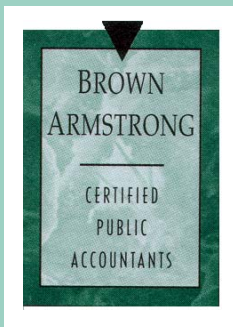


COUNTY OF TULARE
SINGLE AUDIT REPORTS
FOR THE YEAR ENDED JUNE 30, 2008

**COUNTY OF TULARE
SINGLE AUDIT REPORTS
FOR THE YEAR ENDED JUNE 30, 2008**

TABLE OF CONTENTS

	<u>Page</u>
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 <i>Government Auditing Standards</i>	1
Auditor's Report on Compliance with Requirements Applicable to Each Major Program, Internal Control Over Compliance and on the Schedule of Expenditures of Federal Awards in Accordance with OMB Circular A-133	3
Schedule of Expenditures of Federal Awards	5
Notes to Schedule of Expenditures of Federal Awards	9
Schedule of Findings and Questioned Costs	14
Summary Schedule of Prior Audit Findings	15



BROWN ARMSTRONG PAULDEN
MCCOWN STARBUCK THORNBURGH & KEETER
Certified Public Accountants

Main Office
4200 Truxtun Ave., Suite 300
Bakersfield, California 93309
Tel 661.324.4971 Fax 661.324.4997
e-mail: info@bacpas.com

Shafter Office
560 Central Avenue
Shafter, California 93263
Tel 661.746.2145 Fax 661.746.1218

Andrew J. Paulden, CPA
Peter C. Brown, CPA
Burton H. Armstrong, CPA, MST
Steven R. Starbuck, CPA
Aileen K. Keeter, CPA
Chris M. Thornburgh, CPA
Eric H. Xin, MBA, CPA
Richard L. Halle, CPA, MST

**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**

Harvey J. McCown, MBA, CPA
Lynn R. Krausse, CPA, MST
Rosalba Flores, CPA
Connie M. Perez, CPA
Diana H. Branthoover, CPA
Thomas M. Young, CPA
Alicia Dias, CPA, MBA
Matthew R. Gilligan, CPA
Hanna J. Sheppard, CPA
Ryan L. Nielsen, CPA
Jian Ou-Yang, CPA
Amanda Dickerson, CPA
Jialan Su, CPA
Ariadne S. Prunes, CPA
Samuel O. Newland, CPA
Brooke N. DeCuir, CPA
Kenneth J. Witham, CPA
Clint W. Baird, CPA
Adrian Rich, CPA
Craig Rickett, CPA

To the Honorable Members of the
Board of Supervisors
County of Tulare, California

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Tulare, California (the County), as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 22, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

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

Compliance and Other Matters

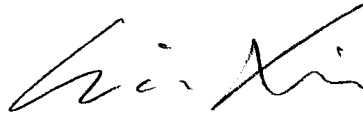
As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect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

We noted certain matters that we reported to management of the County in a separate letter dated December 22, 2008.

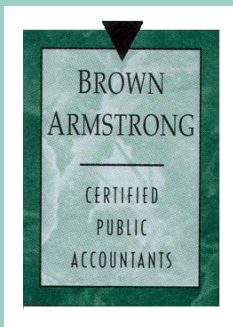
The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the audit committee, Board of Supervisors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

BROWN ARMSTRONG PAULDEN
McCOWN STARBUCK THORNBURGH & KEETER
ACCOUNTANCY CORPORATION

A handwritten signature in black ink, appearing to read "G. K. Keeter", is written over the printed name of the firm.

Bakersfield, California
December 22, 2008



**BROWN ARMSTRONG PAULDEN
McCOWN STARBUCK THORNBURGH & KEETER
Certified Public Accountants**

Main Office
4200 Truxtun Ave., Suite 300
Bakersfield, California 93309
Tel 661.324.4971 Fax 661.324.4997
e-mail: info@bacpas.com

Shafter Office
560 Central Avenue
Shafter, California 93263
Tel 661.746.2145 Fax 661.746.1218

Andrew J. Paulden, CPA
Peter C. Brown, CPA
Burton H. Armstrong, CPA, MST
Steven R. Starbuck, CPA
Aileen K. Keeter, CPA
Chris M. Thornburgh, CPA
Eric H. Xin, MBA, CPA
Richard L. Halle, CPA, MST

**AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM, INTERNAL CONTROL OVER
COMPLIANCE AND ON THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS IN ACCORDANCE WITH OMB CIRCULAR A-133**

Harvey J. McCown, MBA, CPA
Lynn R. Krausse, CPA, MST
Rosalva Flores, CPA
Connie M. Perez, CPA
Diana H. Branthoover, CPA
Thomas M. Young, CPA
Alicia Dias, CPA, MBA
Matthew R. Gilligan, CPA
Hanna J. Sheppard, CPA
Ryan L. Nielsen, CPA
Jian Ou-Yang, CPA
Amanda Dickerson, CPA
Jialan Su, CPA
Ariadne S. Prunes, CPA
Samuel O. Newland, CPA
Brooke N. DeCuir, CPA
Kenneth J. Witham, CPA
Clint W. Baird, CPA
Adrian Rich, CPA
Craig Rickett, CPA

To the Honorable County Council of
The County of Tulare, California

Compliance

We have audited the compliance of the County of Tulare with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. The County of Tulare'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 Tulare's management. Our responsibility is to express an opinion on the County of Tulare'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 of Tulare'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 of Tulare's compliance with those requirements.

In our opinion, the County of Tulare complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control Over Compliance

The management of the County of Tulare is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County of Tulare'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 of Tulare's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

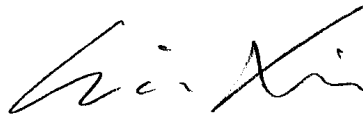
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Tulare, as of and for the year ended June 30, 2008, and have issued our report thereon dated December 22, 2008. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the County of Tulare's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the audit committee, the Board of Supervisors, the management of the County, the County's federal oversight agency and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

BROWN ARMSTRONG PAULDEN
McCOWN STARBUCK THORNBURGH & KEETER
ACCOUNTANCY CORPORATION



Bakersfield, California
December 22, 2008

COUNTY OF TULARE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Title	Federal CFDA No.	Grantor's Number	June 30, 2008 Expenditures
DEPARTMENT OF AGRICULTURE			
<u>Plant and Animal Disease, Pest Control, and Animal Care</u>			
Plant and Animal Disease, Pest Control and Animal Care	10.025	07-8500-06560-CA	\$ 1,100,237
Plant and Animal Disease, Pest Control and Animal Care	10.025	08-8500-0656-CA	166,666
Total Plant and Animal Disease, Pest Control, and Animal Care			<u>1,266,903</u>
<u>Passed Through State Department of Education</u>			
School Breakfast and National School Lunch Program	10.555	54 10546 6054795 01	499,039
<u>Passed Through State Department of Health Services</u>			
Special Supplemental Nutrition Program for Women, Infants and Children(WIC)	10.557*	05-45811	3,560,698
State Administrative Matching Grants for Food Stamp Program	10.561*	05-45539	308,583
Total Passed Through State Department of Health Services			<u>3,869,281</u>
<u>Passed Through State Department of Social Services</u>			
<u>Food Stamps Cluster:</u>			
State Administration Matching Grants for Food Stamp Program	10.561*	N/A	86,627,234
State Administrative Matching Grants for Food Stamp Program	10.561*	N/A	6,728,823
Total Passed Through State Department of Social Services			<u>93,356,057</u>
TOTAL DEPARTMENT OF AGRICULTURE			<u>98,991,280</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
<u>Passed Through State Department of Community Planning and Development</u>			
Community Development Block Grants/State's Program	14.228	07-CDBG FREEZE	110,498
Community Development Block Grants/State's Program	14.228	07- STBG PB WK 1	18,108
Community Development Block Grants/State's Program	14.228	07-EDEF-3721	415
Community Development Block Grants/State's Program	14.228	06 PTAA ED	3,900
Community Development Block Grants/State's Program	14.228	06-WORK FORCE HOUSING	38,535
Community Development Block Grants/State's Program	14.228	06 PTAA GENERAL	36,086
Community Development Block Grants/State's Program	14.228	05-WORK FORCE HOUSING	242,088
Community Development Block Grants/State's Program	14.228	04-WFH-084 WORK FORCE HOUSING	33,580
Community Development Block Grants/State's Program	14.228	05-EDBG-MICRO	12,183
Community Development Block Grants/State's Program	14.228	05-STBG-1563	129,546
Community Development Block Grants/State's Program	14.228	05-PTAA-0822	47,800
Community Development Block Grants/State's Program	14.228	04-EDBG-638	201,484
Community Development Block Grants/State's Program	14.228	04-PTAA-0822	770
HOME Investment Partnerships Program	14.239	06-HOME-PROGRAMS	324,739
HOME Investment Partnerships Program	14.239	05-HOME-PROGRAMS	41,021
HOME Investment Partnerships Program	14.239	04-HOME-0762	559,436
Total Passed Through State Department of Community Planning and Development			<u>1,800,189</u>
<u>Passed through State Department of Health Services</u>			
Housing Opportunities for Persons with AIDS(HOPWA)	14.241	04-35627	56,293
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>1,856,482</u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF TULARE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Title	Federal CFDA No.	Grantor's Number	June 30, 2008 Expenditures
DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT			
<u>Direct Federal Program</u>			
Payments in Lieu of Taxes (PILT)	15.226	N/A	1,526,493
TOTAL DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT			1,526,493
DEPARTMENT OF JUSTICE			
<u>Passed through Board of Corrections</u>			
Juvenile Accountability Incentive Block Grants	16.523	CSA 174-05	24,061
Total Passed Through Board of Corrections			24,061
<u>Passed through Office of Emergency Services</u>			
Victim Witness Assistance Program	16.575	VW 07260540	122,214
Special Emphasis Victim Witness Program	16.575	SE 07090540	110,000
Elder Abuse Advocacy & Outreach Program	16.575	EA 07100540	53,451
Edward Byrne Memorial Formula Grant Program	16.579	EA 06090540	14,039
Violence Against Women Formula Grants	16.588	VV07030540	105,000
Violence Enforcement Program	16.589	2007-WR-AX-0069	138,975
Residential Substance Abuse Treatment for State Prisoners	16.593	RT 07070540	26,057
Community Capacity Development Weed & Seed	16.595	2007-WS-Q7-0262	104,044
Edward Byrne Memorial Justice Assistance Grant Program - INET	16.738	DC07200540	321,373
Total Passed Through Office of Emergency Services			995,153
<u>Direct Federal Programs</u>			
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program - Action Project	16.580	2005-DD-BX-1039	143,941
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program - Action Project	16.580	2206-DD-BX-0022	197,446
Grants to Encourage Arrest Policies and Enforcement of Protection Orders	16.590	2004-WE-AX-0029	126,724
Public Safety Partnership and Community Policing Grants	16.710	2006CKWX0584	41,773
Cops Methamphetamine Initiative Grant	16.710	2007CKWX0314	91,134
Gang Resistance Education and Training	16.737	2006-JV-FX-0147	156,361
Gang Resistance Education and Training	16.737	2007-JV-FX-0147	63,365
Edward Byrne Memorial Justice Assistance Grants Program - Gang Prevention Specialist/School Liaison Project	16.738	2006-DJ-BX-0466	68,555
Edward Byrne Memorial Justice Assistance Grants Program - Gang Prevention Specialist/School Liaison Project	16.738	2007-DJ-BX-0587	89,823
Total Direct Federal Programs			979,122
TOTAL DEPARTMENT OF JUSTICE			1,998,336

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF TULARE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Title	Federal CFDA No.	Grantor's Number	June 30, 2008 Expenditures
DEPARTMENT OF LABOR			
<u>Passed through State Department of Employment Development</u>			
Workforce Investment Act - Adult Program	17.258	R865497	708,794
Workforce Investment Act - Youth Activities	17.259	R760361	612,259
Workforce Investment Act - Youth Activities - Subrecipient	17.259	R865497	934,469
Workforce Investment Act - Dislocated Workers	17.260	R865497	388,043
Workforce Investment Act - Dislocated Workers - Subrecipient	17.260	R760361	577,456
Total Passed Through State Department of Employment Development			3,221,021
TOTAL DEPARTMENT OF LABOR			3,221,021
DEPARTMENT OF TRANSPORTATION			
<u>Passed through State Department of Transportation</u>			
Highway Planning and Construction	20.205	Various	626,473
Total Passed Through State Department of Transportation			626,473
TOTAL DEPARTMENT OF TRANSPORTATION			626,473
DEPARTMENT OF EDUCATION			
<u>Passed through State Department of Alcohol and Drug Abuse Programs</u>			
Safe and Drug-Free Schools and Communities-State Grants	84.186	N/A	56,802
Total Passed Through State Department of Education			56,802
TOTAL DEPARTMENT OF EDUCATION			56,802
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<u>Passed through State Department of Health Services</u>			
Medical Assistance Program (formerly CCS)	93.778	N/A	1,561,298
Medical Administrative Activities (MAA)	93.778	01-15397	439,919
Medical Administrative Activities (MAA)	93.778	1413247	239,053
Targeted Case Management (TCM)	93.778	14132.44	71,567
Disabilities Prevention	93.184	N/A	332,691
Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	05-45180	61,920
Immunization Sub-Prevention Grants	93.268	06-55210	126,775
Centers for Disease Control and Prevention-Investigations and Technical Assistance	93.283	23431	967,863
HIV Care Formula Grants	93.917	06-55779	140,950
Total Passed Through State Department of Health Services			3,942,036
<u>Passed through State Maternal and Child Health Branch</u>			
Maternal and Child Health Services Block Grant to the States	93.994	200554	772,171
Adolescent Family Life-Demonstration Projects	93.995	200754	486,895
Total Passed Through State Maternal and Child Health Branch			1,259,066

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF TULARE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Title	Federal CFDA No.	Grantor's Number	June 30, 2008 Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)			
<u>Passed through State Department of Mental Health Services</u>			
Projects for Assistance in Transition from Homelessness	93.150	N/A	142,493
Medical Assistance Program	93.778	06-76063-00	191,902
Block Grants for Community Mental Health Services (SAMHSA)	93.958	N/A	830,306
Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A	2,053,843
Total Passed Through State Department of Mental Health Services			<u>3,218,544</u>
<u>Passed through State Department of Social Services</u>			
Promoting Safe and Stable Families	93.556	01-16582	570,974
Temporary Assistance for Needy Families (TANF)	93.558*	N/A	38,280,916
TANF - Administration	93.558*	N/A	16,005,093
Child Support Enforcement	93.563	N/A	11,095,497
Child Support Enforcement	93.563	N/A	468,788
Child Welfare Services-State Grants	93.645	N/A	460,031
Foster Care - Title IV-E	93.658	N/A	2,092,900
Foster Care/Child Welfare Services - Assistance	93.658	N/A	5,345,165
Foster Care/Child Welfare Services - Admin	93.658	N/A	6,887,571
Foster Care - Admin	93.658	N/A	721,972
Adoption Assistance - Assistance	93.659*	N/A	6,033,811
Adoption Assistance - Administration	93.659*	N/A	478,567
Social Services Block Grant	93.667*	N/A	5,546,984
Medical Assistance Program	93.778	N/A	635,380
Chafee Foster Care Independence Program	93.674	CF-93674	381,200
Total Passed Through State Department of Social Services			<u>95,004,849</u>
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>103,424,495</u>
DEPARTMENT OF HOMELAND SECURITY			
<u>Passed through State of California Office of Emergency Services</u>			
State Homeland Security Program	97.073	2006-0071	217,492
State Homeland Security Program	97.073	2007-0008	407,796
Law Enforcement Terrorism Prevention Program	97.074	2006-0071	19,718
Law Enforcement Terrorism Prevention Programs	97.074	2007-008	34,175
Emergency Management Performance Grants	97.042	2007-008	77,281
Total Passed Through State of California Office of Emergency Services			<u>756,462</u>
TOTAL DEPARTMENT OF HOMELAND SECURITY			<u>756,462</u>
TOTAL FEDERAL AWARDS			<u><u>\$212,457,844</u></u>

* Major Program

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF TULARE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE 1 – GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all of the federal award programs of the County of Tulare, California (the County) for the fiscal year ended June 30, 2008. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

NOTE 2 – BASIS OF ACCOUNTING

Consistent with the County's method of filing federal financial reports, the accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting.

NOTE 3 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Information reported in the accompanying Schedule of Expenditures of Federal Awards is in substantial agreement with the information reported in related federal financial reports for the major federal programs.

NOTE 4 – OUTSTANDING LOANS OF FEDERAL FUNDS AS OF JUNE 30, 2008

The following schedule presents the amount of outstanding loans by CFDA No.:

<u>CFDA No.</u>	<u>Federal Grantor</u>	<u>County Department Administering Loans</u>	<u>Outstanding Balance at June 30, 2008</u>
14.228	CDBG	Resource Management Agency	\$ 4,821,774
14.239	Home	Resource Management Agency	6,043,833
			<u>\$ 10,865,607</u>

NOTE 5 – AMOUNTS PROVIDED TO SUBRECIPIENTS

The County has provided federal awards to various subrecipients. For the fiscal year ended June 30, 2008, amounts provided to subrecipients from each federal program are identified in the Schedule of Expenditures of Federal Awards.

NOTE 6 – CALIFORNIA OFFICE OF EMERGENCY SERVICES (OES), CORRECTIONS STANDARD AUTHORITY (CSA), AND VICTIM COMPENSATION GOVERNMENT CLAIMS BOARD (VCGC) DISCLOSURE

The following is the required disclosure of the detail of expenditures for OES, CSA, and VCGC grants for the year ended June 30, 2008. The following also represents OES, CSA, and VCGC grants with state and federal participation, including County matching requirements.

	Grant Award Number	Budget	Expenditures			
			Total Claimed	Federal Award/ Match	County Match	State Award/ Match
INTER-AGENCY NARCOTICS ENFORCEMENT TEAM (Federal CFDA # 16.738) Grant Period July 1, 2007 - June 30, 2008	OES DC07200540					
Revenues		\$ 324,002		\$ 321,373	\$ -	\$ -
Expenditures:						
Personal Services		\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenses		302,240	301,973	301,973	-	-
Equipment		21,762	19,400	19,400	-	-
Total		\$ 324,002	\$ 321,373	\$ 321,373	\$ -	\$ -
CLANDESTINE LAB ENFORCEMENT UNIT Grant Period July 1, 2007- June 30, 2008	OES MH07070540					
Revenues		\$ 784,153		\$ -	\$ -	\$ 768,602
Expenditures:						
Personal Services		\$ 714,919	\$ 700,886	\$ -	\$ -	\$ 700,886
Operating Expenses		69,234	67,716	-	-	67,716
Equipment		-	-	-	-	-
Total		\$ 784,153	\$ 768,602	\$ -	\$ -	\$ 768,602
RURAL CRIME PREVENTION PROGRAM Grant Period July 1, 2007 - December 31, 2008	OES RU07090540					
Revenues		\$ 685,315		\$ -	\$ -	\$ 625,568
Expenditures:						
Personal Services		\$ 625,824	\$ 567,117	\$ -	\$ -	\$ 567,117
Operating Expenses		59,491	58,451	-	-	58,451
Equipment		-	-	-	-	-
Total		\$ 685,315	\$ 625,568	\$ -	\$ -	\$ 625,568
ELDER ABUSE ADVOCACY & OUTREACH (Federal CFDA # 16.575 - 20% match) Grant Period Oct. 1, 2006 - Sept. 30, 2007	OES EA06090540					
Revenues		\$ 80,000		\$ 14,039	\$ 3,409	\$ -
Expenditures:						
Personal Services		\$ 73,650	\$ 17,046	\$ 13,637	\$ 3,409	\$ -
Operating Expenses		6,350	402	402	-	-
Equipment		-	-	-	-	-
Total		\$ 80,000	\$ 17,448	\$ 14,039	\$ 3,409	\$ -

NOTE 6 – CALIFORNIA OFFICE OF EMERGENCY SERVICES (OES), CORRECTIONS STANDARD AUTHORITY (CSA), AND VICTIM COMPENSATION GOVERNMENT CLAMS BOARD (VCGC) DISCLOSURE
(Continued)

	Grant Award Number	Budget	Expenditures			
			Total Claimed	Federal Award/ Match	County Match	State Award/ Match
ELDER ABUSE ADVOCACY & OUTREACH						
(Federal CFDA # 16.575 - 20% match)						
Grant Period Oct. 1, 2007 - Sept. 30, 2008						
Revenues		<u>\$ 80,000</u>		<u>\$ 53,450</u>	<u>\$ 12,210</u>	<u>\$ -</u>
Expenditures:						
Personal Services		\$ 74,128	\$ 61,048	\$ 48,838	\$ 12,210	\$ -
Operating Expenses		5,872	4,612	4,612	-	-
Equipment		-	-	-	-	-
Total		<u>\$ 80,000</u>	<u>\$ 65,660</u>	<u>\$ 53,450</u>	<u>\$ 12,210</u>	<u>\$ -</u>
JUVENILE ACCOUNTABILITY BLOCK GRANT						
(Federal CFDA # 16.523 - 10% match)						
Grant Period July 1, 2007 - June 30, 2008						
Revenues		<u>\$ 26,734</u>		<u>\$ 24,061</u>	<u>\$ 2,673</u>	<u>\$ -</u>
Expenditures:						
Salaries & Benefits		\$ 25,531	\$ 25,531	\$ 22,858	\$ 2,673	\$ -
Services & Supplies		-	-	-	-	-
Administrative Overhead		1,203	1,203	1,203	-	-
Total		<u>\$ 26,734</u>	<u>\$ 26,734</u>	<u>\$ 24,061</u>	<u>\$ 2,673</u>	<u>\$ -</u>
PROVIDING CHOICES FOR POSITIVE LIFESTYLE CHANGES (RSAT)						
(Federal CFDA#16.593 - 25% match)						
Grant Period October 1, 2007 - June 30, 2009						
Revenues		<u>\$ 34,743</u>		<u>\$ 26,057</u>	<u>\$ 8,686</u>	<u>\$ -</u>
Expenditures:						
Personal Services		\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenses		34,743	34,743	26,057	8,686	-
Equipment		-	-	-	-	-
Total		<u>\$ 34,743</u>	<u>\$ 34,743</u>	<u>\$ 26,057</u>	<u>\$ 8,686</u>	<u>\$ -</u>
SPECIAL EMPHASIS VICTIM ASSISTANCE						
(Federal CFDA # 16.575 - 20% match)						
Grant Period July 1, 2007 - June 30, 2008						
Revenues		<u>\$ 137,500</u>		<u>\$ 110,000</u>	<u>\$ 27,500</u>	<u>\$ -</u>
Expenditures:						
Personal Services		\$ 137,500	\$ 137,500	\$ 110,000	\$ 27,500	\$ -
Operating Expenses		-	-	-	-	-
Equipment		-	-	-	-	-
Total		<u>\$ 137,500</u>	<u>\$ 137,500</u>	<u>\$ 110,000</u>	<u>\$ 27,500</u>	<u>\$ -</u>

NOTE 6 – CALIFORNIA OFFICE OF EMERGENCY SERVICES (OES), CORRECTIONS STANDARD AUTHORITY (CSA), AND VICTIM COMPENSATION GOVERNMENT CLAMS BOARD (VCGC) DISCLOSURE
(Continued)

	Grant Award Number	Budget	Expenditures			
			Total Claimed	Federal Award/ Match	County Match	State Award/ Match
SPOUSAL ABUSER PROSECUTION						
(80% State Funding - 20% match)						
Grant Period July 1, 2007 - June 30, 2008						
Revenues		\$ 85,747		\$ -	\$ 14,291	\$ 71,456
Expenditures:						
Personal Services		\$ 67,383	\$ 67,383	\$ -	\$ 13,791	\$ 53,592
Operating Expenses		18,364	18,364	-	500	17,864
Equipment		-	-	-	-	-
Total		\$ 85,747	\$ 85,747	\$ -	\$ 14,291	\$ 71,456
TULARE COUNTY SAFE TEAM						
(Grant Period January 1, 2007 to December 31, 2007)						
Revenues		\$ 639,000		\$ -	\$ -	\$ -
Expenditures:						
Personal Services		\$ 247,438	\$ 167,275	\$ -	\$ -	\$ 167,275
Operating Expenses		145,007	39,613	-	-	39,613
Equipment		246,555	-	-	-	-
Total		\$ 639,000	\$ 206,888	\$ -	\$ -	\$ 206,888
TULARE COUNTY SAFE TEAM						
(Grant Period July 1, 2007 to December 31, 2008)						
Revenues		\$ 639,000		\$ -	\$ -	\$ -
Expenditures:						
Personal Services		\$ 472,197	\$ 395,087	\$ -	\$ -	\$ 395,087
Operating Expenses		166,803	100,811	-	-	100,811
Equipment		-	-	-	-	-
Total		\$ 639,000	\$ 495,898	\$ -	\$ -	\$ 495,898
VICTIM WITNESS ASSISTANCE PROGRAM						
(Federal CFDA # 16.575)						
Grant Period July 1, 2007 - June 30, 2008						
Revenues		\$ 277,465		\$ 122,214	\$ -	\$ 149,559
Expenditures:						
Personal Services		\$ 265,926	\$ 260,234	\$ 117,143	\$ -	\$ 143,091
Operating Expenses		11,539	11,539	5,071	-	6,468
Equipment		-	-	-	-	-
Total		\$ 277,465	\$ 271,773	\$ 122,214	\$ -	\$ 149,559
VIOLENCE AGAINST WOMEN VERTICAL PROSECUTION						
(Federal CFDA # 16.588 - 25% match)						
Grant Period July 1, 2007 - June 30, 2008						
Revenues		\$ 140,000		\$ 105,000	\$ 35,000	\$ -
Expenditures:						
Personal Services		\$ 140,000	\$ 140,000	\$ 105,000	\$ 35,000	\$ -
Operating Expenses		-	-	-	-	-
Equipment		-	-	-	-	-
Total		\$ 140,000	\$ 140,000	\$ 105,000	\$ 35,000	\$ -

NOTE 6 – CALIFORNIA OFFICE OF EMERGENCY SERVICES (OES), CORRECTIONS STANDARD AUTHORITY (CSA), AND VICTIM COMPENSATION GOVERNMENT CLAIMS BOARD (VCGC) DISCLOSURE
(Continued)

	Grant Award Number	Budget	Expenditures		
			Total Claimed	Federal Award/ Match	County Match
VERTICAL PROSECUTION BLOCK GRANT	OES				
Grant Period July 1, 2006 - September 30, 2007	VB06040540				
Revenues		<u>\$ 494,413</u>		<u>\$ -</u>	<u>\$ -</u>
Expenditures:					
Personal Services		\$ 474,387	\$ 74,007	\$ -	\$ -
Operating Expenses		20,026	2,294	-	-
Equipment		-	-	-	-
Total		<u>\$ 494,413</u>	<u>\$ 76,301</u>	<u>\$ -</u>	<u>\$ -</u>
VERTICAL PROSECUTION BLOCK GRANT	OES				
Grant Period July 1, 2007 - June 30, 2008	VB07050540				
Revenues		<u>\$ 494,413</u>		<u>\$ -</u>	<u>\$ -</u>
Expenditures:					
Personal Services		\$ 494,413	\$ 494,413	\$ -	\$ -
Operating Expenses		-	-	-	-
Equipment		-	-	-	-
Total		<u>\$ 494,413</u>	<u>\$ 494,413</u>	<u>\$ -</u>	<u>\$ -</u>
VICTIM COMPENSATION & GOVERNMENT CLAIMS BOARD	VCGC				
Grant Period July 1, 2007 - June 30, 2009	VCGC7063				
Revenues		<u>\$ 146,529</u>		<u>\$ -</u>	<u>\$ -</u>
Expenditures:					
Personal Services		\$ 143,733	\$ 143,733	\$ -	\$ -
Operating Expenses		2,796	2,796	-	-
Equipment		-	-	-	-
Total		<u>\$ 146,529</u>	<u>\$ 146,529</u>	<u>\$ -</u>	<u>\$ -</u>
VICTIM COMPENSATION & GOVERNMENT CLAIMS BOARD	VCGC				
Grant Period July 1, 2007 - June 30, 2009	VCGC7105				
Revenues		<u>\$ 76,221</u>		<u>\$ -</u>	<u>\$ -</u>
Expenditures:					
Personal Services		\$ 60,190	\$ 47,599	\$ -	\$ -
Operating Expenses		16,031	8,673	-	-
Equipment		-	-	-	-
Total		<u>\$ 76,221</u>	<u>\$ 56,272</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF TULARE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

SECTION I – SUMMARY OF AUDIT RESULTS

Financial Statements:

Type of auditor's report issued	Unqualified	
Internal control over financial reporting:		
• Material weakness(es) identified?	___ yes	_x_ no
• Significant deficiencies identified not considered to be material weaknesses?	___ yes	_x_ no
Noncompliance material to financial statements noted?	___ yes	_x_ no

Federal Awards:

Internal control over major programs:		
• Material weakness(es) identified?	___ yes	_x_ no
• Significant deficiencies identified not considered to be material weaknesses?	___ yes	_x_ no

Type of auditor's report issued on compliance for major programs:	Unqualified
--	-------------

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	___ yes	_x_ no
---	---------	--------

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.561	Food Stamps Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants and Children (WIC)
93.558	Temporary Assistance for Needy Families (TANF)
93.667	Social Services Block Grant
93.659	Adoption Assistance

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 3,000,000
---	--------------

Auditee qualified as low-risk auditee?	___ yes	_x_ no
--	---------	--------

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

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

**07-01 SIGNIFICANT DEFICIENCY IN INTERNAL CONTROL AND FEDERAL COMPLIANCE –
INTERNAL CONTROLS OVER ELIGIBILITY**

FEDERAL PROGRAM INFORMATION: Adoption Assistance, Federal Catalog No. 93.659, U.S. Department of Health and Human Services

CRITERIA: According to 42 USC 673(c), a child must meet the eligibility requirements of the former Aid to Families with Dependent Children (AFDC) program (i.e., met the State-established standard of need as of July 16, 1996, prior to enactment of the Personal Responsibility and Work Opportunity Reconciliation Act). In addition, according to 42 USC 673(c), the child is eligible if the child was determined to be a child with special needs. Also, the child is eligible if there are reasonable efforts to place the child for adoption with a subsidy.

In determining eligibility requirements, the eligibility worker is required to complete and sign a Statement of Determination of Federal AFDC-Foster Care (FC-3), which documents a child's information and eligibility verification in accordance to the program requirements.

CONDITION: There were 6 of 60 case files selected for testing that contained incomplete documents. We extrapolated the errors in our test data to the population as a whole. The error rate was 10% which was multiplied by the total amount received by Adoption Assistance.

QUESTIONED COSTS: \$531,704

CONTEXT: Isolated to Adoption Assistance eligibility.

EFFECT: Failure to have completed documentation resulted in noncompliance with federal grant guidelines.

CAUSE: Lack of policies and procedures over internal case file review process and inadequate staffing may have contributed to the finding.

RECOMMENDATION: We recommend that the Adoption Assistance office review the current procedures of case file reviews and establish additional procedures to ensure the case files are completed properly to support the determination of eligibility.

COUNTY'S RESPONSE:

Review of errors found:

1. Our review of the finding in the audit report for fiscal year ending June 30, 2007 found that the errors were primarily due to incomplete information provided on the AAP 4 and the FC 3 forms submitted by Adoption Social Workers.
2. A secondary cause was failure of the Foster Care Eligibility Workers to review these forms for completeness before eligibility was established.
3. Our review also shows there were no written policies outlining the correct AAP application and eligibility determination process. Though, Title 22, Division 2 – Chapter 3 Adoptions Program Regulations and the California Department of Social Services Manual of Policies and Procedures, Section 45-800 et. seq. clearly outlines application processes that serve the purpose of defining procedural requirements.
4. Understaffed – Our review of eligibility staffing shows that an unfilled vacancy did cause the remaining worker to hurry to get all of the work done. Completeness of forms was no longer a priority.

Corrective Action Plan:

1. Develop policies/procedures consistent with regulations specifically for eligibility staff and for the County's licensed adoption agency and the staff responsible for the AAP caseload to follow to establish for AAP.
2. The Foster Care Program specialist, in concert with CWS Division Training Staff, will provide training on the correct policies and procedures to eligibility workers assigned to manage the AAP caseload and CWS Staff involved with managing the AAP caseload. This was being scheduled for the latter part of November, 2007.
3. CWS will implement a process for supervisory review, or other QA process, to ensure that all forms, especially the AAP 4 and FC 3 forms, submitted by the Adoptions Social Workers are complete before they are sent to eligibility.
4. CWS, having reviewed the AAP caseload, will work to add another social worker to assist with the case management responsibilities for the AAP caseloads.
5. The Foster Care Eligibility Supervisor will review all AAP cases at granting and bi-annual redeterminations for completeness.
6. An eligibility worker has been reassigned to fill the vacant position in AAP. The Unit manager over Foster Care Eligibility also recommended that a third eligibility worker be assigned to AAP. The position has been approved and recruitment was initiated.
7. We recommend that AAP Eligibility Staff and Social Workers be co-located to increase communication and reduce the flow of paperwork from one facility to another. We are working with Facilities staff to explore options for this.

CURRENT YEAR STATUS:

Implemented and no similar findings noted during the current year audit.