

COUNTY OF GLENN, CALIFORNIA

Single Audit Reports
(OMB Circular A-133)

For the Fiscal Year Ended June 30, 2006

**COUNTY OF GLENN, CALIFORNIA
SINGLE AUDIT REPORTS
(OMB CIRCULAR A-133)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

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COUNTY OF GLENN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

Federal Agency			
Direct or Pass-Through Agency	CFDA	Grant/Project	
Federal Program Title	Number	Number	Expenditures
U.S. Department of Agriculture			
Passed through California Department of Social Services			
Food Stamps	10.551		\$ 2,531,593
State Administrative Matching Grants for Food Stamp Program	10.561		258,723
Total Food Stamps Cluster			<u>2,790,316</u>
National School Lunch Program	10.555		32,491
Passed through California Controller's Office			
Schools and Roads - Grants to States	10.665		<u>293,932</u>
Total U.S. Department of Agriculture			<u><u>3,116,739</u></u>
U.S. Department of Housing and Urban Development			
Passed through California Department of Housing and Community Development			
Community Development Block Grants/State's Program (MOU)	14.228		3,607
Community Development Block Grants/State's Program	14.228	03-PTAA-0039	70,000
Community Development Block Grants/State's Program	14.228	03-STBG-1843	4,900
Community Development Block Grants/State's Program	14.228	03-STBG-1821	<u>257,198</u>
Total Community Development Block Grants/State's Program			<u>335,705</u>
Emergency Shelter Grants Program	14.231	03-FESG-603	204,000
Emergency Shelter Grants Program	14.231	05-FESG-1371	<u>32,871</u>
Total Emergency Shelter Grants Program			<u>236,871</u>
Section 8 Housing Choice Vouchers	14.871		<u>60,968</u>
Total U.S. Department of Housing and Urban Development			<u><u>633,544</u></u>
U.S. Department of Interior			
Direct			
Payments in Lieu of Taxes	15.226		<u>147,133</u>

(Continued)

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF GLENN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

Federal Agency			
Direct or Pass-Through Agency	CFDA	Grant/Project	
Federal Program Title	Number	Number	Expenditures
U.S. Department of Justice			
Passed through California Office of Emergency Services			
Crime Victim Assistance	16.575	VW04090110	\$ 15,493
Crime Victim Assistance	16.575	VW05100110	43,565
Crime Victim Assistance	16.575	AT04010110	63,008
Crime Victim Assistance	16.575	AT05020110	85,295
Total Crime Victim Assistance			<u>207,361</u>
Violence Against Women Formula Grants	16.588	PU04030110	7,964
Violence Against Women Formula Grants	16.588	PU05040110	44,507
Total Violence Against Women Formula Grants			<u>52,471</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738	DC05160110	180,548
Total U.S. Department of Justice			<u>440,380</u>
U.S. Department of Labor			
Direct			
Workforce Investment Act	17.258		<u>648,819</u>
U.S. Department of Transportation			
Passed through California Department of Transportation			
Highway Planning and Construction	20.205		<u>172,479</u>
U.S. Department of Energy			
Passed through California Department of Community Services and Development			
Weatherization Assistance for Low-Income Persons	81.042	05C-1564	20,588
Weatherization Assistance for Low-Income Persons	81.042	06C-1605	575
Passed through California Department of Economic Opportunity			
Weatherization Assistance for Low-Income Persons	81.042		<u>49,032</u>
Total Weatherization Assistance for Low-Income Persons			<u>70,195</u>

(Continued)

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF GLENN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

Federal Agency			
Direct or Pass-Through Agency	CFDA	Grant/Project	
Federal Program Title	Number	Number	Expenditures
U.S. Department of Health and Human Services			
Direct			
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances	93.104		\$ 780,677
Passed through California Department of Social Services			
Family Preservation and Support Services	93.556		130,260
Temporary Assistance for Needy Families	93.558		4,225,615
Child Support Enforcement	93.563		557,104
Community Based Child Abuse Prevention Grants - Office of Child Abuse Prevention Small Counties Initiative	93.590		100,000
Child Welfare Services - State Grants	93.645		36,665
Foster Care - Title IV-E	93.658		1,110,648
Adoption Assistance Program	93.659		462,335
Social Services Block Grant	93.667		71,138
Chafee Foster Care Independent Program	93.674		33,406
Passed through California Department of Health Services			
Maternal and Child Health Federal Consolidated Program	93.110		128,315
Medical Assistance Program	93.778		757,892
Passed through California Department of Mental Health			
Block Grants for Community Mental Health Services (SAMSHA)	93.958		152,297
Passed through California Department of Community Services and Development			
Low-Income Home Energy Assistance (WX)	93.568	05B-5314	126,436
Low-Income Home Energy Assistance (Assurance 16)	93.568	05B-5314	15,305
Low-Income Home Energy Assistance (ECIP/WPO/FRR)	93.568	05B-5314	108,963
Low-Income Home Energy Assistance (HEAP Outreach)	93.568	05B-5314	13,511
Low-Income Home Energy Assistance (WX)	93.568	06B-5355	121,454
Low-Income Home Energy Assistance (ECIP/WPO/FRR)	93.568	06B-5355	95,367
Low-Income Home Energy Assistance (Assurance 16)	93.568	06B-5355	29,989
Low-Income Home Energy Assistance (HEAP Outreach)	93.568	06B-5355	3,199
Total Low-Income Home Energy Assistance Program			<u>514,224</u>

(Continued)

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF GLENN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

Federal Agency			
Direct or Pass-Through Agency	CFDA	Grant/Project	
Federal Program Title	Number	Number	Expenditures
U.S. Department of Health and Human Services (Continued)			
Community Services Block Grant	93.569	06F-4712	\$ 80,523
Community Services Block Grant	93.569	04F-4497	134,694
Community Services Block Grant	93.569	05F-4612	63,952
Total Community Services Block Grant			<u>279,169</u>
Passed through California Department of Alcohol and Drug Abuse Programs			
Block Grants for Prevention and Treatment of Substance Abuse (SAPT)	93.959		<u>593,873</u>
Total U.S. Department of Health and Human Services			<u>9,933,618</u>
U.S. Department of Homeland Security			
Passed through California Office of Emergency Services			
State Domestic Preparedness Equipment Support Program	97.004		<u>177,067</u>
Total Expenditures of Federal Awards			<u><u>\$ 15,339,974</u></u>

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF GLENN, CALIFORNIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

NOTE 1 – GENERAL

The accompanying Schedule of Expenditures of Federal Awards (SEFA) for the fiscal year ended June 30, 2006, includes the federal grant activity of the County of Glenn (County). Expenditures of federal awards received directly from federal agencies, as well as expenditures of federal awards passed through other governmental agencies, are included on the SEFA.

NOTE 2 – BASIS OF ACCOUNTING

The accompanying SEFA is presented using the modified accrual basis of accounting for program expenditures accounted for in governmental funds and the accrual basis of accounting for program expenditures accounted for in proprietary funds, as described in Note 1 of the County's basic financial statements.

NOTE 3 – CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA)

The CFDA numbers included in the accompanying SEFA were determined based on the program name, review of grant contract information and Office of Management and Budget's Catalog of Federal Domestic Assistance.

NOTE 4 – FOOD STAMP COUPONS

The County is under contract with the Sacramento Development Corporation to issue and maintain inventory of food stamp coupons. The County issued food coupons valued at \$2,531,593 for the fiscal year ended June 30, 2006. This amount is for information only as receipts and issuances of food coupons are not recorded in the County's financial records.

NOTE 5 – RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal award expenditures agree or can be reconciled with amounts reported in the County's basic financial statements.

**COUNTY OF GLENN, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

NOTE 6 – OFFICE OF EMERGENCY SERVICES

The accompanying supplemental schedules of expenditures reflect additional detail of expenditures as required by the California Office of Emergency Services.

The following represents expenditures for the Crime Victim Assistance program, CFDA No. 16.575, for the fiscal year ended June 30, 2006:

A. Grant No.: VW04090110

<u>Category</u>	<u>Budget</u>	<u>Actual</u>	<u>Balance</u>
Personal services	\$ 71,513	\$ 71,513	\$ -
Operating expenses	35,344	35,344	-
Equipment expenses	<u>5,672</u>	<u>5,672</u>	<u>-</u>
Totals	<u>\$ 112,529</u>	112,529	<u>\$ -</u>
Less: Prior year actual		<u>(94,961)</u>	
Current year actual		<u>\$ 17,568</u>	
 <u>Funding Sources</u>			
Federal		\$ 15,493	
County		<u>2,075</u>	
Total		<u>\$ 17,568</u>	

B. Grant No.: VW05100110

<u>Category</u>	<u>Budget</u>	<u>Actual</u>	<u>Balance</u>
Personal services	\$ 72,627	\$ 72,627	\$ -
Operating expenses	<u>29,527</u>	<u>29,527</u>	<u>-</u>
Totals	<u>\$ 102,154</u>	<u>\$ 102,154</u>	<u>\$ -</u>
 <u>Funding Sources</u>			
Federal		\$ 43,565	
State		<u>58,589</u>	
Total		<u>\$ 102,154</u>	

COUNTY OF GLENN, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

NOTE 6 – OFFICE OF EMERGENCY SERVICES (Continued)

C. Grant No.: AT04010110

<u>Category</u>	<u>Budget</u>	<u>Actual</u>	<u>Balance</u>
Personal services	\$ 77,409	\$ 77,409	\$ -
Operating expenses	85,515	85,515	-
Equipment expenses	4,671	4,671	-
Totals	<u>\$ 167,595</u>	<u>167,595</u>	<u>\$ -</u>
Less: Prior year actual		<u>(88,836)</u>	
Current year actual		<u>\$ 78,759</u>	
 <u>Funding Sources</u>			
Federal		\$ 63,008	
County		<u>15,751</u>	
Total		<u>\$ 78,759</u>	

D. Grant No.: AT05020110

<u>Category</u>	<u>Budget</u>	<u>Actual</u>	<u>Balance</u>
Personal services	\$ 78,258	\$ 54,181	\$ 24,077
Operating expenses	77,992	45,502	32,490
Totals	<u>\$ 156,250</u>	<u>\$ 99,683</u>	<u>\$ 56,567</u>
 <u>Funding Sources</u>			
Federal		\$ 85,295	
County		<u>14,388</u>	
Total		<u>\$ 99,683</u>	

The following represents expenditures for the Edward Byrne Memorial Justice Assistance Grant Program, CFDA No. 16.738, for the fiscal year ended June 30, 2006:

E. Grant No.: DC05160110

<u>Category</u>	<u>Budget</u>	<u>Actual</u>	<u>Balance</u>
Personal services	\$ 165,106	\$ 165,106	\$ -
Operating expenses	15,442	15,442	-
Totals	<u>\$ 180,548</u>	<u>\$ 180,548</u>	<u>\$ -</u>

This grant is only funded by federal sources.

COUNTY OF GLENN, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

NOTE 6 – OFFICE OF EMERGENCY SERVICES (Continued)

The following represents expenditures for the Violence Against Women Formula Grants program, CFDA No. 16.588, for the fiscal year ended June 30, 2006:

F. Grant No.: PU04030110

<u>Category</u>	<u>Budget</u>	<u>Actual</u>	<u>Balance</u>
Personal services	\$ 80,688	\$ 80,688	\$ -
Operating expenses	1,232	1,232	-
Total	<u>\$ 81,920</u>	81,920	<u>\$ -</u>
Less: Prior year actual		<u>(69,379)</u>	
Current year actual		<u>\$ 12,541</u>	
<u>Funding Sources</u>			
Federal		\$ 7,964	
County		<u>4,577</u>	
Total		<u>\$ 12,541</u>	

G. Grant No.: PU05040110

<u>Category</u>	<u>Budget</u>	<u>Actual</u>	<u>Balance</u>
Personal services	<u>\$ 80,784</u>	<u>\$ 63,051</u>	<u>\$ 17,733</u>
<u>Funding Sources</u>			
Federal		\$ 44,507	
County		<u>18,544</u>	
Total		<u>\$ 63,051</u>	

COUNTY OF GLENN, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

NOTE 7 – DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

The accompanying supplemental schedules of revenues and expenditures reflect additional detail of expenditures as required by the California State Department of Community Services and Development.

The following represents expenditures for the Weatherization Assistance for Low-Income Persons program, CFDA No. 81.042, for the fiscal year ended June 30, 2006:

A. Contract No.: 05C-1564

	July 1, 2004 to June 30, 2005	July 1, 2005 to June 30, 2006	Total
REVENUES			
Grant revenues	\$ 5,875	\$ 20,154	\$ 26,029
Interest revenues	<u>-</u>	<u>16</u>	<u>16</u>
 Total revenues	 <u>\$ 5,875</u>	 <u>\$ 20,170</u>	 <u>\$ 26,045</u>
 EXPENDITURES			
ADMINISTRATION			
Administrative	<u>\$ 668</u>	<u>\$ 646</u>	<u>\$ 1,314</u>
 PROGRAM			
Direct program activities	<u>4,782</u>	<u>17,799</u>	<u>22,581</u>
 OTHER PROGRAM			
Financial audit	3	30	33
Health & safety	-	1,363	1,363
Liability insurance	4	24	28
Training & technical assistance	<u>-</u>	<u>726</u>	<u>726</u>
Total other program	<u>7</u>	<u>2,143</u>	<u>2,150</u>
 Total expenditures	 <u>\$ 5,457</u>	 <u>\$ 20,588</u>	 <u>\$ 26,045</u>

COUNTY OF GLENN, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

**NOTE 7 – DEPARTMENT OF COMMUNITY SERVICES AND
DEVELOPMENT (Continued)**

B. Contract No.: 06C-1605

REVENUES	
Grant revenues	<u>\$ 67</u>
EXPENDITURES	
ADMINISTRATION	
Administrative	\$ 66
PROGRAM	
Measures	508
OTHER PROGRAM	
Financial Audit	<u>1</u>
Total expenditures	<u>\$ 575</u>

COUNTY OF GLENN, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

NOTE 7 – DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT (Continued)

The following represents expenditures for the Low-Income Home Energy Assistance program, CFDA No. 93.568, for the fiscal year ended June 30, 2006:

C. Contract No.: 05B-5314 (WX)

	July 1, 2004 to June 30, 2005	July 1, 2005 to June 30, 2006	Total
REVENUES			
Grant revenues	\$ 53,143	\$ 155,158	\$ 208,301
Interest revenues	-	123	123
Carryover	4,486	-	4,486
	<hr/>	<hr/>	<hr/>
Total revenues	<u>\$ 57,629</u>	<u>\$ 155,281</u>	<u>\$ 212,910</u>
EXPENDITURES			
ADMINISTRATION			
Administrative	\$ 5,806	\$ 10,372	\$ 16,178
	<hr/>	<hr/>	<hr/>
PROGRAM			
Intake	2,489	1,675	4,164
Direct program activities	77,212	99,377	176,589
Outreach	397	10,017	10,414
Workers' compensation	570	831	1,401
	<hr/>	<hr/>	<hr/>
Total program	<u>80,668</u>	<u>111,900</u>	<u>192,568</u>
OTHER PROGRAM			
Training	-	4,164	4,164
	<hr/>	<hr/>	<hr/>
Total expenditures	<u>\$ 86,474</u>	<u>\$ 126,436</u>	<u>\$ 212,910</u>

COUNTY OF GLENN, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

NOTE 7 – DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT (Continued)

D. Contract No.: 05B-5314 (Assurance 16)

	July 1, 2004 to June 30, 2005	July 1, 2005 to June 30, 2006	Total
REVENUES			
Grant revenues	\$ 24,226	\$ 15,285	\$ 39,511
Interest revenues	<u>-</u>	<u>20</u>	<u>20</u>
Total revenues	<u>\$ 24,226</u>	<u>\$ 15,305</u>	<u>\$ 39,531</u>
EXPENDITURES			
PROGRAM			
Assurance 16 activities	<u>\$ 24,226</u>	<u>\$ 15,305</u>	<u>\$ 39,531</u>

E. Contract No.: 05B-5314 (ECIP/WPO/FRR)

	July 1, 2004 to June 30, 2005	July 1, 2005 to June 30, 2006	Total
REVENUES			
Grant Revenues	\$ 175,042	\$ 105,178	\$ 280,220
Interest Revenues	<u>-</u>	<u>285</u>	<u>285</u>
Total Revenues	<u>\$ 175,042</u>	<u>\$ 105,463</u>	<u>\$ 280,505</u>
EXPENDITURES			
ADMINISTRATION			
Administrative	<u>\$ 12,161</u>	<u>\$ 12,224</u>	<u>\$ 24,385</u>
INTAKE PROGRAM			
Intake	<u>9,182</u>	<u>741</u>	<u>9,923</u>
ECIP PROGRAM			
Outreach	13,292	8,525	21,817
Wood/Propane/oil	134,000	44,185	178,185
Heating Repair/replacement	2,907	27,458	30,365
Cooling Repair/replacement	<u>-</u>	<u>15,830</u>	<u>15,830</u>
Total ECIP program	<u>150,199</u>	<u>95,998</u>	<u>246,197</u>
Total expenditures	<u>\$ 171,542</u>	<u>\$ 108,963</u>	<u>\$ 280,505</u>

COUNTY OF GLENN, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

NOTE 7 – DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT (Continued)

F. Contract No.: 05B-5314 (HEAP Outreach)

	July 1, 2004 to June 30, 2005	July 1, 2005 to June 30, 2006	Total
REVENUES			
Grant revenues	\$ 2,474	\$ 13,503	\$ 15,977
Interest revenues	-	8	8
	<u>\$ 2,474</u>	<u>\$ 13,511</u>	<u>\$ 15,985</u>
EXPENDITURES			
PROGRAM			
Outreach costs	\$ 2,474	\$ 312	\$ 2,786
Wood/Propane/oil	-	13,199	13,199
	<u>\$ 2,474</u>	<u>\$ 13,511</u>	<u>\$ 15,985</u>

G. Contract No.: 06B-5355 (WX)

REVENUES	
Grant revenues	<u>\$ 72,685</u>
EXPENDITURES	
ADMINISTRATION	
Administrative	<u>\$ 4,476</u>
PROGRAM	
Intake	1,189
Direct program activities	109,920
Outreach	3,017
Worker's compensation	738
Total program	<u>114,864</u>
OTHER PROGRAM	
Training	<u>2,114</u>
Total expenditures	<u>\$ 121,454</u>

COUNTY OF GLENN, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

NOTE 7 – DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT (Continued)

H. Contract No.: 06B-5355 (ECIP/WPO/FRR)

REVENUES	
Grant revenues	\$ 52,356
 EXPENDITURES	
ADMINISTRATION	
Administrative costs	\$ 8,791
 INTAKE PROGRAM	
Intake	7,754
 ECIP PROGRAM	
Cooling Service repair	2,338
Heating Service repair	4,817
Outreach	9,347
Wood/Propane/oil	62,230
Total ECIP	78,732
 ECF ENERGY EDUCATION	
Program	90
Total expenditures	\$ 95,367

I. Contract No.: 06B-5355 (Assurance 16)

REVENUES	
Grant revenues	\$ 20,565
 EXPENDITURES	
PROGRAM	
Assurance 16 activities	\$ 29,989

**COUNTY OF GLENN, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

**NOTE 7 – DEPARTMENT OF COMMUNITY SERVICES AND
DEVELOPMENT (Continued)**

J. Contract No.: 06B-5355 (HEAP Outreach)

REVENUES	
Grant revenues	\$ 3,199
 EXPENDITURES	
PROGRAM	
Outreach costs	\$ 3,199

The following represents expenditures for the Community Services Block Grant program, CFDA No. 93.569, for the fiscal year ended June 30, 2006:

K. Contract No.: 06F-4712

REVENUES	
Grant revenues	\$ 45,034
 EXPENDITURES	
ADMINISTRATION	
Salaries & wages	\$ 35,836
Fringe benefits	9,943
Travel	4,691
Space	1,429
Consumable supplies	3,087
Equipment lease/purchase	172
Other costs	12,445
Total administration	67,603
 PROGRAM	
Subcontractor	12,920
Total expenditures	\$ 80,523

COUNTY OF GLENN, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

**NOTE 7 – DEPARTMENT OF COMMUNITY SERVICES AND
DEVELOPMENT (Continued)**

L. Contract No.: 04F-4497

	July 1, 2003 to June 30, 2004	July 1, 2004 to June 30, 2005	July 1, 2005 to June 30, 2006	Total
REVENUES				
Grant revenues	\$ 43,387	\$ 32,779	\$ 135,835	\$ 212,001
Interest revenues	-	-	447	447
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>\$ 43,387</u>	<u>\$ 32,779</u>	<u>\$ 136,282</u>	<u>\$ 212,448</u>
EXPENDITURES				
ADMINISTRATION				
Salaries & wages	\$ 910	\$ 2,355	\$ -	\$ 3,265
Fringe benefits	278	721	-	999
Other costs	320	1,894	1,505	3,719
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total administration	<u>1,508</u>	<u>4,970</u>	<u>1,505</u>	<u>7,983</u>
PROGRAM				
Salaries & wages	2,760	16,203	40,356	59,319
Fringe benefits	866	5,080	12,656	18,602
Travel	1,946	665	471	3,082
Consumable supplies	97	209	1,180	1,486
Equipment lease/purchase	36,763	-	56,184	92,947
Contract services	202	-	8,916	9,118
Other costs	896	5,589	13,426	19,911
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total program	<u>43,530</u>	<u>27,746</u>	<u>133,189</u>	<u>204,465</u>
Total expenditures	<u>\$ 45,038</u>	<u>\$ 32,716</u>	<u>\$ 134,694</u>	<u>\$ 212,448</u>

**COUNTY OF GLENN, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

**NOTE 7 – DEPARTMENT OF COMMUNITY SERVICES AND
DEVELOPMENT (Continued)**

M. Contract No.: 05F-4612

	July 1, 2004 to June 30, 2005	July 1, 2005 to June 30, 2006	Total
REVENUES			
Grant revenues	\$ 109,761	\$ 63,795	\$ 173,556
Interest revenues	-	157	157
	<hr/>	<hr/>	<hr/>
Total revenues	<u>\$ 109,761</u>	<u>\$ 63,952</u>	<u>\$ 173,713</u>
 EXPENDITURES			
ADMINISTRATION			
Salaries & wages	\$ 56,072	\$ 26,583	\$ 82,655
Fringe benefits	17,152	8,131	25,283
Travel	8,841	2,145	10,986
Space	1,855	1,932	3,787
Consumable supplies	888	3,806	4,694
Equipment lease/purchase	571	235	806
Contract services	1,586	1,618	3,204
Other costs	14,095	8,316	22,411
	<hr/>	<hr/>	<hr/>
Total administration	101,060	52,766	153,826
 PROGRAM			
Subcontractor	<hr/> 8,701	<hr/> 11,186	<hr/> 19,887
	<hr/>	<hr/>	<hr/>
Total expenditures	<u>\$ 109,761</u>	<u>\$ 63,952</u>	<u>\$ 173,713</u>

**COUNTY OF GLENN, CALIFORNIA
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
 FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

NOTE 8 – DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

The accompanying supplemental schedules of revenues and expenditures reflect additional detail of expenditures as required by the California State Department of Housing and Community Development.

The following represents revenues and expenditures for the Emergency Shelter Grants Program, CFDA No. 14.231, for the fiscal year ended June 30, 2006:

A. Contract No.: 03-FESG-603

REVENUES	
Grant revenues	<u>\$ 204,000</u>
EXPENDITURES	
Operations	\$ 99,314
Essential services	62,646
Homeless prevention	40,000
Grant administration	<u>2,040</u>
Total expenditures	<u>\$ 204,000</u>

B. Contract No.: 05-FESG-1371

REVENUES	
Grant revenues	<u>\$ 17,620</u>
EXPENDITURES	
Operations	\$ 15,594
Essential services	8,592
Homeless prevention	6,709
Grant administration	39
Supervisory shelter admin.	<u>1,937</u>
Total expenditures	<u>\$ 32,871</u>



MACIAS GINI & O'CONNELL LLP
CERTIFIED PUBLIC ACCOUNTANTS & MANAGEMENT CONSULTANTS

3000 S Street, Suite 300
Sacramento, CA 95816
916.928.4600

2175 N. California Boulevard, Suite 645
Walnut Creek, CA 94596
925.274.0190

515 S. Figueroa Street, Suite 325
Los Angeles, CA 90071
213.286.6400

402 West Broadway, Suite 400
San Diego, CA 92101
619.573.1112

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

Honorable Board of Supervisors
County of Glenn, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component unit and remaining fund information of the County of Glenn, California (County), as of and for the fiscal year ended June 30, 2006, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 21, 2006. We did not audit the financial statements of the Children & Families Commission component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Children and Families Commission is based solely on the report of the 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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 management, County Board of Supervisors, and federal agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Macias Gini & O'Connell LLP

Certified Public Accountants

Sacramento, California
September 21, 2006



MACIAS GINI & O'CONNELL LLP
CERTIFIED PUBLIC ACCOUNTANTS & MANAGEMENT CONSULTANTS

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Sacramento, CA 95816
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Los Angeles, CA 90071
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San Diego, CA 92101
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM, INTERNAL CONTROL OVER
COMPLIANCE AND SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS IN ACCORDANCE WITH OMB CIRCULAR A-133**

Honorable Board of Supervisors
County of Glenn, California

Compliance

We have audited the compliance of the County of Glenn, California (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 fiscal year ended June 30, 2006. 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 on the County's compliance with those requirements.

As described in item 06-01 in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding allowable costs/cost principles and eligibility that are applicable to its adoption assistance program. Compliance with such requirements is necessary, in our opinion, for the County to comply with requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the County 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, 2006.

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 and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

We noted a matter involving the internal control over compliance and its operations that we consider to be a reportable condition. Reportable conditions involves matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the County's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. The reportable condition is described in the accompanying schedule of findings and questioned cost as item 06-01.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is a material weakness.

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 discretely presented component unit and remaining fund information of the County, as of and for the fiscal year ended June 30, 2006, and have issued our report thereon dated September 21, 2006. We did not audit the financial statements of the Children & Families Commission component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Children and Families Commission is based solely on the report of the other auditors. 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 management, County 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.

Macias Gini & O'Connell LLP

Certified Public Accountants

Sacramento, California
December 21, 2006, except for the schedule
of expenditures of federal awards, as to
which the date is September 21, 2006

**COUNTY OF GLENN, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Reportable condition(s) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	Yes
• Reportable condition(s) identified that are not considered to be material weaknesses?	No
Type of auditor’s report issued on compliance for major programs	Qualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	Yes

Identification of major programs:

Program Title	CFDA Number
Food Stamps Cluster	10.551/10.561
Low-Income Home Energy Assistance	93.568
Foster Care – Title IV-E	93.658
Adoption Assistance Program	93.659

**COUNTY OF GLENN, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

Section I – Summary of Auditor’s Results (Continued)

Dollar threshold used to distinguish between Type A and Type B programs:	\$460,199
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

None.

Section III – Federal Award Findings and Questioned Costs

ITEM: 06-01
Federal Program: Adoption Assistance
CFDA Number: 93.659
Department: United States Department of Health and Human Services

Criteria:

Proper assessment of risk requires that program management identify the risk that eligibility information prepared internally or received from external sources could be incorrect and that policies and procedures are in place and being followed to reduce the risk to an acceptable level.

Condition:

During our testing of controls over eligibility and allowable costs we noted ten instances out of forty where there was no evidence of approval by an authorized official of the County Welfare Department or by an authorized official of the Public Adoption Agency on the eligibility certification form AAP4.

Questioned Costs:

Known questioned costs of \$9,909 resulting in likely questioned cost is \$106,685.

Context:

We examined 40 aid payments that amounted to \$27,222, of which we noted exceptions with 10 aid payments that amounted to \$9,909. Aid payments amounted to \$293,084 of the total adoption assistance expenditures of \$462,335.

**COUNTY OF GLENN, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

Effect:

The lack of evidence of approval of eligibility certification forms could indicate that the forms were not reviewed and approved, and therefore increase the possibility that ineligible individuals received benefit payments.

Cause:

The reason for the lack of the approving signature on these forms is management oversight.

Recommendation:

We recommend that all eligibility certification forms be approved and signed as part of the participant intake process and prior to any benefits being paid by the County Welfare Department to individuals.

Management Response:

Management concurs and will review the internal process regarding the manual signature on the forms. However, there are additional internal control procedures in place, including electronic signature authorization, that were not considered. We feel these controls are adequate to insure all recipients are eligible for payment. It should be noted that none of the cases noted in the testing were found to be ineligible.