



Siskiyou County

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COUNTY OF SISKIYOU, CALIFORNIA

SINGLE AUDIT ACT REISSUED REPORTS AND SCHEDULES

JUNE 30, 2011



COUNTY OF SISKIYOU

Reissued Single Audit Report
For the Year Ended June 30, 2011

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

To the Board of Supervisors and Grand Jury
County of Siskiyou
Yreka, 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 Siskiyou (the "County") as of and for the year ended June 30, 2011, and have issued our report thereon dated March 30, 2012. 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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

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

To the Board of Supervisors and Grand Jury
County of Siskiyou
Yreka, California
Page 2

deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 11-FS-2, 11-FS-3, 11-FS-4, 11-FS-6 and 11-FS-7 to be material weaknesses.

A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 11-FS-1 and 11-FS-5 to be significant deficiencies.

Compliance and Other Matters

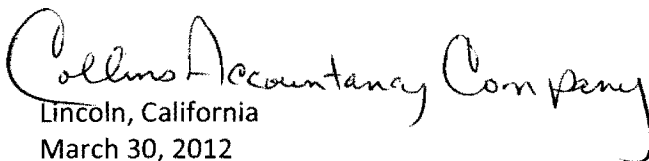
As part of obtaining reasonable assurance about whether the County of Siskiyou's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and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

We noted certain matters that we reported to management of the County in a separate letter dated March 30, 2012.

The County's response to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the County's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the County of Siskiyou Board of Supervisors, others within the entity, and is not intended to be and should not be used by anyone other than these specified parties.

COLLINS ACCOUNTANCY COMPANY


Lincoln, California
March 30, 2012

COLLINS ACCOUNTANCY COMPANY

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Independent Auditor's Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

To the Board of Supervisors and Grand Jury
County of Siskiyou
Yreka, California

Compliance

We have audited County of Siskiyou's (the "County") compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of the County of Siskiyou's major federal programs for the year ended June 30, 2011. The County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County of Siskiyou's management. Our responsibility is to express an opinion on the County of Siskiyou'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 Siskiyou complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 11-SA-2 and 11-SA-5.

Internal Control over Compliance

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 to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 11-SA-2, 11-SA-3, 11-SA-5, and 11-SA-7 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 11-SA-1, 11-SA-4, and 11-SA-6 to be significant deficiencies.

To the Board of Supervisors and Grand Jury
County of Siskiyou
Yreka, California
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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 Siskiyou as of and for the year ended June 30, 2011, and have issued our report thereon dated March 30, 2012. 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.

The attached Supplementary Schedule of the California Emergency Management Agency Grant Expenditures and the California Department of Corrections and Rehabilitation Programs and the Supplemental Statements of Revenue and Expenditures of the California Department of Community Services and Development have not been subjected to auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

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

This report is intended solely for the information and use of management, the County of Siskiyou Board of Supervisors, others within the entity, 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.

COLLINS ACCOUNTANCY COMPANY



Collins Accountancy Company

Lincoln, California

March 30, 2012

(except for certain revisions to the questioned costs
explanation in findings 11-SA-3 and 11-SA-5 and except for the specific
identification of programs in finding 11-SA-7, dated October 9, 2012)

COUNTY OF SISKIYOU

Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grantor Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture</u>			
Direct:			
Cooperative Forest Road Agreement	10.000	R011050500-078	\$ 106,555
Passed through State Department of Education:			
School Breakfast Program	10.553	--	8,611
National School Lunch Program	10.555	--	17,136
Subtotal			<u>25,747</u>
Passed through State Department of Social Services:			
Supplemental Nutrition Assistance Program	10.551*	--	9,463,494
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561*	--	826,654
ARRA - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561*	--	16,359
Subtotal			<u>10,306,507</u>
Passed through State Department of Health Services:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557*	--	348,502
ARRA - Special Supplemental Nutrition Program for Women, Infants, and Children	10.557*	--	16,627
In-Kind - Special Supplemental Nutrition Program for Women, Infants, and Children Food Vouchers	10.557*	--	890,843
Subtotal			<u>1,255,972</u>
Passed through State Controller's Office:			
Schools and Roads - Grants to Counties	10.666	--	3,461,324
Passed through State Department of Food & Agriculture:			
Detection and Eradication of Musk Thistle, Scotch Thistle, Perennial Peppergrass, Meadow Knapweed and Mediterranean Sage	10.025	--	7,296
In-Kind - Thistle, Perennial Peppergrass, Meadow Knapweed and Mediterranean Sage	10.025	--	15,049
Subtotal 10.025			<u>22,345</u>

* Major Program

COUNTY OF SISKIYOU

Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grantor Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture (continued)</u>			
Passed through State Department of Food & Agriculture (continued):			
ARRA - Leafy Spurge and A/B Rated Noxious Weed Eradication and Control	10.688*	--	\$ 151,050
Passed through California Fire Safe Council:			
Cooperative Forestry Assistance - Lake Siskiyou Phase V	10.664	10USFS-ES379	2,940
Cooperative Forestry Assistance - Rainbow Ridge Fuel Break	10.664	10USFS-ES382	7,223
Subtotal			10,163
Total U.S. Department of Agriculture			\$ 15,339,663
 <u>U.S. Department of Housing and Urban Development</u>			
Passed through State Department of Housing and Community Development:			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228*	08-STBG-4829	300,923
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228*	06-STBG-2576	3,281
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228*	07-PTAE-3681	35,350
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii - Economic Development	14.228*	07-EDEF-3765	176,041
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii - Economic Development	14.228*	08-EDEF-5895	157,532
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii - Program Income	14.228*	--	100,761
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii - EDBG Program In come	14.228*	--	350
Subtotal 14.228			774,238
Total U.S. Department of Housing and Urban Development			\$ 774,238
 <u>U.S. Department of Interior</u>			
Direct Programs:			
Payments in Lieu of Taxes	15.226	--	1,377,215

* Major Program

COUNTY OF SISKIYOU

Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grantor Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Interior (continued)</u>			
Direct Programs (continued):			
Invasive and Noxious Plant Management	15.230	--	\$ 7,812
Partners for Fish and Wildlife	15.631	--	21,900
Klamath Hydro-electrical Settlement Secretarial Determination Support	15.608	--	9,321
United States Geological Survey Precipitation Monitoring	15.808	06-4565-0003	4,600
Total U.S. Department of the Interior			<u>\$ 1,420,848</u>
<u>U.S. Department of Justice</u>			
Direct Programs:			
Cannabis Eradication	16.579	2009-49	80,000
ARRA - COPS Hiring Recovery Program	16.710*	2009RKWX0159	204,546
ARRA - Combating Rural Crime Initiative	16.810*	2009-SD-B9-0127	398,873
Subtotal			<u>683,419</u>
Passed through California Emergency Management Agency:			
Victim/Witness Assistance Program	16.575	VW10180470	51,126
Unserved/Underserved Victim Advocacy and Outreach	16.575	UV10010470	38,786
Subtotal 16.575			<u>89,912</u>
ARRA - Substance Abuse Offender Treatment Program	16.803*	ZO09010470	60,073
Siskiyou County Interagency Narcotics Task Force	16.738*	DC10230470	134,373
ARRA - CalMMET Enforcement Team Recovery Act Program	16.804*	ZM09010470	20,456
ARRA - ADA Enforcement Team Recovery Act Program	16.804*	ZA09010470	149,745
Subtotal			<u>364,647</u>
ARRA - Evidence Based Adult Rehabilitation Program	16.000	ZP09010470	15,070
Passed through State Department of Corrections and Rehabilitation:			
Anger Management and Youth Violence Prevention Training	16.532	115-09 AMYVPT	8,810
Total U.S. Department of Justice			<u>\$ 1,161,858</u>

* Major Program

COUNTY OF SISKIYOU

Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grantor Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Transportation</u>			
Direct Program:			
Airport Improvement Program	20.106	--	\$ 108,300
Passed through State Department of Transportation:			
Highway Planning and Construction	20.205*	025N/02-5902R	6,078
Highway Planning and Construction	20.205*	024N/02-5902R	11,620
Highway Planning and Construction	20.205*	024N/02-5902R	91,980
Highway Planning and Construction	20.205*	015M1/02-5902	173,090
ARRA - Highway Planning and Construction	20.205*	STPLER-5902(061)	527,328
Subtotal 20.205			<u>810,096</u>
Passed through State Department of Traffic Safety:			
Office of Traffic Safety	20.600	--	10,553
Passed through State Department of Parks and Recreation:			
Recreational Trails Program	20.219*	RT-47-002	95,794
Passed through Federal Transit Administration:			
Federal Transit-Formula Grants	20.507	-	182,030
Formula Grants for Other Than Urbanized Areas	20.000	-	9,774
ARRA - Formula Grants for Other Than Urbanized Areas	20.509	CA-86-X001	58,170
Subtotal			<u>249,974</u>
Total U.S. Department of Transportation			<u>\$ 1,274,717</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through State Department of Social Services:			
Temporary Assistance for Needy Families - Assistance	93.558*	--	1,900,438
Temporary Assistance for Needy Families - Administration	93.558*	--	2,038,500
Subtotal			<u>3,938,938</u>
Foster Care-Title IV-E - Administration	93.658	--	\$ 828,477
Foster Care-Title IV-E - Assistance	93.658	--	646,119
ARRA - Foster Care Title IV-E	93.658	--	43,999
Subtotal 93.658			<u>1,518,595</u>

* Major Program

COUNTY OF SISKIYOU

Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grantor Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Health and Human Services (continued)</u>			
Passed through State Department of Social Services (continued):			
Adoption Assistance Program - Administration	93.659	--	\$ 23,542
Adoption Assistance Program - Assistance	93.659	--	744,951
ARRA - Adoption Assistance Program	93.659	--	64,492
Subtotal 93.659			<u>832,985</u>
Promoting Safe and Stable Families	93.556	--	37,360
Child Welfare Services - State Grants	93.645	--	43,215
Chafee Foster Care Independence Program	93.674	--	55,695
Subtotal			<u>136,270</u>
Passed through State Department of Child Support Services:			
Child Support Enforcement	93.563	--	1,571,995
ARRA - Child Support Enforcement	93.563	--	85,857
Subtotal 93.563			<u>1,657,852</u>
Passed through State Department of Community Services and Development:			
Community Services Block Grant	93.569	10F-4028	140,163
Community Services Block Grant	93.569	11F-4228	85,307
Subtotal 93.569			<u>225,470</u>
Passed through State Department of Mental Health Services:			
Block Grants for Community Mental Health Services	93.958	--	<u>104,848</u>
Passed through State Department of Alcohol and Drug Programs:			
Block Grant for Prevention and Treatment of Substance Abuse	93.959*	--	<u>705,494</u>
Passed through State Department of Health Care Services:			
Maternal and Child Health Services Block Grant to the States	93.994	--	<u>124,175</u>
Medical Assistance Program - Child Health and Disability Prevention	93.778	--	75,219
Medical Assistance Program - California Children's Services	93.778	-	83,767
Medical Assistance Program - Health Care Program for Children	93.778	--	7,432
Foster Care			
Medical Assistance Program - In Home Supportive Services	93.778		149,891
Medical Assistance Program - Social Services Administration	93.778	-	581,476
Subtotal 93.778			<u>897,785</u>

* Major Program

COUNTY OF SISKIYOU

Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grantor Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Health and Human Services (continued)</u>			
Passed through State Department of Public Health:			
HIV Surveillance	93.944	--	\$ 5,870
Public Health Emergency Preparedness	93.069	--	196,350
SCIP Community Intervention Program	93.977	--	100
National Bioterrorism Hospital Preparedness Program	93.889		96,941
Immunization Grants	93.268	--	42,204
Subtotal			<u>341,465</u>
Total U.S. Department of Health and Human Services			<u>\$ 10,483,877</u>
<u>U.S. Department of Homeland Security</u>			
Direct program:			
Emergency Management Performance Grants	97.042	2009-15	<u>132,939</u>
Passed through California Emergency Management Agency:			
Hazardous Mitigation	97.039	--	37,169
Homeland Security Grant	97.067	--	238,204
Subtotal			<u>275,373</u>
Disaster Grants - Public Assistance	97.036	FEMA 1884	<u>21,321</u>
Total U.S. Department of Homeland Security			<u>\$ 429,633</u>
Total Expenditures of Federal Awards Before Loans			<u><u>\$ 30,884,834</u></u>
<u>Beginning Federal Loan Balances With a Continuing Compliance Requirement</u>			
<u>U.S. Department of Housing and Urban Development</u>			
Passed through State Department of Housing and Community Development:			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228*	--	\$ 3,104,722
Home Investment Partnerships Program	14.239	--	<u>307,000</u>
Total U.S. Department of Housing and Urban Development			<u>\$ 3,411,722</u>
Total Expenditures of Federal Awards Including Loans			<u><u>\$ 34,296,556</u></u>

* Major Program

COUNTY OF SISKIYOU

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2011

Note 1: **Reporting Entity**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the County of Siskiyou. The County of Siskiyou'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 of Expenditures of Federal Awards.

Note 2: **Basis of Accounting**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County and is presented on accounting principles generally accepted in the United States of America, except where OMB Circular A-133 *Audits of States, Local Governments, and Non-Profit Organizations* requires a different approach. Because the information in this schedule is presented in accordance with the requirements of OMB Circular A-133, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the 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 Siskiyou provided federal awards to subrecipients as follows:

Federal CFDA #	Program	Amount
10.688	ARRA - Leafy Spurge and A/B Rated Noxious Weed Eradication and Control	\$ 4,500
93.958	Block Grants for Community Mental Health Services	50,000
93.959	Block Grants for Prevention and Treatment of Substance Abuse	63,214
16.804	CalMMet Enforcement Team Recovery	5,889
16.804	ADA Enforcement Team Recovery	<u>47,218</u>
	Total	<u>\$ 170,821</u>

COUNTY OF SISKIYOU

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2011

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

Outstanding federally-funded program loans, with a continuing compliance requirement, carried balances as of June 30, 2010 and June 30, 2011 as follows:

<u>Federal CFDA#</u>	<u>Program Title</u>	<u>Amount Outstanding</u>	
		<u>July 1, 2010</u>	<u>June 30, 2011</u>
14.228	Community Development Block Grant/ State's Program	\$ 3,104,722	\$ 3,207,528
14.239	HOME Investments Partnership Program	<u>307,000</u>	<u>307,000</u>
	Total	<u>\$ 3,411,722</u>	<u>\$ 3,514,528</u>

Note 6: **Program Clusters**

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

<u>Federal CFDA #</u>	<u>Program Title</u>	<u>Federal Expenditures</u>
<u>SNAP Cluster:</u>		
10.551	Supplemental Nutrition Assistance Program	\$ 9,463,494
10.561	State Administrative Matching Grants for Supplemental Nutrition Assistance Program	826,654
10.561	ARRA - State Administrative Matching Grants for Supplemental Nutrition Assistance Program	<u>16,359</u>
	Total	<u>\$ 10,306,507</u>
<u>Child Nutrition Cluster:</u>		
10.553	School Breakfast Program	\$ 8,611
10.555	National School Lunch Program	<u>17,136</u>
	Total	<u>\$ 25,747</u>

COUNTY OF SISKIYOU

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2011

Note 6: **Program Clusters** (continued)

<u>Federal</u>		<u>Federal</u>
<u>CFDA #</u>	<u>Program Title</u>	<u>Expenditures</u>
<u>JAG Program Cluster:</u>		
16.738	Siskiyou County Interagency Narcotics Task Force	\$ 134,373
16.803	ARRA - Substance Abuse Offender Treatment	60,073
16.804	ARRA - CalMMet Enforcement/Task Force	20,456
16.804	ARRA - ADA Enforcement Team Recovery Act	<u>149,745</u>
	Total	<u>\$ 364,647</u>
<u>Highway Planning and Construction Cluster:</u>		
20.205	Highway Planning and Construction	\$ 282,768
20.205	ARRA - Highway Planning and Construction	527,328
20.219	Recreational Trails Program	<u>95,794</u>
	Total	<u>\$ 905,890</u>

Note 7: **American Recovery and Reinvestment Act Expenditures**

In accordance with requirements under U.S. Office of Management and Budget (OMB) Circular A-133, expenditures for federal awards under the American Recovery and Reinvestment Act of 2009 (ARRA) are separately identified in the Schedule by inclusion of the prefix "ARRA" in the identifying name of the federal program on the Schedule of Expenditures of Federal Awards.

Note 8: **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 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.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Section I - Summary of Auditor's Results

Financial Statements

- | | |
|--|-------------|
| 1. Type of auditor's report issued: | Unqualified |
| 2. Internal controls over financial reporting: | |
| a. Material weaknesses identified? | Yes |
| b. Significant deficiency identified not considered to be material weaknesses? | Yes |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

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

CFDA Number

Name of Federal Program

SNAP Cluster:

10.551

Supplemental Nutrition Assistance Program

10.561

State Administrative Matching Grants for the
Supplemental Nutrition Assistance Program

10.561

ARRA - State Administrative Matching Grants for
the Supplemental Nutrition Assistance Program

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Section 1 - Summary of Auditor's Results (continued)

<u>CFDA Number</u>	<u>Name of Federal Program</u>
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
10.557	ARRA - Special Supplemental Nutrition Program for Women, Infants, and Children
10.557	In-Kind - Special Supplemental Nutrition Program for Women, Infants, and Children Food Vouchers
10.688	ARRA - Leafy Spurge and A/B Rated Noxious Weed Eradication and Control
14.228	Community Services Block Grants/State's Program and Non-Entitlement Grants in Hawaii
16.710	ARRA - COPS Hiring Recovery Program
16.810	ARRA - Combating Rural Crime Initiative
JAG Program Cluster:	
16.738	Siskiyou County Interagency Narcotics Task Force
16.803	ARRA - Substance Abuse Offender Treatment Program
16.804	ARRA - CalMMet Enforcement/Task Force Recovery Act Program
16.804	ARRA - ADA Enforcement Team Recovery Act Program
Highway Planning and Construction Cluster:	
20.205	Highway Planning and Construction
20.205	ARRA - Highway Planning and Construction
20.219	Recreational Trails Program
93.558	Temporary Assistance for Needy Families
93.959	Block Grants for Prevention and Treatment of Substance Abuse

5. Dollar Threshold used to distinguish between Type A and Type B programs? \$ 1,027,895

6. Auditee qualified as a low-risk auditee under OMB Circular A-133, Section 530? No

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Section II - Financial Statement Findings

Supervisory Approval of Employee Time	Finding 11-FS-1
Segregation of Duties in Cash Receipts	Finding 11-FS-2
Recording of Interfund Reimbursements	Finding 11-FS-3
Deferred Revenue Offset for Loans Receivable	Finding 11-FS-4
Audits of Transient Occupancy Taxes	Finding 11-FS-5
GASB 34 Trust Funds	Finding 11-FS-6
Collectability of Interfund Loans	Finding 11-FS-7

Section III - Federal Award Findings and Questioned Costs

CFDA 14.228	Finding 11-SA-1
CFDA 14.228	Finding 11-SA-2
CFDA 16.810, 16.738, 16.803, 16.804, 20.205 & 20.219	Finding 11-SA-3
CFDA 16.738, 16.803, 16.804	Finding 11-SA-4
CFDA 20.205, 20.219	Finding 11-SA-5
CFDA 10.561, 93.558	Finding 11-SA-6
CFDA: 10.551 & 10.561, 10.557, 10.688, 14.228, 16.810, 16.738, 16.803, 16.804, and 93.558	Finding 11-SA-7

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-FS-1 Supervisory Approval of Employee Time	<p data-bbox="516 415 1107 447"><i>Reporting Requirement: Significant Deficiency</i></p> <p data-bbox="516 491 617 522">Criteria</p> <p data-bbox="516 569 1451 642">Supervisory review and approval of employee time helps to ensure the accuracy of payroll costs paid by the County.</p> <p data-bbox="516 686 647 718">Condition</p> <p data-bbox="516 764 1451 1029">Most departments in the County have implemented the Kronos system to track and report employee time as part of the payroll process. The Kronos system has the capability of recording supervisory approval of employee time. However, in our test of 60 randomly selected employee payments, we found at least 15 employee payments from multiple departments where direct supervisory review and approval of the time worked had not been documented.</p> <p data-bbox="516 1073 1451 1337">The County has a process in place that requires the department head responsible for the department to sign the payroll register for the full department for each pay period. Whenever we tested this control, we found that the payroll register was appropriately signed as required, however in some departments the approval of the department head would not be equivalent to direct supervisory approval due to large numbers of employees.</p> <p data-bbox="516 1381 597 1413">Cause</p> <p data-bbox="516 1459 1451 1533">A uniform policy has not yet been put into place concerning supervisory approval in the Kronos system.</p> <p data-bbox="516 1577 842 1608">Effect or Potential Effect</p> <p data-bbox="516 1654 1451 1799">When a supervisor with direct knowledge of work performed by employees does not routinely review and approve employee time, the County is at increased risk of paying employees based on an incorrect number of hours worked.</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-FS-1 (continued)	<p data-bbox="516 415 753 447">Recommendation</p> <p data-bbox="516 491 1451 716">We recommend that the County adopt a uniform policy requiring the approval of a direct supervisor in departments that are too large for the department head to have personal knowledge of the work each of his or her employees are performing. We recommend that this approval be documented in the Kronos system where practical and that the approvals be in place prior to payroll processing.</p> <p data-bbox="516 764 646 795">Response</p> <p data-bbox="516 840 1451 1104">The Auditor-Controller and the County Administrator acknowledge that departments should be following the appropriate electronic approving process in Kronos; however, it would appear that putting this in writing and having a formal policy would provide better direction and clarity to departments and employees. We will work together to formulate a policy for departments to follow. We hope to have this in place by June 30, 2012.</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-FS-2 Segregation of Duties in Cash Receipts	<p data-bbox="516 415 1084 447"><i>Reporting Requirement: Material Weakness</i></p> <p data-bbox="516 491 618 522">Criteria</p> <p data-bbox="516 569 1451 716">To maintain effective control over cash receipts, internal procedures often require that responsibilities for handling cash received and for reconciling the amount of cash to the cash receipts be given to two different individuals.</p> <p data-bbox="516 762 651 793">Condition</p> <p data-bbox="516 840 1451 951">In the Public Health Department, we observed that the same individual has physical access to cash and performs daily cash reconciliations as well as updating the receivable records.</p> <p data-bbox="516 997 602 1029">Cause</p> <p data-bbox="516 1075 1328 1106">Limited staffing makes full segregation of duties more difficult.</p> <p data-bbox="516 1152 846 1184">Effect or Potential Effect</p> <p data-bbox="516 1230 1451 1377">Allowing the individual responsible for reconciliation of cash receipts to receipt records and for updating the receivable records to also have physical access to the cash and checks received could increase the risk that revenue may not be properly recorded.</p> <p data-bbox="516 1423 753 1455">Recommendation</p> <p data-bbox="516 1501 1451 1612">We recommend that physical custody of cash and checks received be the responsibility of an individual who is not responsible for reconciling the actual cash to the receipts and updating the receivable records.</p> <p data-bbox="516 1659 646 1690">Response</p> <p data-bbox="516 1736 1451 1883">The Auditor's office will go over the cash handling policy again with Public Health. We will discuss the need for separation in duties and better accountability on cash transactions. This will be done immediately.</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-FS-3 GASB 34 Trust Funds	<p data-bbox="516 415 1084 447"><i>Reporting Requirement: Material Weakness</i></p> <p data-bbox="516 491 618 522">Criteria</p> <p data-bbox="516 569 1451 835">GASB Statement 34, paragraph 112(b)(2) defines interfund reimbursements as “repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.” The statement goes on to provide that “Reimbursements should not be displayed in the financial statements.” GASB Statement 34 contrasts this type of interfund transaction with an interfund transfer, defined in GASB 34, paragraph 112(b)(1).</p> <p data-bbox="516 882 651 913">Condition</p> <p data-bbox="516 959 1451 1262">During our testing of interfund transfers, we noted that some of the transactions recorded in the accounts reserved for interfund transfers were repayments for payroll and administrative costs incurred on behalf of the paying fund. In many cases, the paying fund was a special revenue fund whose fund balance was subject to purpose restrictions while the fund receiving the reimbursement was the general fund. Audit adjustments were made in the financial statements for the year ended June 30, 2011 to correct this presentation.</p> <p data-bbox="516 1308 597 1339">Cause</p> <p data-bbox="516 1386 1451 1459">The County has designated the transfer in and out accounts to track most interfund activity.</p> <p data-bbox="516 1505 846 1537">Effect or Potential Effect</p> <p data-bbox="516 1583 1451 1764">Because the definition of an interfund transfer under generally accepted accounting principles emphasizes a movement of funds that is unconditional in nature, the recording of reimbursement transactions as transfers implies that gifts of money are being made between funds when in fact the movements are simply to compensate</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-FS-3 (continued)	<p data-bbox="516 415 1445 562">for expenditures incurred. Recording transfers out in special revenue funds that are actually reimbursements of cost could unnecessarily raise grantor concern that funds are being used for unrelated purposes.</p> <p data-bbox="516 611 753 638">Recommendation</p> <p data-bbox="516 686 1445 793">We recommend that the County adopt a system for distinguishing between reimbursements of costs between funds and interfund transfers, as defined by GASB Statement 34.</p> <p data-bbox="516 842 646 869">Response</p> <p data-bbox="516 917 1445 1104">We do not agree with this finding, and do not feel that Collins Accountancy is interpreting GASB Statement 34 correctly. We consulted with prior auditors, and they agreed that there are two ways to present this information in the financial statements. We will take no action on this finding.</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-FS-4 Deferred Revenue Offset for Loans Receivable	<p data-bbox="516 415 1084 447"><i>Reporting Requirement: Material Weakness</i></p> <p data-bbox="516 491 618 522">Criteria</p> <p data-bbox="516 569 1445 793">GASB Statement 54, paragraph 6 provides that nonspendable fund balance “includes the long-term amount of loans and notes receivable,” except where the proceeds from those instruments is restricted, committed, or assigned, in which case it should be reported in the same category as the proceeds will be reported in when received.</p> <p data-bbox="516 840 647 871">Condition</p> <p data-bbox="516 917 1445 1066">Much of the County’s loans receivable balance related to CDBG loans had been offset by deferred revenue. The deferred revenue has been eliminated with an audit adjustment in the financial statements as of June 30, 2011, in compliance with GASB 54.</p> <p data-bbox="516 1113 597 1144">Cause</p> <p data-bbox="516 1190 1445 1535">Prior to the issuance of GASB 54, limited guidance existed on the reporting of loans receivable in governmental funds, and many governments decided to offset their loans receivable balances with deferred revenue similar to the treatment of nonexchange revenues earned but received after the accrual period. This treatment has the advantage of allowing local governments to present loan activity in a way that more closely resembles the budget since principal repayments and new loans extended are normally included as part of the revenue and expenditure budgets.</p> <p data-bbox="516 1581 842 1612">Effect or Potential Effect</p> <p data-bbox="516 1659 1445 1764">Offsetting loans receivable with deferred revenue on the financial statements causes the financial statements not to comply with GASB 54 requirements.</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-FS-4 (continued)	<p data-bbox="516 415 755 451">Recommendation</p> <p data-bbox="516 493 1453 571">We recommend that the deferred revenue balances be eliminated for financial statement presentation.</p> <p data-bbox="516 613 649 648">Response</p> <p data-bbox="516 690 1453 760">This is for financial statement presentation only. The County will take no action on this finding.</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-FS-5 Audits of Transient Occupancy Taxes	<p data-bbox="516 409 1107 445"><i>Reporting Requirement: Significant Deficiency</i></p> <p data-bbox="516 483 617 514">Criteria</p> <p data-bbox="516 552 1451 739">The County collects transient occupancy taxes from motels and other providers of temporary accommodation in unincorporated areas of the County. The tax paid is based on the revenues reported to the County by the operators of the motels, and it relies upon the accuracy of those reports.</p> <p data-bbox="516 777 649 808">Condition</p> <p data-bbox="516 846 1451 997">Although the County monitors providers of temporary accommodation to ensure they receive the expected quarterly reports, the County does not conduct on-site audits of the providers to ensure they are reporting all taxes legally due to the County.</p> <p data-bbox="516 1035 600 1066">Cause</p> <p data-bbox="516 1104 1429 1136">Limited staffing has prevented the County from conducting the audits.</p> <p data-bbox="516 1173 844 1205">Effect or Potential Effect</p> <p data-bbox="516 1243 1451 1352">Without performing audits of the motel operators, the County may not be receiving as much transient occupancy tax revenue as it is legally entitled to receive due to the incentive to under-report revenues.</p> <p data-bbox="516 1390 755 1421">Recommendation</p> <p data-bbox="516 1459 1451 1568">The County may wish to consider contracting with another firm to perform audits of the providers of temporary accommodation to ensure that it is receiving the full amount of tax to which it is entitled.</p> <p data-bbox="516 1606 649 1638">Response</p> <p data-bbox="516 1675 1451 1785">Due to limited financial resources, staffing, and potential auditors that could perform this service within Siskiyou County, the Treasurer-Tax Collector feels that this would be cost prohibitive at this time.</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-FS-6 GASB 34 Trust Funds	<p data-bbox="516 415 1089 447"><i>Reporting Requirement: Material Weakness</i></p> <p data-bbox="516 485 618 516">Criteria</p> <p data-bbox="516 562 1451 1136">In accordance with the policies of the State Department of Social Services, the County receives estimated monthly advances from the state to cover the costs of administering various social services programs. The County reports its actual social service administrative costs to the state on a quarterly basis using a County Expense Claim. The state then compares the amount that has been advanced to the County to the actual costs claimed in the County Expense Claim and adds or deducts from future payments as necessary to match actual expenditures. These adjustments to future payments to match actual expenditures are generally complete within two years of the filing of the original claim. Under generally accepted accounting principles, monies advanced by the state in excess of monies actually spent on the programs would be treated as unearned revenue, while actual claimable costs on the programs in excess of the amount advanced by the state would be treated as a receivable.</p> <p data-bbox="516 1182 646 1213">Condition</p> <p data-bbox="516 1260 1451 1715">In prior years, estimated monthly advances from the State Department of Social Services were deposited into an agency account. Once a County Expense Claim was prepared showing the actual costs for a quarter, the amount claimed was moved out of the agency account and recognized as revenue in the Human Services fund. Beginning with the fiscal year audited, advances from the State Department of Social Services were recognized directly in the Human Services Fund upon receipt and did not run through the Agency account. The balance of \$804,485 in the agency account as of June 30, 2011 was substantially unchanged from the balance as of June 30, 2010. The amount has been displayed as a prior period adjustment on the financial statements in the Human Services fund.</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-FS-6 (continued)	<p>Cause</p> <p>Due to the complexity of the social services claiming process, which sometimes involves multiple claims for the same time period, it is possible that errors or omissions in prior years resulted in the revenue not being recognized at the time it was earned.</p> <p>Effect or Potential Effect</p> <p>Classifying this balance in an agency account could create the impression that the funds are unavailable when the passage of time suggests they have already been earned.</p> <p>Recommendation</p> <p>We recommend that the agency account balance be reviewed and the appropriate amounts moved in the financial system by June 30, 2012.</p> <p>Response</p> <p>The Auditor-Controller agrees with this recommendation, and has tried unsuccessfully to get Social Services to balance this agency account for the past two years.</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-FS-7 Collectability of Interfund Loans	<p data-bbox="516 415 1091 449"><i>Reporting Requirement: Material Weakness</i></p> <p data-bbox="516 485 618 518">Criteria</p> <p data-bbox="516 562 1451 747">GASB Statement 34, paragraph 112(a)(1) provides that “[i]f repayment [of an interfund loan] is not expected within a reasonable time, the interfund balances should be reduced and the amount that is not expected to be repaid should be reported as a transfer from the fund that made the loan to the fund that received the loan.”</p> <p data-bbox="516 793 651 827">Condition</p> <p data-bbox="516 871 1451 1020">Approximately \$70,000 owed by the Public Health Fund to other funds is not expected to be repaid. The amount was reclassified to a transfer on the financial statements for the year ended June 30, 2011 in compliance with the above cited section of GASB 34.</p> <p data-bbox="516 1066 602 1100">Cause</p> <p data-bbox="516 1144 1451 1213">The current financial condition of the Public Health Fund indicates that it may be unable to repay the amount.</p> <p data-bbox="516 1260 846 1293">Effect or Potential Effect</p> <p data-bbox="516 1337 1451 1486">Displaying interfund loans that are not expected to be repaid within a reasonable period of time could lead to the impression that the resources are available for spending in the receivable fund when, in fact, they are not.</p> <p data-bbox="516 1533 753 1566">Recommendation</p> <p data-bbox="516 1610 1451 1680">We recommend that the County record transfers to satisfy uncollectible balances owed by the Public Health Fund.</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-FS-7 (continued)	Response The Auditor-Controller agrees with this recommendation. Prior to the end of fiscal year 2010-2011, the Auditor expressed concern about the forecasted negative fund balance. The Board of Supervisors and the County Administrator were apprised of the situation by the Auditor. The Auditor has continued to monitor the situation and will be working with the Public Health Director and the County Administrator to resolve the deficit fund balance.

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
<p>Finding 11-SA-1.</p> <p>CFDA No. 14.228 Award No. Various Year: 2010-2011</p>	<p><i>Federal Grantor:</i> U.S. Department of Housing and Urban Development</p> <p><i>Pass-Through Entity:</i> State Department of Housing and Community Development</p> <p><i>Grant Name:</i> Community Development Block Grants/ State's Program and Non-Entitlement Grants in Hawaii</p> <p><i>Compliance Requirement:</i> Program Income</p> <p><i>Reporting Requirement:</i> Significant Deficiency</p>

Criteria and Condition

Over a number of years, the County has offered subsidized loan programs to its residents and businesses funded by the Federal Community Development Block Grant (CDBG) program and passed through the State Department of Housing and Community Development. As the loans are extended by and repayable to the County, they are properly recognized as assets on the County's financial statements under generally accepted accounting principles. To ensure they are reported properly, the County's procedures must incorporate an accurate accounting for principal and interest components of each loan, and for repayments made over time.

The County has approximately 75 loans outstanding from various County residents and businesses that were made under the CDBG program. Total outstanding loan balances are recorded by fund via journal entries in the County's general ledger system, with the principal and interest components of these loan balances accounted for through the use of separate Excel spreadsheets set up for each loan. During our review of the Excel spreadsheets we observed that, at times, multiple payment schedules were being kept for the same loan balance. In one instance, we noted that the \$40,000 deferred principal portion of a loan balance had been omitted from the ongoing balance calculations in the Excel loan payment schedule. The \$40,000 deferred amount was noted at the top of the Excel loan payment schedule in an inconspicuous manner. The excel spreadsheets indicated in one instance that collateral had been repossessed and leased out to another entity, but

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-SA-1. CFDA No. 14.228 (continued)	<p>the entry to record this change had not been made on the general ledger. We also found several cases in which the loan balance as of a month other than June 30 was erroneously used instead of the balance at June 30, although the dollar impact of this error was minimal. In recalculating a sample of amortization schedules, we noted minor inconsistencies in the method of calculating interest.</p> <p>As of June 30, 2011, approximately \$180,000 had been expended for construction projects for borrowers that had not yet been completed as of that date. The construction was funded pursuant to loan agreements between the borrowers and the County, but the amount expended had not yet been included in the excel loan amortization schedules or ending loans receivable balances because the projects had not yet been completed.</p> <p>The County has acquired a dedicated software product to account for these loan balances, but the product has not yet been implemented.</p> <p>Questioned Costs</p> <p>No costs are questioned.</p> <p>Perspective</p> <p>We do not believe any further information would assist in providing proper perspective.</p> <p>Cause</p> <p>Although Excel's versatility makes it extremely useful for a wide variety of accounting applications, it also heightens the risk of error when it is used for more complex calculations.</p> <p>The Department had historically not recorded loans receivable that were partially extended until the underlying project was complete.</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-SA-1.	Effect of Condition
CFDA No. 14.228 (continued)	Loan balances can be miscalculated or overlooked, especially as the number of spreadsheets involved grows larger. As well, the multiple versions of a single loan payment schedule invite error.
	Recommendation
	We recommend that the Auditor-Controller's Office conduct a review of the loans receivable balances to prepare to implement the new software product, and we recommend that the Public Health Department promptly furnish all records necessary to enable the Auditor-Controller's Office to complete this review within 90 days. We recommend that the Public Health Department proceed thereafter with the setup of all loan balances in the new software by the end of the fiscal year and furnish documentation of each loan setup to the Auditor-Controller's Office for verification.
	Corrective Action Plan
	The Department acknowledges that managing and servicing loans in individual Excel spreadsheets is less than ideal. The Department purchased loan servicing software in February 2011. The Department has spent time training staff and consulting with the company to input the loan portfolio. The process of converting systems has identified spreadsheet errors. Resolution of the errors is an involved process that often requires research, consultation with the loan recipient and the CDBG loan review committee. As of January 1, 2012, the Department has 14 loans in the system. We went live with the resolved loans in March 2012. The system will generate monthly statements and allow the Department to easily track balances and deficiencies.
	The Department has been working cooperatively with the Auditor to resolve outstanding loan balance issues and hope to complete conversion from spreadsheets to the loan servicing system by June 30, 2012. The completion date might flow into fiscal year 12/13.
	Contact Person: Jennie Ebejer, Auditor-Controller (530) 842-8030

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
<p>Finding 11-SA-2.</p> <p>CFDA No. 14.228 Award No. Various Year: 2010-2011</p>	<p><i>Federal Grantor:</i> U.S. Department of Housing and Urban Development</p> <p><i>Grant Name:</i> Community Development Block Grants/ State's Program and Non-Entitlement Grants in Hawaii</p> <p><i>Pass-Through Entity:</i> State Department of Housing and Community Development</p> <p><i>Compliance Requirement:</i> Subrecipient Monitoring</p> <p><i>Reporting Requirement:</i> Material Weakness, noncompliance which requires reporting.</p>

Criteria and Condition

In accordance with OMB A-133; Subpart D—Federal Agencies and Pass-through Entities; § .400. "A pass-through entity is responsible for. . . monitoring the activities of subrecipients as necessary to ensure that federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements . . ."

Regulations specific to Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii ("CDBG") at 24 CFR 570.501(b) state that the recipients (the County in this instance) are responsible for ensuring that CDBG funds passed down to a subrecipient are used in accordance with all program requirements, for determining the adequacy of the subrecipient's performance and for taking appropriate action when performance problems arise. 24 CFR 84.51 provides that recipients shall monitor subawards to ensure subrecipients have met the OMB Circular A-133 requirements.

During the audit we inquired about monitoring of the County's subrecipients under the CDBG program. The County was not aware of any monitoring which had occurred in the past for this program.

Questioned Costs

This matter does not involve costs.

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-SA-2.	<u>Perspective</u>
CFDA No. 14.228 (continued)	<p>The County works closely with each of the three subrecipients. As well, these subrecipients present the loan packages directly to the County loan committee for approval of any new loans.</p>
	<u>Effect of Condition</u>
	<p>The County is responsible for a subrecipient's compliance with laws, regulations, and contracts, including OMB A-133. If the County does not monitor its subrecipients regularly, the County could ultimately be held responsible for a subrecipient's noncompliance with Single Audit requirements.</p>
	<u>Recommendation</u>
	<p>We recommend the County put together policies for monitoring its subrecipients and ensuring that these monitoring procedures are conducted. We further recommend that the County develop a monitoring checklist for these procedures. The U.S. Department of Housing and Urban Development Guidebook for CDBG Grantees on Subrecipient Oversight may be a good source for consultation. It can be found online at portal.hud.gov/hudportal/documents/huddoc?id=DOC_17096.pdf</p>
	<u>Corrective Action Plan</u>
	<p>The department is aware of the need to monitor subrecipients, and shared this with the outside auditors at the time of the audit. Steps have been taken to implement subrecipient monitoring. A monitoring checklist has been created, and the department will be using the State's guidelines as their monitoring procedure manual. Implementation has begun in fiscal year 2011/2012.</p>
	<p>Contact Person: Jennie Ebejer, Auditor-Controller (530) 842-8030</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
<p>Finding 11-SA-3.</p> <p>CFDA 16.810 & JAG Cluster: 16.738, 16.803 & 16.804</p> <p>Award Nos. ZO09010470 DC10230470 ZM09010470 ZM09010470</p> <p>Year: Various</p> <p>Highway Planning and Construction Cluster</p> <p>CFDA: 20.205 & 20.219</p> <p>Award No. Various</p> <p>Year: 2010-2011</p>	<p><i>Federal Grantor:</i> Department of Justice</p> <p><i>Pass-Through Entity:</i> California Emergency Management Agency</p> <p><i>Grant Name:</i> JAG Program Cluster</p> <p>Siskiyou County Interagency Narcotics Task Force</p> <p><i>Federal Grantor:</i> U.S. Department of Transportation</p> <p><i>Pass-Through Entity:</i> California Department of Transportation</p> <p><i>Grant Name:</i> Highway Planning and Construction Cluster</p> <p><i>Compliance Requirement:</i> Allowable Costs/Cost Principles</p> <p><i>Reporting Requirement:</i> Material weakness.</p> <p>Criteria</p> <p>OMB A-87 as codified at Title 2 Code of Federal Regulations Part 225, Appendix A and B requires that the costs charged to a federal award for the salaries and benefits of employees working on multiple activities or cost objectives be based on a documented, <i>after-the-fact distribution</i> of hours. When an employee works on only on one single Federal award or cost objective, salary costs must be supported by certifications that the employees worked solely on that program for the period covered and these certifications must be prepared at least semi-annually and be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.</p> <p>Supervisory approval of employee's time records is an important internal control over charges for salaries and benefits.</p> <p>Condition</p> <p>During our audit of the JAG Cluster and the Siskiyou County Interagency Narcotics Task Force grants, we learned that employees who work on only one grant may not comply with the six-month certification procedures under OMB A-87. We also learned that officers input their</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-SA-3. CFDA 16.810 & JAG Cluster: 16.738, 16.803 & 16.804 CFDA: 20.205 & 20.219 (continued)	Condition (continued) time into the payroll timekeeping system Kronos before the work is performed. However, after the scheduled time for this work, employees are required to adjust Kronos. Finally, we noted that one timesheet was not signed by the employee and two timesheets were not approved by the supervisor. During our audit of the Highway Planning and Construction Cluster, we noted five instances where supervisory approval was not present on timesheets. Questioned Costs Though the officers input their time into Kronos prior to performing the work, policies require that the officers review the time after the work is performed and determine that it is accurate. While some documentation was originally missing, we asked the County to provide the signed payroll documentation required by OMB Circular A-87 for the sample we selected. Although this documentation was prepared after our request for it, we believe it renders the auditee substantially compliant with the requirements of A-87 by demonstrating that the work was, in fact, performed for the benefit of the programs audited. We use professional judgment to make a decision about whether or not costs should be questioned. There is not necessarily a formula. But given the evidence obtained, we did not question costs. Remaining exceptions only involve internal controls. Perspective No further information would assist in gaining a better perspective. Effect of Condition Assigning employee time to programs before it is worked, not requiring all employees who work on only one program to adequately certify their time and processing payroll before the supervisor has approved the time all result in increased risk of payroll and grant billing errors.

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-SA-3.	Recommendation:
CFDA 16.810 & JAG Cluster: 16.738, 16.803 & 16.804	We recommend that the County set and enforce policies which would require strict compliance with the salaries documentation requirements of OMB A-87 for all federal grant programs and that the County increase efforts to enforce the requirement that timesheets be certified by the employee and approved by the supervisor.
CFDA: 20.205 & 20.219 (continued)	Corrective Action Plan
	The Auditor has requested that personnel send out another memo regarding employees and supervisors approving time. The Personnel department has agreed to send this out immediately. Due to staffing shortages the Auditor's office is unable perform internal audits as frequently as they should be, therefore we must rely on department heads to implement and oversee this at their level. The Sheriff's department has sent out a directive to their staff for compliance on this issue, and noted that management will be monitoring for compliance. Public Works noted where their weaknesses were, and have already taken corrective action. Both departments have noted that corrective action has been taken to be in compliance.
	Contact Person: Jennie Ebejer, Auditor-Controller (530) 842-8030

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-SA-4. JAG Cluster CFDA: 16.738, 16.803, 16.804	<i>Federal Grantor:</i> Department of Justice <i>Pass-Through Entity:</i> California Emergency Management Agency <i>Grant Name:</i> JAG Program Cluster Siskiyou County Interagency Narcotics Task Force <i>Compliance Requirement:</i> Reporting <i>Reporting Requirement:</i> Significant Deficiency

Criteria and Condition

The California Emergency Management Agency Recipient Handbook states that Accounting systems for Cal EMA projects may be on a cash, accrual, or modified accrual basis (Section 6400.7). However, the Report of Expenditures and Request for Funds (Cal EMA 2-201) can only be made on a cash basis (Section 6300). We noted that in a few instances items of expense were accrued but not paid in cash prior to being claimed.

Questioned Costs

No costs are questioned overall. The errors caused timing errors but no overall over-claiming.

Perspective

Delays in processing vendor payments have extended the claim timeline since expenditures involved in these grant cannot be claimed until paid.

Effect of Condition

Including costs in the cash basis reimbursement claims that have not been paid by the County during the claiming period might result in adjustments to reimbursements and detrimental audit findings.

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-SA-4.	Recommendation
JAG Cluster CFDA: 16.738, 16.803, 16.804 (continued)	We recommend that the Department review the process for preparing the 201s to determine what steps might be taken to ensure that claims are accurately reported. We further recommend that the Auditor Controller's Office work with the Sheriff's Office to assist them in ensuring that their vendor invoices are processed expeditiously so that the Department can adequately plan for the expenditure of grant funds.
	Corrective Action Plan
	Auditor will work with Sheriff's staff to help them understand the reconciliation and reporting requirements on federal grants. The Auditor's office has an internal work flow that allows for claims to be paid in chronological order. This ensures that all vendors are treated the same. The inaccuracy of reporting claims stems from not balancing to the County's financial system. If this process were followed then the claims would not be reported incorrectly. We hope to have this rectified by fiscal year ending June 30, 2012.
	Contact Person: Jennie Ebejer, Auditor-Controller (530) 842-8030

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
<p>Finding 11-SA-5.</p> <p>Highway Planning and Construction Cluster CFDA: 20.205 & 20.219</p> <p>Award No. Various Year: 2010-2011</p>	<p><i>Federal Grantor:</i> U.S. Department of Transportation <i>Pass-Through Entity:</i> California Department of Transportation <i>Grant Name:</i> Highway Planning and Construction Cluster</p> <p><i>Compliance Requirement:</i> Davis Bacon Compliance <i>Reporting Requirement:</i> Material Weakness; noncompliance which requires reporting.</p> <p>Criteria and Condition</p> <p>Under the Davis-Bacon Act, all laborers and mechanics employed by contractors or subcontractors to work on construction contracts in excess of \$2000 financed by Federal assistance funds must be paid wages not less than those established for the locality of the project (prevailing wage rates) by the Department of Labor (40 USC 3141-3144, 3146, and 3147 (formerly 40 USC 276a to 276a-7)). Federal funds recipients who expend those funds on covered construction projects are required to collect a copy of the payroll and a statement of compliance (certified payrolls) (29 CFR section 5.5 and 5.6) from the contractor on a weekly basis for each week in which any contract work is performed. When a contractor has begun but not completed a project and he does not work in a particular week, the contractor must provide a certificate of nonperformance stating that no work was done that week.</p> <p>On the Lake Siskiyou Trail project, we noted that the contractor did not submit certified payrolls nor certificates of nonperformance in the early weeks of October 2010.</p> <p>Questioned Costs</p> <p>Although it appears the certified payroll was not collected at the time the work was being performed, we were able to review a certified payroll report obtained later. Hence, we believe that an internal control problem existed which necessitated our finding in this area because the document was not available earlier, but the documentation we received appeared to demonstrate that the</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-SA-5. CFDA: 20.205 & 20.219 (continued)	<p data-bbox="522 415 755 447">Questioned Costs</p> <p data-bbox="522 493 1453 562">contractor had actually paid the appropriate wages. Consequently, we do not believe it would be appropriate to question costs.</p> <p data-bbox="522 609 673 640">Perspective</p> <p data-bbox="522 686 1453 756">We do not believe any further information would assist in gaining a proper prospective.</p> <p data-bbox="522 802 771 833">Effect of Condition</p> <p data-bbox="522 879 1453 1029">Without collecting either certified payrolls or certificates of nonperformance, the County has no way of knowing whether or not it is in compliance with the Davis-Bacon Act and therefore whether or not costs could be disallowed due to a Davis-Bacon violation.</p> <p data-bbox="522 1075 755 1106">Recommendation</p> <p data-bbox="522 1152 1453 1417">We recommend that the County review its procedures to ensure compliance with the Davis-Bacon requirements. If the County does not have a control sheet for logging the weekly certified payrolls as received, we recommend that it develop such a worksheet. We further recommend that a policy be set in place requiring that that the certified payrolls be logged into the control sheet and that this control sheet be reviewed periodically for missing items.</p> <p data-bbox="522 1463 812 1495">Corrective Action Plan</p> <p data-bbox="522 1541 1453 1648">General Services will make sure that they obtain the Statement of Compliance sheets, as well as the certified payrolls. This has already been implemented.</p> <p data-bbox="522 1694 1372 1724">Contact Person: Jennie Ebejer, Auditor-Controller (530) 842-8030</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
<p>Finding 11-SA-6.</p> <p>State Administrative Matching Grants for the Supplemental Nutrition Assistance Program CFDA 10.561</p> <p>Temporary Assistance for Needy Families CFDA 93.558</p> <p>Award No. N/A Year: 2010-2011</p>	<p><i>Federal Grantor:</i> U.S. Department of Agriculture</p> <p><i>Pass-Through Entity:</i> State Department of Social Services</p> <p><i>Grant Name:</i> State Administrative Matching Grants for the Supplemental Nutrition Assistance Program</p> <p><i>Federal Grantor:</i> U.S. Department of Health and Human Services</p> <p><i>Pass-Through Entity:</i> State Department of Social Services</p> <p><i>Grant Name:</i> Temporary Assistance for Needy Families</p> <p><i>Compliance Requirement:</i> Allowable Costs/Cost Principles</p> <p><i>Reporting Requirement:</i> Significant Deficiency</p> <p>Criteria</p> <p>The State Department of Social Services works with the U.S. Department of Health and Human Services to obtain approval for the cost allocation plan used throughout the year by county social service departments around the state. In accordance with the terms of this plan, certain employees in county social service departments are required to complete and sign time studies showing the distribution of their hours among multiple cost objectives for the middle month of each quarter. These distributions are then input into the County Expense Claim, which performs the calculations necessary to spread the costs among programs based on the completed time studies.</p> <p>Condition</p> <p>During our testing we noted three instances where the number of hours on the employee time study varied slightly from the number of hours used to prepare the County Expense Claim.</p> <p>Questioned Costs</p> <p>Of the three errors, one was corrected in the next quarter and the other two were minor differences in hours. Therefore, no costs are questioned.</p>

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-SA-6.	Perspective/Cause
CFDA 10.561 CFDA 93.558 (continued)	The exception rate in the sample was 3 items out of 40 total tested or 7.5%. The issue appears to be the result of an input error.
	Effect or Potential Effect
	Errors inputting employee hour distributions from the timestudies could cause an inaccurate allocation of costs among social services programs.
	Recommendation
	We recommend that total hours input be compared to the timestudies to minimize the potential for keying errors to impact the result.
	Corrective Action Plan
	Human Services will continue to work on reconciling the time studies to the County Expense Claim. The Auditor has recommended that there be a separation in duties, as it appears that the same person entering the time study data, also enters the summary information into the County Expense Claim. This will be rectified in fiscal year 2011/2012.
	Contact Person: Jennie Ebejer, Auditor-Controller (530) 842-8030

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-SA-7. CFDA: 10.551 & 10.561 (SNAP Cluster) Award No. N/A Year: 2010-2011 CFDA: 10.557 (WIC) Award No. N/A Year: 2010-2011 10.688 (Leafy Spurge) Award No. N/A Year: 2010-2011 CFDA No. 14.228 (CDBG) Award No. 08-STBG-4829 06-STBG-2576 07-PTAE-3681 07-EDEF-3765 08-EDEF-5895 Year: Various CFDA: 16.738, 16.803 & 16.804 (JAG Cluster) Award Nos. ZO09010470 DC10230470 ZM09010470 ZM09010470 Year: Various CFDA: 16.810 (Rural Crime) Award No. 2009-SD-B9-0127 CFDA: 93.558 (TANF) Award No. N/A Year: 2010-2011	<i>Federal Grantor:</i> U.S. Department of Agriculture <i>Pass-Through Entity:</i> State Department of Social Services <i>Grant Name:</i> SNAP Cluster <i>Pass-Through Entity:</i> State Department of Health Services <i>Grant Name:</i> Special Supplemental Nutrition Program for Women, Infants, and Children <i>Pass-Through Entity:</i> State Department of Food and Agriculture <i>Grant Name:</i> ARRA - Leafy Spurge and A/B Rated Noxious Weed Eradication and Control <i>Federal Grantor:</i> U.S. Department of Housing and Urban Development <i>Pass-Through Entity:</i> State Department of Housing and Community Development <i>Grant Name:</i> Community Development Block Grants/ State's Program and Non-Entitlement Grants in Hawaii <i>Federal Grantor:</i> Department of Justice <i>Pass-Through Entity:</i> California Emergency Management Agency <i>Grant Name:</i> JAG Program Cluster ARRA - Combating Rural Crime Initiative <i>Federal Grantor:</i> U.S. Department of Health and Human Services <i>Pass-Through Entity:</i> State Department of Social Services <i>Grant Name:</i> Temporary Assistance for Needy Families <i>Compliance Requirement:</i> Reporting <i>Reporting Requirement:</i> Material Weakness

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-SA-7.	Criteria
CFDA: 10.551 & 10.561 CFDA: 10.557 CFDA: 10.688 CFDA No. 14.228 CFDA: 16.738, 16.803 & 16.804	OMB Circular A-133 § .300(a) requires an entity undergoing a Single Audit to “[i]dentify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received.” This identification is the basis for the Schedule of Expenditures of Federal Awards prepared in accordance with OMB Circular A-133 § .310(b). While auditors may assist with the compilation of the Schedule of Expenditures of Federal Awards, Statement on Auditing Standards 115 clarifies that an auditor may not be part of an auditee’s internal control.
CFDA: 16.810	Condition
CFDA: 93.558 (Continued)	Federal funds are received for a variety of purposes and administered in many departments throughout the County. To meet the County’s requirements under OMB Circular A-133, departments administering federal funds were asked to supply information on the federal expenditures they administered. In several cases, there were timing differences at the beginning and end of the period which caused reporting of incorrect federal expenditure amounts.
	Questioned Costs
	No costs are questioned.
	Perspective/Cause
	Although departments reporting the federal expenditure amounts were asked to reconcile those amounts to the County’s operating ledger system, not all departments followed this practice.
	Effect or Potential Effect
	Lack of reconciliation to the operating ledger necessitated several corrections to the figures reported by the departments.

COUNTY OF SISKIYOU

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
Finding 11-SA-7.	Recommendation
CFDA: 10.551 & 10.561	We recommend that an individual be assigned to monitor federal expenditure data submitted by various departments to ensure that the expenditures reconcile to the operating ledger.
CFDA: 10.557	
CFDA: 10.688	Corrective Action Plan
CFDA No. 14.228	The Auditor's office will be working with the County Administrator to develop a work flow that will ensure compliance with this finding. This may result in departments having to send every report to the auditor's office prior to submitting to the grantor.
CFDA: 16.738, 16.803 & 16.804	
CFDA: 16.810	
CFDA: 93.558 (Continued)	

Summary Schedule of Prior Year Audit Findings

COUNTY OF SISKIYOU

Summary Schedule of Prior Year Audit Findings For the Year Ended June 30, 2011

Identification of Finding	Description of Finding
10-SA-01	<p data-bbox="516 415 748 447"><u>Recommendation</u></p> <p data-bbox="516 495 1438 680">We recommend that the County develop policies and procedures for the processing and maintenance of CDBG loans. We further recommend that all CDBG loan files be reviewed to ensure that all required documentation is in the file and that the files are organized so that required documentation is easily identified.</p> <p data-bbox="516 728 597 760"><u>Status</u></p> <p data-bbox="516 808 1438 915">Implemented. We noted no loan file disorganization during our audit. However, we did note some problems with the amortization schedules as described in our current year finding No. 11-SA-1.</p>

Supplemental Statements of Revenue and Expenditures

COUNTY OF SISKIYOU

Schedule of the California Emergency Management Agency
and the California Department of Corrections and Rehabilitation Programs
For the Year Ended June 30, 2011

The following represents expenditures for California Emergency Management Agency (Cal-EMA) programs for the year ended June 30, 2011. 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, 2010	For the period through June 30, 2011	Cumulative As of June 30, 2011	Federal Share	State Share	County Share
ARRA - Substance Abuse Offender Treatment Program - ZO09010470						
Personal services	\$ --	\$ 38,573	\$ 38,573	\$ 38,573	\$ --	\$ --
Operating expenses	--	21,500	21,500	21,500	--	--
Equipment	--	--	--	--	--	--
Totals	<u>\$ --</u>	<u>\$ 60,073</u>	<u>\$ 60,073</u>	<u>\$ 60,073</u>	<u>\$ --</u>	<u>\$ --</u>
ARRA - ADA Enforcement Team Recovery Act Program - ZA09010470						
Personal services	\$ --	\$ 43,656	\$ 43,656	\$ 43,656	\$ --	\$ --
Operating expenses	--	72,703	72,703	72,703	--	--
Equipment	--	33,386	33,386	33,386	--	--
Totals	<u>\$ --</u>	<u>\$ 149,745</u>	<u>\$ 149,745</u>	<u>\$ 149,745</u>	<u>\$ --</u>	<u>\$ --</u>
Siskiyou County Interagency Narcotics Taskforce - DC10230470						
Personal services	\$ --	\$ 117,018	\$ 117,018	\$ 117,018	\$ --	\$ --
Operating expenses	--	17,355	17,355	17,355	--	--
Equipment	--	--	--	--	--	--
Totals	<u>\$ --</u>	<u>\$ 134,373</u>	<u>\$ 134,373</u>	<u>\$ 134,373</u>	<u>\$ --</u>	<u>\$ --</u>
ARRA - CalMMET Enforcement Team Recovery Act Program - ZM09010470						
Personal services	\$ --	\$ 1,133	1,133	\$ 1,133	\$ --	\$ --
Operating expenses	--	5,502	5,502	5,502	--	--
Equipment	--	13,821	13,821	13,821	--	--
Totals	<u>\$ --</u>	<u>\$ 20,456</u>	<u>\$ 20,456</u>	<u>\$ 20,456</u>	<u>\$ --</u>	<u>\$ --</u>
Unservd/Underserved Victim Advocacy and Outreach - UV10010470						
Personal services	\$ --	\$ 40,655	\$ 40,655	\$ 32,624	\$ --	\$ 8,031
Operating expenses	--	7,963	7,963	6,162	--	1,801
Equipment	--	--	--	--	--	--
Totals	<u>\$ --</u>	<u>\$ 48,618</u>	<u>\$ 48,618</u>	<u>\$ 38,786</u>	<u>\$ --</u>	<u>\$ 9,832</u>

COUNTY OF SISKIYOU

Schedule of the California Emergency Management Agency
and the California Department of Corrections and Rehabilitation Programs
For the Year Ended June 30, 2011

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the period through June 30, 2010	For the period through June 30, 2011	Cumulative As of June 30, 2011	Federal Share	State Share	County Share
	<u>ARRA - Evidence Based Adult Rehabilitation Program - ZP09010470</u>					
Personal services	\$ --	\$ 10,546	\$ 10,546	\$ 10,546	\$ --	\$ --
Operating expenses	--	4,524	4,524	4,524	--	--
Equipment	--	--	--	--	--	--
Totals	<u>\$ --</u>	<u>\$ 15,070</u>	<u>\$ 15,070</u>	<u>\$ 15,070</u>	<u>\$ --</u>	<u>\$ --</u>
<u>Victim/Witness Assistance Program - VW10180470</u>						
Personal services	\$ --	\$ 116,123	\$ 116,123	\$ 51,126	\$ 64,997	\$ --
Operating expenses	--	1,330	1,330	--	1,330	--
Equipment	--	--	--	--	--	--
Totals	<u>\$ --</u>	<u>\$ 117,453</u>	<u>\$ 117,453</u>	<u>\$ 51,126</u>	<u>\$ 66,327</u>	<u>\$ --</u>

COUNTY OF SISKIYOU

Schedule of the California Emergency Management Agency
and the California Department of Corrections and Rehabilitation Programs
For the Year Ended June 30, 2011

The following represents expenditures for the California Department of Corrections and Rehabilitation (CDCR) programs for the year ended June 30, 2011. 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 Costs Current Year		
	For the period through June 30, 2010	For the period through June 30, 2011	Cumulative As of June 30, 2011	Federal Share	State Share	County Share
Anger Management and Youth Violence Prevention Training - 115-09-AMVPT						
Professional services	\$ 5,199	\$ 8,160	\$ 13,359	\$ 7,675	\$ --	\$ 485
Operating expenses	3,707	1,355	5,062	1,135	--	220
Equipment	--	--	--	--	--	--
Totals	<u>\$ 8,906</u>	<u>\$ 9,515</u>	<u>\$ 18,421</u>	<u>\$ 8,810</u>	<u>\$ --</u>	<u>\$ 705</u>

COUNTY OF SISKIYOU

Supplemental Statement of Revenue and Expenditures
CSD Contract No. 10F-4028
For the Period January 1, 2010 through December 31, 2010

	January 1, 2010 through June 30, 2010	July 1, 2010 through December 31, 2010	Totals
<u>Revenue</u>			
Grant revenue	\$ 124,944	\$ 130,042	\$ 254,986
Total Revenue	<u>\$ 124,944</u>	<u>\$ 130,042</u>	<u>\$ 254,986</u>
<u>Expenditures</u>			
Administration Costs:			
Subcontractor services	\$ 15,299	\$ 15,299	\$ 30,598
Total Administrative Costs	<u>15,299</u>	<u>15,299</u>	<u>30,598</u>
Program Costs:			
Subcontractor services	<u>99,524</u>	<u>124,864</u>	<u>224,388</u>
Total Program Costs	<u>99,524</u>	<u>124,864</u>	<u>224,388</u>
Total Expenditures	<u>\$ 114,823</u>	<u>\$ 140,163</u>	<u>\$ 254,986</u>

COUNTY OF SISKIYOU

Supplemental Statement of Revenue and Expenditures
 CSD Contract No. 11F-4228
 For the Period January 1 2011 through December 31, 2011

	January 1, 2011 through June 30, 2011	July 1, 2011 through December 31, 2011	Totals
<u>Revenue</u>			
Grant revenue	\$ 149,140	\$ --	\$ 149,140
			--
Total Revenue	\$ 149,140	\$ --	\$ 149,140
<u>Expenditures</u>			
Administration costs:			
Subcontractor services	\$ 15,319	\$ --	\$ 15,319
Total Administrative Costs	15,319	--	15,319
Program Costs:			
Subcontractor services	69,988	--	69,988
Total Program Costs	69,988	--	69,988
Total Expenditures	\$ 85,307	\$ --	\$ 85,307