

County of Glenn

Willows, California

Single Audit Reports

For the year ended June 30, 2007

C&L
Caporicci & Larson
Certified Public Accountants

County of Glenn
Single Audit Reports
For the year ended June 30, 2007

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Board of Supervisors
of the County of Glenn
Willows, California

We have audited the financial statements of the County of Glenn (County) as of and for the year ended June 30, 2007, and have issued our report thereon dated December 27, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States 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 audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A 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 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 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 and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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To the Honorable Board of Supervisors
of the County of Glenn
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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 result of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We noted certain matters that we reported to management of the County in a separate letter dated December 27, 2007.

This report is intended solely for the information and use of County management, County Board of Supervisors, others within the entity, 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. However, this report is a matter of public record and its distribution is not limited.

Capricci & Carlson

Oakland, California
December 27, 2007



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

To the Honorable Board of Supervisors
of the County of Glenn
Willows, California

Compliance

We have audited the compliance of the County of Glenn (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'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; the standards applicable to financial audits contained in Government Audit 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 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 the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

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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 basic financial statements of the County as of and for the year ended June 30, 2007, and have issued our report thereon dated December 27, 2007. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. 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 whole.

This report is intended solely for the information and use of County management, County Board of Supervisors, others within the entity, 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. However, this report is a matter of public record and its distribution is not limited.

Capricci & Carlson

Oakland, California
December 27, 2007

County of Glenn
Single Audit Reports
Schedule of Expenditures of Federal Awards
For the year ended June 30, 2007

Grantor Agency and Grant Title	Federal Catalog Number	Pass-through Number	Program Expenditures
U.S. Department of Agriculture			
<i>Passed through the State Department of Social Services:</i>			
- Food Stamps	10.551		\$ 2,523,171
- State Admin Matching Grants for Food Stamp Program	10.561		315,580
- National School Lunch Program	10.555		20,684
<i>Passed through the State Controller's Office:</i>			
- Schools and Roads	10.665		322,847
<i>Direct program:</i>			
- Community Facilities Loan and Loan Guarantee	10.766		63,154
Total U.S. Department of Agriculture			3,245,436
U.S. Department of Housing and Urban Development			
<i>Passed through the State Department of Housing and Community Development:</i>			
- Community Development Block Grant	14.228	04-PTAA-0318	23,781
- Community Development Block Grant	14.228	04-STBG-1973	236,171
- Community Development Block Grant	14.228	03-STBG-1872	20,800
<i>Total Community Development Block Grant</i>			280,752
- Emergency Shelter Grants Program	14.231	06-FESG-2298	36,835
- Emergency Shelter Grants Program	14.231	05-FESG-1371	89,642
<i>Total Federal Emergency Shelter Program</i>			126,477
- Section 8 Housing Choice Vouchers	14.871	05-HAP-100	63,415
- McKinney Vento	14.235	CA 01 B 523001	14,539
- EDBG- Microenterprise	14.000	05-EDBG-1979	46,336
- HOME	14.239	05-HOME-1681	213,042
Total U.S. Department of Housing and Urban Development			744,561
U.S. Department of Interior			
<i>Direct Program:</i>			
- Payment in Lieu of Taxes	15.226		158,484
Total U.S. Department of Interior			158,484
U.S. Department of Justice			
<i>Passed through the State Office of Emergency Services:</i>			
- Crime Victim Assistance	16.575	VW06110110	47,341
- Crime Victim Assistance	16.575	AT05020110	15,635
- Crime Victim Assistance	16.575	AT06030111	42,101
- Edward Byrne Memorial Justice Assistance Grant	16.738	DC06170110	112,644
- Violence Against Women Formula Grants	16.588	PU05040110	59,936
- Drug Enforcement Administration	16.000	SF7A4107022	25,000
Total U.S. Department of Justice			302,657
		Subtotal	\$ 4,451,138

See accompanying notes to schedule of expenditures of federal awards

County of Glenn
Single Audit Reports
Schedule of Expenditures of Federal Awards, Continued
For the year ended June 30, 2007

Grantor Agency and Grant Title	Federal Catalog Number	Pass-through Number	Program Expenditures
Total from Prior Page			\$ 4,451,138
U.S. Department of Health and Human Services			
<i>Direct Program:</i>			
- Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances	93.104		384,900
<i>Passed through the State Department of Social Services:</i>			
- Family Preservation and Support Services	93.556		129,999
- Temporary Assistance for Needy Families	93.558	* CFL 06/07 -46	4,785,463
- Child Support Enforcement	93.563	*	507,472
- Community-Based Child Abuse Prevention	93.590		100,000
- Child Welfare Services	93.645		22,077
- Foster Care	93.658		1,235,306
- Adoption Assistance Program	93.659	*	315,693
- Social Services Block Grant	93.667		68,178
- Chafee Foster Care Independent Program	93.674		32,056
<i>Passed through the State Department of Health Services</i>			
- Maternal and Child Health Federal Consolidated Program	93.110		94,286
- Medical Assistance Program	93.778		825,527
<i>Passed through the State Department of Mental Health</i>			
- Block Grants for Community Mental Health Services	93.958	NNA 11	116,091
<i>Passed through the State Department of Community Services and Development</i>			
- Low-Income Home Energy Assistance	93.568	06B-5355 (WX)	138,544
- Low-Income Home Energy Assistance	93.568	07B -5405 (WX)	55,197
- Low-Income Home Energy Assistance	93.568	06B-5355(ECIP/WPO/FRR)	105,135
- Low-Income Home Energy Assistance	93.568	07B-5405(ECIP/WPO/FRR)	62,193
- Low-Income Home Energy Assistance	93.568	06B-5355(Assurance 16)	21,738
- Low-Income Home Energy Assistance	93.568	07B-5405 (Assurance 16)	9,960
- Low-Income Home Energy Assistance	93.568	06B-5355(HEAP Outreach)	24,077
- Low-Income Home Energy Assistance	93.568	07B-5405 (HEAP Outreach)	562
- Community Service Block Grant	93.569	06F-4712 (FYE12/30/06)	93,631
- Community Service Block Grant	93.569	06F-4712 (FYE12/30/07)	88,851
- Community Service Block Grant	93.569	06F-4789	40,255
- Community Service Block Grant	93.569	06F-4798	15,000
<i>Passed through the State Department of Alcohol and Drug Abuse Program</i>			
- Block Grant for Prevention and Treatment of Substance Abuse	93.959	*	680,941
Total U.S. Department of Health and Human Services			9,953,132
Subtotal			\$ 14,404,270

* Denotes major program

See accompanying notes to schedule of expenditures of federal awards

County of Glenn
Single Audit Reports
Schedule of Expenditures of Federal Awards, Continued
For the year ended June 30, 2007

Grantor Agency and Grant Title	Federal Catalog Number	Pass-through Number	Program Expenditures	
Total from Prior Page			\$ 14,404,270	
U.S. Department of Labor				
<i>Direct Program:</i>				
- Workforce Investment Act	17.258		474,630	
Total U.S. Department of Labor			474,630	
U.S. Department of Transportation				
<i>Passed through the State Department of Transportation:</i>				
- Highway Planning and Construction				
Walker Creek Bridge	20.205	*	BRRS-V457(001)	1,043,807
HES Stop/Warning Signs	20.205	*	STPLH-5911(027)	209,470
County Road 44	20.205	*	STPLH-5911(028)	22,680
R200ABR	20.205	*	BHLO-5911(031)	27,588
Campbell Slough	20.205	*	BRRS-V454(001)	47,228
- Airport Improvement Program- Willows Airport	20.106		3-06-0279-0304	8,717
- Security Fencing Project - Orland Airport	20.106		3-06-0177-04	7,520
- Capital Investment	20.500			115,085
- Capital Investment	20.500			132,800
- Study of Fixed Route System	20.509			25,068
Total U.S. Department of Transportation			1,639,963	
U.S. Department of Energy				
<i>Direct Program:</i>				
- Federal Emergency Management Food and Shelter Program	81.042			27,951
<i>Passed through the State Department of Economic Opportunity:</i>				
- Weatherization Assistance for low-income Persons	81.042			30,762
Total U.S. Department of Energy			58,713	
U.S. Department of Homeland Security				
<i>Passed through the State Office of Emergency Services</i>				
- State Home Land Security Program	97.073	*	2003-35	5,298
- State Home Land Security Program	97.073	*	2004-45	92,515
- State Home Land Security Program	97.073	*	2005-15	101,451
- Law Enforcement Terrorism Prevention Program	97.074	*	2004-45	22,261
- Law Enforcement Terrorism Prevention Program	97.074	*	2005-15	62,932
- Citizen Corps	97.053		2004-45	6,624
Total U.S. Department of Homeland Security			291,081	
Total Expenditures of Federal Awards			\$ 16,868,657	

* Denotes major program

See accompanying notes to schedule of expenditures of federal awards

County of Glenn
Single Audit Reports
Notes to Schedule of Expenditures of Federal Awards
For the year ended June 30, 2007

1. REPORTING ENTITY

Reporting Entity

The Schedule of Expenditures of Federal Awards (Schedule) presents the activity of all federal award programs of the County of Glenn, California (County), except for the awards related to the FIRST 5 Glenn County that conducted a separate single audit in accordance with OMB A-133. The County's reporting entity is defined in Note 1A of the County's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through to the County from other governmental agencies, are included on the Schedule.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying schedule 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.

Schedule of Expenditures of Federal Awards

The accompanying Schedule presents the activity of all Federal financial assistance programs of the County. Federal financial assistance received directly from Federal agencies as well as Federal financial assistance passed through the State of California are included in the Schedule.

The Schedule was prepared only from the accounts of various grant programs and, therefore, does not present the financial position or results of operations of the County.

3. CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA)

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

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 \$2,523,171 for the fiscal year ended June 30, 2007. This amount is for information only as receipts and issuances of food coupons are not recorded in the County's financial records.

County of Glenn
Single Audit Reports
Notes to Schedule of Expenditures of Federal Awards, Continued
For the year ended June 30, 2007

5. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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, 2007:

A. Grant No.: VW006100110

<u>Category</u>	<u>Budget</u>	<u>Actual</u>	<u>Balance</u>
Personal services	\$ 71,581	\$ 71,581	\$ -
Operating expenses	34,352	34,352	-
Total	\$ 105,933	\$ 105,933	\$ -
<u>Funding Sources</u>			
Federal		\$ 47,341	
State		58,592	
Total		\$ 105,933	

B. Grant No.: AT05020110

<u>Category</u>	<u>Budget</u>	<u>Actual</u>	<u>Balance</u>
Personal services	\$ 47,008	\$ 47,008	\$ -
Operating expenses	77,992	53,922	24,070
Totals	\$ 125,000	100,930	\$ 24,070
Less: Prior year actual		(85,295)	
Current year actual		\$ 15,635	

County of Glenn
Single Audit Reports
Notes to Schedule of Expenditures of Federal Awards, Continued
For the year ended June 30, 2007

6. OFFICE OF EMERGENCY SERVICES, Continued

C. Grant No.: AT06030110

<u>Category</u>	<u>Budget</u>	<u>Actual</u>	<u>Balance</u>
Personal services	\$ 47,008	\$ 34,851	\$ 12,157
Operating expenses	77,992	7,250	70,742
Totals	<u>\$ 125,000</u>	<u>\$ 42,101</u>	<u>\$ 82,899</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, 2007:

D. Grant No.: DC06170110

<u>Category</u>	<u>Budget</u>	<u>Actual</u>	<u>Balance</u>
Personal services	\$ 92,559	\$ 100,679	\$ (8,120)
Operating expenses	20,085	11,965	8,120
Totals	<u>\$ 112,644</u>	<u>\$ 112,644</u>	<u>\$ -</u>

This grant is only funded by federal sources.

The following represents expenditures for the Violence Against Women Formula Grants program, CFDA No. 16.588, for the fiscal year ended June 30, 2007:

E. Grant No.: PU05040110

<u>Category</u>	<u>Budget</u>	<u>Actual</u>	<u>Balance</u>
Personal services	\$ 60,588	\$ 59,936	\$ 652
Operating expenses	-	-	-
Totals	<u>\$ 60,588</u>	<u>\$ 59,936</u>	<u>\$ 652</u>

County of Glenn
Single Audit Reports
Notes to Schedule of Expenditures of Federal Awards, Continued
For the year ended June 30, 2007

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, 2007:

A. Contract No.: 06C-1605

	July 1, 2005 to June 30, 2006	July 1, 2006 to June 30, 2007	Total Costs
REVENUES			
Grant revenues	\$ 67	\$ 28,360	\$ 28,427
Interest revenues	-	100	100
Total revenues	<u>\$ 67</u>	<u>\$ 28,460</u>	<u>\$ 28,527</u>
EXPENDITURES			
ADMINISTRATION			
Administrative	<u>\$ 66</u>	<u>\$ 1,355</u>	<u>\$ 1,421</u>
PROGRAM			
Direct Program Activities	508	19,063	19,571
Outreach	<u>-</u>	<u>-</u>	<u>-</u>
Total Program Costs	<u>508</u>	<u>19,063</u>	<u>19,571</u>
OTHER PROGRAM			
Financial audit	1	(1)	-
Health and safety	-	6,752	6,752
Liability insurance	-	25	25
Training and technical asst.	<u>-</u>	<u>757</u>	<u>757</u>
Total other program	<u>1</u>	<u>7,533</u>	<u>7,534</u>
Total expenditures	<u>\$ 575</u>	<u>\$ 27,951</u>	<u>\$ 28,526</u>

County of Glenn
Single Audit Reports
Notes to Schedule of Expenditures of Federal Awards, Continued
For the year ended June 30, 2007

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, 2007:

B. CONTRACT No.: 06B-5355 (WX)

	July 1, 2005 to June 30, 2006	July 1, 2006 to June 30, 2007	Total Costs
REVENUES			
Grant revenues	\$ 72,685	\$ 150,952	\$ 223,637
Interest revenues	178	612	790
Total revenues	<u>\$ 72,863</u>	<u>\$ 151,564</u>	<u>\$ 224,427</u>
EXPENDITURES			
ADMINISTRATION			
Administrative	<u>\$ 4,476</u>	<u>\$ 11,276</u>	<u>\$ 15,752</u>
PROGRAM			
Intake	1,189	1,815	3,004
Direct program activities	109,920	120,156	230,076
Outreach	3,017	3,186	6,203
Worker's compensation	738	1,388	2,126
Total program	<u>114,864</u>	<u>126,545</u>	<u>241,409</u>
OTHER PROGRAM			
Training	<u>2,114</u>	<u>723</u>	<u>2,837</u>
Total expenditures	<u>\$ 121,454</u>	<u>\$ 138,544</u>	<u>\$ 259,998</u>

County of Glenn
Single Audit Reports
Notes to Schedule of Expenditures of Federal Awards, Continued
For the year ended June 30, 2007

7. DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT, Continued

C. CONTRACT No.: 06B-5355 (ECIP/WPO/FRR)

	July 1, 2005 to June 30, 2006	July 1, 2006 to June 30, 2007	Total Costs
REVENUES			
Grant revenues	\$ 52,356	\$ 138,440	\$ 190,796
Interest revenues	365	1,501	1,866
Total revenues	<u>\$ 52,721</u>	<u>\$ 139,941</u>	<u>\$ 192,662</u>
EXPENDITURES			
ADMINISTRATION			
Administrative	\$ 8,791	\$ 12,083	\$ 20,874
INTAKE PROGRAM			
Intake	<u>7,754</u>	<u>5,559</u>	<u>13,313</u>
ECIP PROGRAM			
Cooling Service repair	2,338	4,804	7,142
Heating Service repair	4,817	9,779	14,596
Outreach	9,347	3,576	12,923
Wood/Propane/Oil	62,230	68,034	130,264
Total ECIP	<u>78,732</u>	<u>86,193</u>	<u>164,925</u>
ECF ENERGY EDUCATION			
Program	<u>90</u>	<u>1,300</u>	<u>1,390</u>
Total expenditures	<u>\$ 95,367</u>	<u>\$ 105,135</u>	<u>\$ 200,502</u>

County of Glenn
Single Audit Reports
Notes to Schedule of Expenditures of Federal Awards, Continued
For the year ended June 30, 2007

7. DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT, Continued

D. CONTRACT No.: 06B-5355 (Assurance 16)

	July 1, 2005 to June 30, 2006	July 1, 2006 to June 30, 2007	Total Costs
REVENUES			
Grant revenues	\$ 20,565	\$ 31,162	\$ 51,727
Interest revenues	52	156	208
Total revenues	<u>\$ 20,617</u>	<u>\$ 31,318</u>	<u>\$ 51,935</u>
EXPENDITURES			
PROGRAM			
Assurance 16 Activities	\$ 29,989	\$ 21,738	\$ 51,727
Total expenditures	<u>\$ 29,989</u>	<u>\$ 21,738</u>	<u>\$ 51,727</u>

E. CSD CONTRACT No.: 06B-5355 (HEAP Outreach)

	July 1, 2005 to June 30, 2006	July 1, 2006 to June 30, 2007	Total Costs
REVENUES			
Grant revenues	\$ 3,199	\$ -	\$ 3,199
EXPENDITURES			
PROGRAM			
Outreach costs	\$ 3,199	\$ 924	\$ 4,123
Wood/Propane/Oil	-	23,153	23,153
Total expenditures	<u>\$ 3,199</u>	<u>\$ 24,077</u>	<u>\$ 27,276</u>

County of Glenn
Single Audit Reports
Notes to Schedule of Expenditures of Federal Awards, Continued
For the year ended June 30, 2007

7. DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT, Continued

F. CONTRACT No.: 07B-5405 (WX)

REVENUES	
Grant revenues	\$ 20,330
Interest revenues	127
Total revenues	<u>\$ 20,457</u>
EXPENDITURES	
ADMINISTRATION	
Administrative	<u>\$ 5,458</u>
PROGRAM	
Intake	1,380
Direct Program Activities	47,037
Outreach	725
Worker's compensation	597
Total Program Costs	<u>49,739</u>
Total expenditures	<u>\$ 55,197</u>

G. CONTRACT No.: 07B-5405 (Assurance 16)

REVENUES	
Grant revenues	<u>\$ 9,960</u>
EXPENDITURES	
PROGRAM	
Assurance 16 Activities	<u>\$ 9,960</u>

County of Glenn
Single Audit Reports
Notes to Schedule of Expenditures of Federal Awards, Continued
For the year ended June 30, 2007

7. DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT, Continued

H. CONTRACT No.: 07B-5405 (ECIP/WPO/FRR)

REVENUES	
Grant revenues	\$ 61,553
Interest revenues	335
Total revenues	<u>\$ 61,888</u>
EXPENDITURES	
ADMINISTRATION	
Administrative	<u>\$ 7,834</u>
INTAKE PROGRAM	
Intake	<u>\$ 2,931</u>
ECIP PROGRAM	
Cooling Service repair	77
Heating Service repair	564
Outreach	542
Wood/Propane/Oil	50,245
Total ECIP	<u>51,428</u>
Total expenditures	<u>\$ 62,193</u>

I. CONTRACT No.:07B-5405 (HEAP Outreach)

REVENUES	
Grant revenues	<u>\$ 562</u>
EXPENDITURES	
PROGRAM	
Assurance 16 Activities	<u>\$ 562</u>

County of Glenn
Single Audit Reports
Notes to Schedule of Expenditures of Federal Awards, Continued
For the year ended June 30, 2007

7. DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT, Continued

The following represents expenditures for the Community Services Block Grant program, CFDA No. 93.569, for the fiscal year ended June 30, 2007:

J. CONTRACT No.: 06F-4712 (YE 12/31/06)

	July 1, 2005 to June 30, 2006	July 1, 2006 to June 30, 2007	Total Costs
REVENUES			
Grant revenues	\$ 45,034	\$ 121,186	\$ 166,220
Interest revenues	-	597	597
Total revenues	<u>\$ 45,034</u>	<u>\$ 121,783</u>	<u>\$ 166,817</u>
EXPENDITURES			
ADMINISTRATIVE			
Salary & wages	\$ 35,836	\$ 51,026	\$ 86,862
Fringe benefits	9,943	14,158	24,101
Operating exp. & equip.	10,702	6,671	17,373
Out of State services	100	56	156
Other costs	11,021	14,649	25,670
Total administrative costs	<u>67,602</u>	<u>86,560</u>	<u>154,162</u>
PROGRAM			
Subcontractor	<u>12,920</u>	<u>7,071</u>	<u>19,991</u>
Total expenditures	<u>\$ 80,522</u>	<u>\$ 93,631</u>	<u>\$ 174,153</u>

County of Glenn
Single Audit Reports
Notes to Schedule of Expenditures of Federal Awards, Continued
For the year ended June 30, 2007

7. DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT, Continued

K. CONTRACT No.: 06F-4789 (Group Work Camp)

	July 1, 2005 to June 30, 2006	July 1, 2006 to June 30, 2007	Total Costs
REVENUES			
Grant revenues	\$ -	\$ 50,000	\$ 50,000
Interest revenues	-	56	56
Colusa County revenue	-	15,000	15,000
City of Colusa	-	3,750	3,750
Intra revenue (Fund 342)	-	1,666	1,666
Donation	800	800	1,600
Total revenues	<u>\$ 800</u>	<u>\$ 71,272</u>	<u>\$ 72,072</u>
EXPENDITURES			
ADMINISTRATIVE			
Other costs	<u>\$ 741</u>	<u>\$ 1,945</u>	<u>\$ 2,686</u>
PROGRAM			
Salary & benefits	24,245	14,374	38,619
Non-staff	3,720	-	3,720
Operating exp. & equip.	2,413	20,612	23,025
Travel	639	1,723	2,362
Office	60	-	60
Materials	-	1,600	1,600
Total program	<u>31,077</u>	<u>38,309</u>	<u>69,386</u>
Total expenditures	<u>\$ 31,818</u>	<u>\$ 40,254</u>	<u>\$ 72,072</u>

County of Glenn
Single Audit Reports
Notes to Schedule of Expenditures of Federal Awards, Continued
For the year ended June 30, 2007

7. DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT, Continued

L. CONTRACT No.: 06F-4712 (YE 12/31/07)

REVENUES	
Grant revenues	\$ 88,851
	<u>88,851</u>
EXPENDITURES	
ADMINISTRATION	
Salary & wages	\$ 40,304
Fringe benefits	19,944
Operating exp. & equip.	10,847
Out of State services	2,488
Other costs	12,012
	<u>12,012</u>
Total administrative costs	<u>85,595</u>
PROGRAM	
Subcontractor	<u>3,256</u>
Total expenditures	<u>\$ 88,851</u>

M. CONTRACT No.: 06F-4798 (ServTrak)

REVENUES	
Grant revenues	\$ 15,000
	<u>15,000</u>
EXPENDITURES	
PROGRAM	
Operating exp. & equip.	<u>\$ 15,000</u>

County of Glenn
Single Audit Reports
Schedule of Findings and Questioned Costs
For the year ended June 30, 2007

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements of the County of Glenn (County).
2. No significant deficiencies relating to the audit of the financial statements are reported in the basic financial statements.
3. No instances of noncompliance material to the basic financial statements of the County were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award program are reported in the basic financial statements.
5. The auditors' report on compliance for the major federal award programs for the County expresses an unqualified opinion.
6. Audit findings relative to the major federal award programs for the County are reported in Part C of this Schedule below.
7. The programs tested as major programs include:

<u>Major Program</u>	<u>Expenditures</u>
Highway Planning and Construction- CFDA # 20.205	\$ 1,350,773
Temporary Assistance for Needy Families - CFDA # 93.558	4,785,463
Child Support Enforcement - CFDA # 93.563	507,472
Adoption Assistance Program - CFDA # 93.659	315,693
Block Grant for Prevention and Treatment of Substance Abuse - CFDA # 93.959	680,941
State Home Land Security Program - CFDA #97.073	199,264
Law Enforcement Terrorism Prevention Program - CFDA # 93.074	85,193
Total Major Program Expenditures	<u>\$ 7,924,799</u>
Total Federal Expenditures	<u>\$ 16,868,657</u>
Percent of Total Federal Award Expenditures	<u>47%</u>

The auditee meets the criteria for a low-risk auditee. Consequently, the major programs tested were required to be in the aggregate at least 25% of the total federal awards expended.

8. The threshold for distinguishing Types A and B programs was \$504,165.
9. The County was determined to be a low risk auditee.

County of Glenn
Single Audit Reports
Schedule of Findings and Questioned Costs, Continued
For the year ended June 30, 2007

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

No financial statement findings noted.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM AUDIT

No findings or questioned costs were noted on the County's major programs.

D. PRIOR YEAR FINDINGS AND QUESTIONED COSTS

Finding 06-1 U.S. Department of Health and Human Services (CFDA Number 93.659) – Eligibility Administered by the County's Human Resource Agency, Social Service Division.

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 the testing of controls over eligibility and allowable costs, it was 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.

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

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

Context: Out of 40 aid payments that amounted to \$27,222, exceptions with 10 aid payments that amounted to \$9,909 were noted. Aid payments amounted to \$293,084 of the total adoption assistance expenditures of \$462,335.

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.

Recommendation: It was recommended 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.

Status: Implemented. No exception was noted during the eligibility testing.