

<u>Program</u>	<u>Findings/Noncompliance</u>
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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.

Current Year Status

Implemented.