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COUNTY OF EL DORADO

SINGLE AUDIT REPORT

JUNE 30, 2009

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COUNTY OF EL DORADO

Single Audit Report
For the Year Ended June 30, 2009

Table of Contents

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* 1

Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 3

Schedule of Expenditures of Federal Awards 6

Notes to Schedule of Expenditures of Federal Awards 18

Schedule of Findings and Questioned Costs 22

Status of Prior Year Findings 26

BARTIG, BASLER & RAY, LLP
A GALLINA LLP COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

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 of
the County of El Dorado
Placerville, California

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 El Dorado (County), as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 25, 2010. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of South Lake Tahoe Transit Enterprise Fund, the Children and Families Commission, and the El Dorado Transit Authority, component units of the County, as described in our report on the County's financial statements. This report does not include the results of other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered 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 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

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To the Board of Supervisors of
the County of El Dorado
Placerville, California

Internal Control Over Financial Reporting (continued)

of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statement is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 09-FS-1 to be a significant deficiency in internal control over financial reporting.

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 entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, of the significant deficiencies described above, we consider item 09-FS-1 to be a material weakness.

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*.

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 response and, accordingly, we express no opinion on it.

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

BARTIG, BASLER & RAY, LLP
A Gallina LLP Company

Bartig, Basler & Ray, LLP

Roseville, California
March 25, 2010

BARTIG, BASLER & RAY, LLP
A GALLINA LLP COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Supervisors of
the County of El Dorado
Placerville, California

Compliance

We have audited the compliance of the County of El Dorado (County), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. 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, regulation, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

The County's basic financial statements include the operations of El Dorado County Transit Authority which expended $1,393,093 in federal expenditures. These federal expenditures are not included in the attached Schedule of Expenditures of Federal Awards. Our audit, described below, did not include the operations of El Dorado County Transit Authority because this component unit engaged the performance of a separate audit in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

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To the Board of Supervisors of
the County of El Dorado
Placerville, California

Compliance (continued)
In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance
The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expression an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the 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.

To the Board of Supervisors of
the County of El Dorado
Placerville, California

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 as of and for the year ended June 30, 2009, and have issued our report thereon dated March 25, 2010. Our audit, described below, did not include the operations of El Dorado County Transit Authority because this component unit was subject to a separate audit under OBM Circular A-133 by independent auditors.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

BARTIG, BASLER & RAY, LLP
A Gallina LLP Company

Bartig, Basler & Ray, LLP

Roseville, California
March 25, 2010

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass-through Grantor Award Number	Federal Expenditures
U.S. Department of Agriculture			
Direct Programs:			
Rural Development, Forestry, and Communities: Lake Tahoe Restoration Act	10.672	06-DG-11051900-022	$ 87,400
Rural Development, Forestry, and Communities: Lake Tahoe Restoration Act	10.672	07-DG-11051900-019	1,394,911
Rural Development, Forestry, and Communities: Lake Tahoe Restoration Act	10.672	08-DG-11051900-030	663,012
Subtotal Direct Programs - U.S. Department of Agriculture and CFDA 10.672			2,145,323
Passed through State Department of Food and Agriculture:			
Forest Health Protection - Invasive Weed Control Program	10.680	08-0124	22,625
Forest Health Protection - Invasive Weed Control Program	10.680	07-0364	8,612
Subtotal CFDA 10.680			31,237
Passed through State Department of Public Health:			
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	05-45756-03	597,523
Special Supplemental Nutrition Program for Women, Infants and Children-Vouchers Redeemed	10.557	05-45756-03	1,821,859
Subtotal CFDA 10.557			2,419,382
Passed through State Department of Social Services:			
Supplemental Nutrition Assistance Program (SNAP) Cluster:			
Supplemental Nutrition Assistance Program (SNAP)	10.551 *	N/A	9,659,488
State Administrative Matching Grants for SNAP	10.561 *	N/A	958,716
Subtotal SNAP Cluster and Passed through State Department of Social Services			10,618,204
Passed through State Department of Aging:			
Aging Program			
Senior Farmer's Market Nutrition Program - Coupons	10.576	AP-0809-29	5,000
Subtotal CFDA 10.576 Aging Program (See Note 7)			5,000

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass-through Grantor Award Number	Federal Expenditures
U.S. Department of Agriculture (continued)			
Passed through State Controller's Office:			
Schools and Roads - Grants to States: Title III County Projects FY0607 Carryforward	10.665 *	N/A	$ 385,121
Schools and Roads - Grants to States: Federal Forest Reserve	10.665 *	N/A	1,597,224
Subtotal CFDA 10.665*			1,982,345
Total U.S. Department of Agriculture			**$17,201,491**
U.S. Department of Housing and Urban Development			
Direct Program:			
Section 8 Housing Choice Vouchers - Administration	14.871	CA151VO	443,994
Section 8 Housing Choice Vouchers - Project	14.871	CA151VO	2,564,752
Subtotal Direct Programs - U.S. Department of Housing and Urban Development and CFDA 14.871			3,008,746
Passed through State Department of Housing and Community Development:			
Community Development Block Grant (CDBG)/State's Program:			
2006 CDBG Business Loan and Microenterprise Assistance	14.228	06-EDBG-2767	209,131
CDBG Revolving Loan Fund, Housing Rehabilitation	14.228	N/A	73,038
2005 CDBG Housing Rehab/Acquisition	14.228	05-STBG-1407	230,101
2006 CDBG P&T Homeless Needs Survey	14.228	06-STBG-2532	11,844
Subtotal CFDA 14.228			524,114
HOME Investment Partnerships Program	14.239	08-HOME-4701	8,266
Passed through Sacramento Housing Authority:			
Housing Opportunities for Persons with AIDS	14.241	DHA/CS-ELD-01-08/A1	26,782
Housing Opportunities for Persons with AIDS	14.241	DHA/CS-ELD-01-09	12,663
Subtotal CFDA 14.241			39,445
Total U.S. Department of Housing and Urban Development			**$ 3,580,571**

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass-through Grantor Award Number	Federal Expenditures
U.S. Department of Interior			
Direct Program:			
Payments in Lieu of Taxes	15.226	N/A	$ 246,086
Water Reclamation and Reuse Program; Wildlife Coordination Act	15.504	05-FG-202051	80,006
Water Reclamation and Reuse Program; Wildlife Coordination Act	15.504	06-FG-204201	50,000
Subtotal CFDA 15.504			130,006
Total U.S. Department of Interior			**$ 376,092**
U.S. Department of Justice			
Direct Programs:			
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program - Domestic Cannabis Eradication	16.580	SF08A410821	15,038
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program - Domestic Cannabis Eradication	16.580	D09SF038	31,631
Subtotal CFDA 16.580			46,669
State Criminal Alien Assistance Program	16.606	2008-AP-BX-0028	103,425
Equitable Sharing of Federally Forfeited Property	16.999	N/A	90,866
Subtotal Direct Programs - U.S. Department of Justice			240,960
Passed through California Emergency Management Agency:			
Crime Victim Assistance	16.575	EA07100090	14,024
Crime Victim Assistance	16.575	EA08110090	72,078
Crime Victim Assistance	16.575	VW08270090	70,679
Subtotal CFDA 16.575			156,781
Edward Byrne Memorial Justice Assistance Grant Program - Anti Drug Abuse Task Force	16.738	DC08190090	131,690
Subtotal passed through California Emergency Management Agency			288,471

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass-through Grantor Award Number	Federal Expenditures
U.S. Department of Justice (continued)			
Passed through State Department of Corrections and Rehabilitation, Corrections Standards Authority:			
Juvenile Accountability Block Grants	16.523	CSA-108-08	$ 10,536
Total U.S. Department of Justice			**$ 539,967**
U.S. Department of Labor			
Passed through State Department of Employment Development via Golden Sierra Job Training Agency:			
Workforce Investment Act (WIA) Cluster:			
WIA Adult Program	17.258	R970535-01	419,136
WIA Youth Activities	17.259	865457-01	244,006
WIA Pilots, Demonstrations, and Research Projects	17.261	865457-01	76,484
Subtotal Workforce Investment Act Cluster			739,626
Total U.S. Department of Labor			**$ 739,626**
U.S. Department of Transportation			
Direct Programs:			
Federal Aviation Administration - Airport Improvement Program	20.106	AIP 3-06-0188-12	293,051
Subtotal Direct Programs - U.S. Department of Transportation			293,051
Passed through State Department of Transportation:			
Highway Planning and Construction	20.205 *	BPMP-5925 (048)	1,627
Highway Planning and Construction	20.205 *	SPOA-5925 (047)	720
Highway Planning and Construction	20.205 *	STPCMLN-5925 (059)	2,498,927
Highway Planning and Construction	20.205 *	SR2SF-5925 (057)	377,815
Highway Planning and Construction	20.205 *	HRRRL-5925 (055)	338,052
Highway Planning and Construction	20.205 *	HRRRL-5925 (056)	107,370
Highway Planning and Construction	20.205 *	BRLS-5925 (032)	351,092
Highway Planning and Construction	20.205 *	HSIPL-5925 (060)	15,217
Highway Planning and Construction	20.205 *	BRLS-5925 (030)	186,992

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number		Federal Agency / Pass-through Grantor Award Number	Federal Expenditures
U.S. Department of Transportation (continued)				
Passed through State Department of Transportation (continued):				
Highway Planning and Construction	20.205	*	BRLS-5925 (046)	$ 224,473
Highway Planning and Construction	20.205	*	BRLS-5925 (050)	135,470
Highway Planning and Construction	20.205	*	BRLS-5925 (051)	48,907
Highway Planning and Construction	20.205	*	BRLO-5925 (054)	17,219
Highway Planning and Construction	20.205	*	BRLO-5925 (053)	14,143
Highway Planning and Construction	20.205	*	BRLO-5925 (066)	5,978
Highway Planning and Construction	20.205	*	BRLO-5925 (064)	10,346
Highway Planning and Construction	20.205	*	HSIPL-5925 (061)	20,671
Highway Planning and Construction	20.205	*	03-2E4700	126,095
Highway Planning and Construction	20.205	*	RPSTPLE-5925 (043)	486,558
Highway Planning and Construction - **ARRA**	20.205	*	ESPL-5925 (069)	56,839
Highway Planning and Construction	20.205	*	03-2E4800	79,060
Subtotal CFDA 20.205				5,103,571
Federal Transit Administration (FTA) Formula Grants for other than Urbanized Areas	20.509		SA-647132-00	27,228
FTA Formula Grants for other than Urbanized Areas	20.509		SA-8131-00	28,485
Subtotal CFDA 20.509				55,713
Total U.S. Department of Transportation				**$ 5,452,335**
U.S. Institute Of Museum and Library Services				
Passed through California State Library:				
Grants to States	45.310		40-7043	1,960
Grants to States	45.310		40-7065	13,647
Total Institute of Museum and Library Services				**$ 15,607**
U.S. Department of Energy				
Passed through State Department of Community Services and Development:				
Weatherization Assistance for Low-Income Persons	81.042		08C-1708	55,927
Total U.S. Department of Energy				**$ 55,927**

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass-through Grantor Award Number	Federal Expenditures
U.S. Department of Education			
Passed through State Department Alcohol and Drug Programs:			
Safe and Drug-Free Schools and Communities-States Grants	84.186	SDF-07-15	$ 260,605
Passed through State Department of Education via El Dorado County Office of Education:			
Special Education Grants to States	84.027	N/A	78,388
Passed through State Department of Rehabilitation:			
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	26720-2	31,960
Total U.S. Department of Education			**$ 370,953**
U.S. Election Assistance Commission			
Passed through Secretary of State:			
Help America Vote Act Requirement Payments - Section 301 Voting Systems Program	90.401	07G30105	89,005
Total U.S. Election Assistance Commission			89,005
U.S. Department of Health and Human Services			
Passed through State Department of Aging:			
Aging Cluster:			
Special Programs for the Aging, Title III, Part C1 - Nutrition Services	93.045	AP-0809-29	249,091
Special Programs for the Aging, Title III, Part C2 - Nutrition Services	93.045	AP-0809-29	128,395
Subtotal CFDA 93.045 (See Note 7)			377,486
Nutrition Services Incentive: Elderly Nutrition C-1	93.053	AP-0809-29	48,564
Nutrition Services Incentive: Elderly Nutrition C-2	93.053	AP-0809-29	48,966
Subtotal CFDA 93.053 (See Note 7)			97,530
Special Programs for the Aging, Title VII, Chapter 3 Programs for the Prevention of Elder Abuse, Neglect and Exploitation Program	93.041	AP-0809-29	3,454

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass-through Grantor Award Number	Federal Expenditures
U.S. Department of Health and Human Services (continued)			
Passed through State Department of Aging (continued):			
Special Programs for the Aging, Title VII, Chapter 2 Long Term Care Ombudsman Services for Older Individuals	93.042	AP-0809-29	$ 31,304
Special Programs for the Aging Title III, Part D - Disease Prevention and Health Promotion Services	93.043	AP-0809-29	12,306
Special Programs for the Aging, Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	AP-0809-29	213,626
National Family Caregiver Support, Title III, Part E	93.052	AP-0809-29	110,205
Subtotal (See Note 7)			370,895
Aging Home-Delivered Nutrition Services for States - **ARRA**	93.705	NS-0809-29	7,005
Aging Congregate Nutrition Services for States - **ARRA**	93.707	NS-0809-29	14,230
Subtotal (See Note 7)			21,235
Subtotal Passed through State Department of Aging (See Note 7)			867,146
Total - Aging Cluster, including CFDA 10.576 and 93.778 (see Note 7) totals $1,012,879			
Passed through State Department of Alcohol & Drug Programs:			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	07-NNA-09	959,845
Subtotal CFDA 93.959			959,845
Passed through County of Sacramento Department of Health & Human Services:			
HIV Emergency Relief Project Grants: Ryan White CARE	93.914	7275-07/10-709	150,654
Subtotal CFDA 93.914			150,654
Passed through State Department of Child Support Services:			
Child Support Enforcement	93.563 *	N/A	3,241,457
Child Support Enforcement - **ARRA**	93.563 *	N/A	432,674
Subtotal CFDA 93.563			3,674,131

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass-through Grantor Award Number	Federal Expenditures
U.S. Department of Health and Human Services (continued)			
Passed through State Department of Community Services and Development:			
Low Income Home Energy Assistance (LIHEAP)	93.568	06B-5358	$ 1,155
LIHEAP - Energy Crisis Intervention Program (ECIP)	93.568	08B-5458	221,636
LIHEAP - Weatherization	93.568	08B-5458	125,894
LIHEAP - ECIP	93.568	09B-5508	255,320
LIHEAP - Weatherization	93.568	09B-5508	166,528
Subtotal CFDA 93.568			770,533
Community Services Block Grant	93.569	08F-4910 (2008)	135,132
Community Services Block Grant	93.569	08F-4910 (2009)	127,279
Subtotal CFDA 93.569			262,411
Passed through State Department of Public Health:			
Centers for Disease Control and Prevention, Investigations and Technical Assistance: Bioterrorism Base Allocation	93.283	EPO-CDC-08-10	114,286
Centers for Disease Control and Prevention, Investigations and Technical Assistance: City Readiness Initiative Funds	93.283	EPO-CDC-07-10	102,315
Subtotal CFDA 93.283			216,601
National Bioterrorism Hospital Preparedness Program	93.889	EPO-HPP-08-10	237,597
National Bioterrorism Hospital Preparedness Program	93.889	EPO-HPP-07-10	114,773
Subtotal CFDA 93.889			352,370
Maternal & Child Health Services Block Grant to the States Title V	93.994	N/A	79,737
Subtotal Passed through State Department Public Health			648,708
Passed through State Department of Health Care Services:			
Children's Health Insurance Program - California Children's Services	93.767	N/A	43,445
Passed through Marshall Medical Center:			
Research on Healthcare Costs, Quality & Outcomes	93.226	N/A	377,463

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass-through Grantor Award Number	Federal Expenditures
U.S. Department of Health and Human Services (continued)			
Passed through State Department of Mental Health:			
Projects for Assistance in Transition from Homelessness (PATH)	93.150	N/A	$ 28,840
Block Grants for Community Mental Health Services	93.958	N/A	136,063
Subtotal passed through State Department of Mental Health			164,903
Passed through State Department of Social Services:			
Promoting Safe and Stable Families (PSSF)	93.556	N/A	106,665
Temporary Assistance for Needy Families - Maintenance Payments	93.558 *	N/A	3,386,799
Temporary Assistance for Needy Families - Administration	93.558 *	N/A	4,691,200
Subtotal CFDA 93.558			8,077,999
Foster Care - Title IV-E	93.658 *	N/A	60,146
Foster Care - Title IV-E	93.658 *	N/A	1,404,501
Foster Care - Title IV-E - **ARRA**	93.658 *	N/A	109,647
Foster Care - Title IV-E - Administration	93.658 *	N/A	1,760,415
Subtotal CFDA 93.658			3,334,709
Adoption Assistance	93.659 *	N/A	1,060,954
Adoption Assistance - Administration	93.659 *	N/A	135,410
Adoption Assistance - **ARRA**	93.659 *	N/A	101,340
Subtotal CFDA 93.659			1,297,704
Social Service Block Grant	93.667	N/A	158,769
Chafee Foster Care Independence Program	93.674	N/A	61,212
Refugee and Entrant Assistance	93.566	N/A	9,270
Community-Based Child Abuse Prevention	93.590	N/A	24,712
Child Welfare Services State Grants	93.645	N/A	116,816
Subtotal			370,779
Subtotal passed through State Department of Social Services			13,187,856

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number		Federal Agency / Pass-through Grantor Award Number	Federal Expenditures
U.S. Department of Health and Human Services (continued)				
Medicaid Programs				
Passed through State Department of Aging:				
Medical Assitance Program - Multipurpose Senior Services Program (See Note 7)	93.778	*	MS-0809-35	$ 140,733
Subtotal passed through State Department of Aging:				140,733
Passed through State Department of Alcohol and Drug Programs:				
Medical Assistance Program: Medicaid; Title XIX - Perinatal and Non Perinatal	93.778	*	07-NNA 09	318,522
Medical Assistance Program: Medicaid; Title XIX - Perinatal and Non Perinatal - **ARRA**	93.778	*	07-NNA 09	9,695
Subtotal passed through State Department of Alcohol and Drug Programs:				328,217
Passed through State Department of Health Care Services:				
Medical Assistance Program: Medi-Cal	93.778	*	N/A	1,965,654
Medical Assistance Program: Medicaid; Title XIX -Medical Administration Activities (MAA)	93.778	*	04-35086-A1	113,585
Medical Assistance Program: Medicaid; Title XIX - MAA	93.778	*	04-35086-A2	102,330
Medical Assistance Program: Child Health and Disability	93.778	*	N/A	160,092
Medical Assistance Program: California Children's Services	93.778	*	N/A	169,107
Subtotal passed through State Department of Health Care Services:				2,510,768
Passed through State Department of Health Care Services via State Department of Public Health:				
Medical Assistance Program: Maternal & Child Health Services	93.778	*		199,855
Passed through State Department of Health Care Services via State Department of Social Services:				
Medical Assistance Program Title XIX	93.778	*	N/A	1,318,746
Medical Assistance Program: Medi-Cal ISAWS C-IV	93.778	*	N/A	26,234
Medical Assistance Program: In Home Services Public Authority	93.778	*	N/A	356,152
Subtotal passed through State Department of Health Care Services via State Department of Social Services				1,701,132

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass-through Grantor Award Number	Federal Expenditures
U.S. Department of Health and Human Services (continued)			
Passed through State Department of Veterans Affairs:			
Medi-Cal Cost Avoidance - CVSO	93.778 *	N/A	$ 7,420
Subtotal CFDA 93.778			4,888,125
Total U.S. Department of Health and Human Services			**$25,995,220**
U.S. Department of Homeland Security			
Passed through Governor's Office of Homeland Security:			
Emergency Management Performance Grant FY2007	97.042	2008-9, OES #017-00000	101,159
State Homeland Security Program (SHSP) FY2007	97.073	2007-8	159,778
State Homeland Security Program (SHSP) FY2008	97.073	2008-6	144,200
Subtotal CFDA 97.073			303,978
Law Enforcement Terrorism Prevention Program (LETPP) FY2007	97.074	2007-8	112,874
Law Enforcement Terrorism Prevention Program (LETPP) FY2008	97.074	2008-6	93,909
Subtotal CFDA 97.074			206,783
Subtotal passed through Governor's Office of Homeland Security			611,920
Passed through California Emergency Management Agency:			
Disaster Grants - Public Assistance	97.036	FEMA-1628-DR-CA, OES ID #017-00000	827,182
Disaster Grants - Public Assistance	97.036	FEMA-1646-DR-CA, OES ID #017-00000	412,813
Subtotal CFDA 97.036			1,239,995
Total U.S. Department of Homeland Security			**$ 1,851,915**
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$56,268,709**

* Major Program

COUNTY OF EL DORADO

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal Agency / Pass-through Grantor Award Number	Federal Expenditures
Beginning Federal Loan Balances With a Continuing Compliance Requirement			
U.S. Department of Housing and Urban Development			
Passed through State Department of Housing and Community Development:			
Community Development Block Grant (CDBG)/State's Program	14.228	N/A	$ 1,950,677
Home Investment Partnerships Program (HOME)	14.239	N/A	3,356,509
Total U.S. Department of Housing and Urban Development			**$ 5,307,186**
U.S. Department of Health and Human Services			
Passed through State Department of Social Services:			
Temporary Assistance for Needy Families	93.558 *	N/A	2,472
Total U.S. Department of Health and Human Services			**2,472**
Total Federal Loan Balances from Previous Years with a Continuing Compliance Requirement (see Note 5)			**$ 5,309,658**
TOTAL EXPENDITURES OF FEDERAL AWARDS INCLUDING LOANS FROM PREVIOUS YEARS			**$61,578,367**

* Major Program

COUNTY OF EL DORADO

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Note 1: **Reporting Entity**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) presents the activity of all federal awards programs of the County of El Dorado (County), with the exception of El Dorado County Transit Authority, which expended $1,393,093 of federal awards, and was subject to a separate single audit by independent auditors. The County's reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included in the Schedule.

Note 2: **Basis of Accounting**

The accompanying Schedule includes the federal grant activity of the County, and is presented on accounting principles generally accepted in the United States of America. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Non-cash Assistance. The Schedule contains values for the following non-cash assistance, which are not presented in the financial statements:

10.551 Supplemental Nutrition Assistance Program (SNAP) of $9,659,488 are reported at the value of authorized Electronic Benefit cards issued.

10.557 Special Supplement Nutrition Program for Women, Infants and Children-Vouchers Redeemed totaling $1,821,859 are reported at the value of client purchases of authorized food products.

10.576 Senior Farmer's Market Nutrition Program – Coupons of $5,000 are reported at the value of coupons distributed.

Note 3: **Relationship to Financial Statements**

The expenditures reported in the accompanying Schedule agree, in all material respects, to the associated expenditures reported within the County's fund financial statements. Specifically, with the exception of federal award expenditures reported on a cash basis, federal award expenditures accounted for under governmental fund types use the modified accrual basis of accounting while those accounted for under proprietary fund types use the accrual basis of accounting. Federal award expenditures that are required to be reported by the grantor for reporting purposes on a cash basis are, as well, reported on the Schedule on a cash basis. Any differences between the cash and modified accrual basis of accounting for these expenditures are immaterial.

Note 4: **Subrecipients**

Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the County provided federal awards to subrecipients as follows:

CFDA	Program	Amount
10.665	School and Roads – Grants to States	$ 298,143
14.241	Housing Opportunities for Persons with Aids	38,155
16.738	Byrne Memorial Justice Assistance Grant Program	91,816
17.261	WIA Pilots, Demonstrations, and Research Projects	44,050
84.186	Safe and Drug Free Schools and Communities	24,300
93.226	Research on Healthcare Costs, Quality & Outcomes	304,649
93.658	Foster Care (Maintenance Payments)	1,211,964
93.659	Adoption Assistance	97,160
93.778	Medical Assistance Program	120,831
93.889	National Bioterrorism Hospital Preparedness Program	160,965
93.914	HIV Emergency Relief Project Grants	143,765
93.959	Substance Abuse Prevention and Treatment Block	445,625
97.042	Emergency Management Performance Grants	9,000
97.073	State Homeland Security Program (SHSP)	236,641
97.074	Law Enforcement Terrorism Prevention Program (LETPP)	25,526
	Total	$ 3,252,590

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

Loans funded through federal programs, for which the federal government is at risk, carried the following balances as of June 30, 2009:

Federal CFDA Number	Program Title	Balance of Loans from Previous Years, Net of Repayments a)	New Loans b)	Amount Outstanding June 30, 2009
14.228	Community Development Block Grant	$ 1,950,677	$ 320,651	$ 2,271,328
14.239	HOME Investment Partnership Program	3,356,509	--	3,356,509
93.558	Temporary Assistance for Needy Families	2,472	(837)	1,635
	TOTAL	$ 5,309,658	$ 319,814	$ 5,629,472

Note 5: **Loans with Continuing Compliance Requirement** (continued)

a) Value of loans made in previous years, net of principal loan repayments received to date (including repayments on new loans), for which the federal government imposes continuing compliance requirements.

b) Value of loans made during the year, exclusive of repayments.

Note 6: **Pass-Through Grantor Award Number**

When federal awards were received from a pass-through entity, the Schedule of Expenditures of Federal Awards shows, if available, the grantor award number assigned by the pass-through entity. When no grantor award number is shown, the County has either determined that no grantor award number is assigned for the program or the County was unable to obtain a grantor award number from the pass-through entity.

Note 7: **Department of Aging Federal/State Share**

The California Department of Aging (CDA) requires agencies that receive CDA funding to display state-funded expenditures discretely along with the related federal expenditures. The County expended the following federal and state amounts under these grants:

CFDA	Contract	Federal Expenditures	State Expenditures
10.576	AP-0809-29 (SFMNP)	$ 5,000	$ -
93.045	AP-0809-29 (III C-1)	249,091	13,583
93.045	AP-0809-29 (III C-2)	128,395	9,426
93.053	AP-0809-29 (C-1)	48,564	-
93.053	AP-0809-29 (C-2)	48,966	-
93.041	AP-0809-29 (VII Chapter 3)	3,454	-
93.042	AP-0809-29 (VII Chapter 2)	31,304	-
93.043	AP-0809-29 (III Part D)	12,306	-
93.044	AP-0809-29 (III Part B)	213,626	-
93.052	AP-0809-29 (III Part E)	110,205	-
93.705	NS-0809-29 (ARRA)	7,005	-
93.707	NS-0809-29 (ARRA)	14,230	-
*CBSP	AP-0809-29 (CBSP)	-	129,336
*OVRI	AP-0809-29	-	3,732
93.778	MS-0809-35	140,733	140,733
	TOTAL	$ 1,012,879	$ 296,810

Note 7: **Department of Aging Federal/State Share** (continued)

*The state-only funded grants do not have an applicable CFDA number. The two grants funded entirely by the state that are included above are the Community Based Services Program (CBSP) for $129,336 and the Ombudsman Volunteer Recruitment Initiative (OVRI) program for $3,732.

Note 8: **California Department of Transportation**

The County expended the following state amounts on the following projects during the year ended June 30, 2009:

Program	Contract	State Expenditures
Federal Apportionment Exchange Program and State Match Program (RSTP Exchange)		
Direct Program:		
RSTP Exchange	X08-5925(058)	$ 26,550
RSTP Exchange	X07-5925(052)	176,205
State Match	X06-5925(044)	80,101
Subtotal		282,856
Passed through El Dorado County Transportation Commission:		
RSTP Exchange	X08-6157(033)	$ 400,224
RSTP Exchange	X06-6157(028)	63,984
Subtotal		464,208
Passed through Tahoe Regional Planning Agency:		
RSTP Exchange	X98-6125(004)	31,670
RSTP Exchange	X99-6125(006)	3,060
Subtotal		34,730
Total		$ 781,794

COUNTY OF EL DORADO

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009

Section 1

Financial Statements	Summary of Auditor's Results
1. Type of auditor's report issued:	Unqualified
2. Internal controls over financial reporting:	
a. Material weaknesses identified?	Yes
b. Significant deficiencies identified not considered to be material weaknesses?	None Reported
3. Noncompliance material to financial statements noted?	No

Federal Awards

1. Internal control over major programs:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified not considered to be material weaknesses?	None Reported
2. Type of auditor's report issued on compliance for major programs:	Unqualified
3. Any audit findings disclosed that are required to be reported in accordance with Circular OMB A-133, Section 510(a)?	No

4. Identification of major programs:

CFDA Number	
10.551, 10.561	Supplemental Nutrition Assistance Program (SNAP) Cluster
10.665	Schools and Roads – Grants to States
20.205	Highway Planning and Construction
93.563	Child Support Enforcement
93.558	Temporary Assistance for Needy Families
93.658	Foster Care – Title IV-E
93.659	Adoption Assistance
93.778	Medical Assistance Program

COUNTY OF EL DORADO

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009

Section 1

Federal Awards	Summary of Auditor's Results
5. Dollar threshold used to distinguish between Type A and Type B programs?	$ 1,688,061
6. Auditee qualified as a low-risk auditee under OMB Circular A-133, Section 530?	Yes

Section 2

Financial Statement Findings

Accounting for infrastructure – capitalization policies and procedures	Finding 09-FS-1

Section 3

Federal Award Findings and Questioned Costs

None Reported

Finding/Program	Findings/Noncompliance
Finding 09-FS-1	*Accounting for Infrastructure – capitalization policies and procedures* *Reporting Requirement: Material Weakness*

Criteria

Government Accounting Standards Board Statement No. 34 (GASB No. 34) defines infrastructure assets as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant greater number of years than most "capital assets". Further, footnote 67 of GASB No. 34, paragraph 154, requires a government that has the primary responsibility for managing an infrastructure asset to report the asset in its financial statements, even if it has contracted with a third party to maintain that asset."

Condition

During our review of the fiscal year 2008-09 infrastructure assets additions based on an annual road report provided to the State of California (State), we noted that $10.7 million of additions had been recorded for improvements made to State owned roads. Further, when additions in prior fiscal years were re-examined we found additional amounts had been recorded for the construction and improvements made to State owned roads in previous fiscal years. Inquiries of County Department of Transportation fiscal management indicated that the State was primarily responsible for the management maintenance of these State owned roads and road improvements.

Cause

Procedures established by the Auditor-Controller's Office to account for infrastructure assets based on the Department of Transportation's annual road report to the State (Road Report), did not include procedures to ensure that all infrastructure improvements reflected in the Road Report were to County owned roads.

Effect of Condition

Infrastructure assets as of July 1, 2008 were overstated by $9.1 million or 2.2% and infrastructure depreciation as of July 1, 2008 was overstated by $3.0 million or 1.5%, and required a restatement or reduction of beginning net assets balance of $6.1 million or 1.1%. An audit adjustment was also necessary in the current year to remove $10.7 million in amounts capitalized in the current fiscal year.

Finding/Program	Findings/Noncompliance
Finding 09-FS-1 (continued)	Recommendation We recommend that the County implement procedures to ensure that any State owned road improvements reported on the Road Report be excluded from infrastructure additions and that any State owned roads capitalized in previous years be removed from the Infrastructure and Infrastructure Depreciation balances as of July 1, 2008. Management's Response The County concurs with the finding and recommendation. This recommendation has been implemented by the County whereby procedures to record infrastructure asset balances and additions have been modified and beginning net assets have been restated.

COUNTY OF EL DORADO

Status of Prior Year Findings
For the Year Ended June 30, 2009

Finding/Program	Findings/Noncompliance
Finding 08-SA-1 Temporary Assistance for Needy Families (TANF) CFDA 93.558 Award No. N/A Year: 2007-2008	Recommendation We recommend that the Department review the facts regarding these exceptions and determine what procedures might be implemented to prevent recurrence of these errors. If further internal controls are warranted, we recommend that the Department establish and enforce such improved internal control system. Status Implemented.
Finding 08-SA-2 Schools and Roads Grants to States CFDA 10.665 Award No. N/A Year: 2007-2008	Recommendation We recommend that the Department implement procedures to ensure that suspension and debarment are checked for any federally-funded transaction, which equals or exceeds $25,000 or for any amount with a subrecipient. A list of suspended and debarred parties is available online from the Excluded Parties List System at <http://www.epls.gov>. Status Implemented.