

**COUNTY OF SAN LUIS OBISPO**

**SINGLE AUDIT REPORT**

**JUNE 30, 2004**

**COUNTY OF SAN LUIS OBISPO**

Single Audit Report

For the Year Ended June 30, 2004

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# Bartig, Basler & Ray

A Professional Corporation

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Certified Public Accountants and Management Consultants

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Frank V. Trythall  
Kenneth E. Pope  
Brad W. Constantine  
Bruce W. Stephenson  
Roseanne M. Lopez  
Jason J. Cardinet  
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Curtis A. Orgill  
M. Elba Zúñiga

## **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***

Board of Supervisors  
County of San Luis Obispo  
San Luis Obispo, 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 County of San Luis Obispo as of and for the year ended June 30, 2004, which collectively comprise the County of San Luis Obispo's basic financial statements and have issued our report thereon dated October 28, 2004. 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 County of San Luis Obispo's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the County of San Luis Obispo, in a separate letter dated October 28, 2004.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether County of San Luis Obispo'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 that are required to be reported under *Government Auditing Standards*.

Board of Supervisors  
County of San Luis Obispo

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

BARTIG, BASLER & RAY, CPAs, INC.

*Bartig, Basler & Ray, CPAs, Inc.*

October 28, 2004  
Roseville, California

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

Board of Supervisors  
County of San Luis Obispo  
San Luis Obispo, California

### Compliance

We have audited the compliance of County of San Luis Obispo 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, 2004. County of San Luis Obispo'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 County of San Luis Obispo's management. Our responsibility is to express an opinion on County of San Luis Obispo'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 County of San Luis Obispo'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 County of San Luis Obispo's compliance with those requirements.

In our opinion, County of San Luis Obispo 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, 2004. However, we noted certain immaterial instances of noncompliance, which we have reported to management of the County of San Luis Obispo in a separate report dated October 28, 2004.

Board of Supervisors  
County of San Luis Obispo

Internal Control Over Compliance

The management of County of San Luis Obispo 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 County of San Luis Obispo's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. However, we noted other matters involving internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs which we have reported to management in a separate letter dated October 28, 2004.

Schedule of Expenditures of Federal Awards

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of San Luis Obispo as of and for the year ended June 30, 2004, and have issued our report thereon dated October 28, 2004. 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, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information of the Board of Supervisors, management 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, CPAs, INC.

*Bartig, Basler & Ray, CPAs, Inc.*

October 28, 2004  
Roseville, California

**COUNTY OF SAN LUIS OBISPO, CALIFORNIA**

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2004

	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
<b>U. S. DEPARTMENT OF AGRICULTURE</b>				
Direct program:				
Food Stamps	10.551*	\$ 6,607,410	\$ 6,607,410	\$ 6,607,410
Passed through State:				
Food Stamp Administration	10.561*	2,340,054	2,340,054	2,340,054
Food Stamp Administration - Prior year under-accrual	10.561*	--	57,216	--
School Nutrition Program - Breakfast	10.553	28,502	28,502	28,502
School Nutrition Program - Lunch	10.555	44,022	44,022	44,022
Infant Children Nutrition Program	10.557	865,007	755,721	755,721
Federal Forest Reserve Fee	10.665	11,005	11,005	11,005
Federal Grazing Fees	10.666	3,208	3,208	3,208
		<u>\$ 9,899,208</u>	<u>\$ 9,847,138</u>	<u>\$ 9,789,922</u>
<b>U.S. DEPARTMENT OF COMMERCE</b>				
Direct program:				
Coastal Zone Management Administration Awards	11.419	288,496	78,511	78,511
		<u>\$ 288,496</u>	<u>\$ 78,511</u>	<u>\$ 78,511</u>
<b>U. S. DEPT OF HOUSING &amp; URBAN DEVELOPMENT</b>				
Direct program:				
Low Income Housing Assistance Community				
Development Block Grants:				
CDBG 94	14.218	--	41,193	41,193
CDBG 95	14.218	--	32,174	32,174
CDBG 96	14.218	--	20,909	20,909
CDBG 97	14.218	--	16,662	16,662
CDBG 98	14.218	--	103,796	103,796
CDBG 99	14.218	--	30,027	30,027
CDBG 00	14.218	--	452,661	452,661
CDBG 01	14.218	--	263,907	263,907
CDBG 02	14.218	--	792,576	792,576
CDBG 03	14.218	2,585,000	1,534,661	1,534,661
Subtotal		<u>2,585,000</u>	<u>3,288,566</u>	<u>3,288,566</u>
ESG 02	14.231	--	13,576	13,576
ESG 03	14.231	94,000	82,533	82,533
Subtotal		<u>94,000</u>	<u>96,109</u>	<u>96,109</u>
Supportive Housing Program	14.235	--	278,521	278,521

\* Major Program

**COUNTY OF SAN LUIS OBISPO, CALIFORNIA**

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2004

	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
<b>U. S. DEPT OF HOUSING &amp; URBAN DEVELOPMENT</b>				
<b>(continued):</b>				
Direct program (continued):				
HOME Investment Partnerships Program				
HOME 01	14.239	\$ --	\$ 250,000	\$ 250,000
HOME 02	14.239	--	234,995	234,995
HOME 03	14.239	1,514,401	851,300	851,300
Subtotal		<u>1,514,401</u>	<u>1,336,295</u>	<u>1,336,295</u>
<b>Total Dept. of Housing &amp; Urban Development</b>		<u>\$ 4,193,401</u>	<u>\$ 4,999,491</u>	<u>\$ 4,999,491</u>
<b>U. S. DEPT OF THE INTERIOR</b>				
Direct program:				
Federal In-Lieu tax	15.226	<u>597,975</u>	<u>597,975</u>	<u>597,975</u>
<b>Total Dept. of Interior</b>		<u>\$ 597,975</u>	<u>\$ 597,975</u>	<u>\$ 597,975</u>
<b>U. S. DEPT OF JUSTICE</b>				
Direct program:				
OCCSSA Violence Against Women (2001-WP-BX-0018, Awarded in prior year)				
Juvenile Drug Court	16.203	--	25,757	32,125
Juvenile Drug Court	16.585	483,000	105,181	105,181
Juvenile Drug Court - Prior year over-accrual	16.585	--	(2,723)	--
Local Law Enforcement Block Grant 02/03	16.592	--	16,374	16,374
Local Law Enforcement Block Grant 03/04	16.592	42,060	10,533	10,533
Southwest Border Prosecution Initiative	16.607	155,000	155,000	155,000
Subtotal Direct Programs		<u>680,060</u>	<u>310,122</u>	<u>319,213</u>
Passed through State:				
Coordinated Enforcement Plan for Reducing Juvenile Crime IP03010400				
Victim Witness Assistance VW033Q0400/VW03220400	16.523	46,220	46,220	46,220
Victim Witness Assistance VW033Q0400/VW03220400	16.575	96,650	96,650	96,650
Gang Task Force	16.579	254,251	254,251	254,251
Marijuana Suppression Grant	16.579	227,135	227,135	227,135
Victim Witness Elder Abuse EA-03060400	16.582	105,000	67,625	67,625
Victim Witness Elder Abuse EA-98010400 (Prior year under accrual)	16.582	--	8,083	8,083

\* Major Program

**COUNTY OF SAN LUIS OBISPO, CALIFORNIA**

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2004

	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
<b>U. S. DEPT OF JUSTICE (continued)</b>				
Passed through State (continued):				
State Criminal Alien Assistance Program	16.606	\$ 105,031	\$ 105,031	\$ --
State Criminal Alien Assistance Program (awarded in prior year)	16.606	--	337,515	639,391
COPS in School	16.710	84,000	84,000	84,000
COPS in School-Prior year under-accrual	16.710	--	7,609	--
U.S. Forest Service-Poacher Patrol	16.710	2,493	2,493	2,493
Bureau of Immigration & Customs Enforcement	16.710	3,242	3,242	3,242
COPS Technology Award	16.710	40,000	40,000	40,000
Homeland Security Overtime Program	16.710	101,507	101,507	101,507
Subtotal	16.710	<u>231,242</u>	<u>238,851</u>	<u>231,242</u>
OJJDP Grant	16.729	<u>100,373</u>	<u>100,373</u>	<u>100,373</u>
<b>Total Dept. of Justice</b>		<u>\$ 1,845,962</u>	<u>\$ 1,791,856</u>	<u>\$ 1,990,183</u>
<b>U. S. DEPARTMENT OF TRANSPORTATION</b>				
Direct program:				
Airport Development Aid Program:				
FAA3-06-0228-04 (Oceano)	20.106	--	93,211	106,524
FAA3-06-0228-20 (P5132 Taxiway Flatwork)	20.106	--	70,421	59,169
FAA3-06-0228-20 (P5362 Airfield Improvement)	20.106	--	59,079	23,260
FAA3-06-0228-23	20.106	--	417,264	464,927
FAA3-06-0228-24	20.106	--	27,982	28,092
FAA3-06-0228-25	20.106	--	87,344	70,784
FAA3-06-0228-26	20.106	1,000,439	49,543	55,048
FAA3-06-0228-28	20.106	812,250	284,642	299,624
Subtotal		<u>1,812,689</u>	<u>1,089,486</u>	<u>1,107,428</u>
Passed through State:				
Public Ways and Facilities -	20.205*	--	3,698,025	3,692,359
Public Ways and Facilities - Prior year under-accrual	20.205*	--	196,648	--
FHWA Sites - Prior year programs	20.205*	--	733,323	--
Subtotal		<u>--</u>	<u>4,627,996</u>	<u>3,692,359</u>
Office of Traffic Safety	20.600	<u>95,644</u>	<u>79,742</u>	<u>79,742</u>
<b>Total Dept. of Transportation</b>		<u>\$ 1,908,333</u>	<u>\$ 5,797,224</u>	<u>\$ 4,879,529</u>

\* Major Program

**COUNTY OF SAN LUIS OBISPO, CALIFORNIA**

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2004

	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
<b>NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES</b>				
Public Library Staff Education Program-Prior year adjustment	45.310	\$ --	\$ (1,025)	\$ 263
Public Library Staff Education Program	45.310	1,382	1,382	1,166
Central Coast Library Awareness Campaign	45.310	43,395	39,056	33,102
<b>Total National Foundation Arts and Humanities</b>		<b>\$ 44,777</b>	<b>\$ 39,413</b>	<b>\$ 34,531</b>
<b>ENVIRONMENTAL PROTECTION AGENCY</b>				
Library Estuary Awareness and Education Grant	66.456	2,984	2,984	2,984
<b>Total Environmental Protection Agency</b>		<b>\$ 2,984</b>	<b>\$ 2,984</b>	<b>\$ 2,984</b>
<b>U. S. DEPT OF EDUCATION</b>				
Passed through State:				
Individuals with Disabilities Education Act	84.027	500,366	500,366	500,366
Drug School Program	84.186	159,890	159,890	159,890
<b>Total Dept. of Education</b>		<b>\$ 660,256</b>	<b>\$ 660,256</b>	<b>\$ 660,256</b>
<b>U. S. DEPT OF HEALTH &amp; HUMAN SERVICES</b>				
Passed through State:				
Area Agency on Aging (AAA) - Title IIID	93.043	16,052	15,535	15,535
Tuberculosis Grant	93.116	28,286	18,958	18,958
Mental Health - McKinney Homeless	93.150	28,769	28,769	27,265
Immunization Action Plan	93.268	137,669	101,669	101,669
Immunization Action Plan - Prior year under-accrual	93.268	--	1,689	1,689
Subvention - Bio Terrorism Planning	93.283	688,687	688,687	688,687
Subvention - Bio Terrorism Planning - Prior year under-accrual	93.283	--	28,487	28,487
Administration: Family Support	93.556	499,507	499,507	499,507
Adoption Incentives	93.603	68,104	68,104	68,104
Administration: Social Services Programs - Other	93.645	276,052	276,052	276,052
Administration: Independent Living Skills	93.674	156,519	156,519	156,519
Child Welfare Services - Title XX	93.667	73,176	73,176	73,176
ETV Chafee Education & Training Vouchers	93.995	2,864	2,864	2,864
Lead Poisoning	93.197	32,996	28,000	28,000
Lead Poisoning - Prior year under-accrual	93.197	--	7,427	7,427
Subtotal		<b>32,996</b>	<b>35,427</b>	<b>35,427</b>

**COUNTY OF SAN LUIS OBISPO, CALIFORNIA**

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2004

	Federal CFDA Number	Program or Award Amount	Revenue Recognized	Expenditures
<b>U. S. DEPT OF HEALTH &amp; HUMAN SERVICES (continued)</b>				
Passed through State (continued):				
Administration: Probation - CALWORKS	93.558*	\$ 1,015,229	\$ 1,015,229	\$ 1,015,229
Administration: Probation - CALWORKS - Prior year under-accrual	93.558*	--	12,874	--
Administration: Public Health CCG (California DHS #99-85)	93.558*	149,985	125,000	125,000
Administration: CALWORKS	93.558*	12,231,859	12,231,859	12,231,859
Administration: CALWORKS - Prior year under-accrual	93.558*	--	16,042	--
Assistance: CALWORKS	93.558*	165,618	165,618	165,618
Assistance: CALWORKS	93.558*	4,947,358	4,947,658	4,947,358
Assistance: CALWORKS - Prior year under-accrual	93.558*	--	2,093	--
Subtotal		<u>18,510,049</u>	<u>18,516,373</u>	<u>18,485,064</u>
Child Support Enforcement Program Cost	93.563*	3,117,199	3,117,199	3,117,199
Child Support Enforcement Program Cost - Prior year under-accrual	93.563*	--	273,762	--
Child Support Enforcement Incentive Program	93.563*	286,905	286,905	286,905
Child Support Enforcement Incentive Program - Prior year under-accrual	93.563*	--	24,574	--
Subtotal		<u>3,404,104</u>	<u>3,702,440</u>	<u>3,404,104</u>
Administration: Probation - Title IV E	93.658	1,641,519	1,641,519	1,641,519
Administration: Probation - Title IV E - Prior year under-accrual	93.658	--	156,736	--
Administration: Foster Care - Title IV E	93.658	2,638,312	2,638,312	2,638,312
Administration: Foster Care - Title IV E - Prior year over-accrual	93.658	--	274	--
Assistance: Foster Care	93.658	2,305,852	2,305,852	2,305,852
Subtotal		<u>6,585,683</u>	<u>6,742,693</u>	<u>6,585,683</u>
Administration: Adoption	93.659*	422,682	422,682	422,682
Administration: Adoption - Prior year under-accrual	93.659*	--	997	--
Assistance: Adoption	93.659*	1,995,599	1,995,599	1,995,599
Subtotal		<u>2,418,281</u>	<u>2,419,278</u>	<u>2,418,281</u>
Medi-Cal Administration	93.778	2,159,755	2,159,755	2,159,755
Medi-Cal Administration	93.778	144,293	144,293	144,293
Administration: Medi-Cal	93.778	4,106,015	4,106,015	4,106,015
Subtotal		<u>6,410,063</u>	<u>6,410,063</u>	<u>6,410,063</u>
AIDS Case Management	93.917	49,358	49,358	49,358
HIV Care Consortium	93.917	230,870	230,870	230,874
HIV Care Consortium - Prior year under-accrual	93.917	--	66	66
Subtotal		<u>280,228</u>	<u>280,294</u>	<u>280,298</u>

\* Major Program

**COUNTY OF SAN LUIS OBISPO, CALIFORNIA**

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2004

	Federal CFDA Number	Program or Award Amount	Revenue Recognized	Expenditures
<b>U. S. DEPT OF HEALTH &amp; HUMAN SERVICES (continued)</b>				
Passed through State (continued):				
HIV Prevention Program - ATS	93.940	\$ 100,000	\$ 100,000	\$ 100,000
HIV Prevention Program - ATS - Prior year under-accrual	93.940	--	1,504	1,504
HIV Prevention Program - HRW	93.940	59,498	59,498	59,498
HIV Prevention Program - POC/PSM	93.940	100,000	100,000	100,000
Subtotal		<u>259,498</u>	<u>261,002</u>	<u>261,002</u>
Mental Health - Substance Abuse (SAMHSA)	93.958	416,160	418,330	455,374
Mental Health - Substance Abuse (SAMHSA) - Prior year under-accrual	93.958	--	37,044	--
Drug and Alcohol Abuse Block Grant	93.959	1,681,775	1,681,775	1,681,775
314D Grant	93.991	5,548	--	--
314D Grant - Prior year under-accrual	93.991	--	5,571	--
Children Services	93.994	624,950	410,347	410,347
Maternal & Child Health Services	93.994	208,920	208,920	208,920
Maternal & Child Health Services - Prior year over-accrual	93.994	--	(986)	--
Child Health & Disability Prevention	93.994	135,686	135,686	135,686
Health Administration	93.994	215,041	147,947	147,947
Health Administration - Prior year under-accrual	93.994	--	27,975	27,975
Subtotal		<u>1,184,597</u>	<u>929,889</u>	<u>930,875</u>
<b>Total Dept. of Health &amp; Human Services</b>		<u>\$ 43,164,667</u>	<u>\$ 43,400,195</u>	<u>\$ 42,906,458</u>
<b>DEPARTMENT OF HOMELAND SECURITY</b>				
Passed through State:				
Public Assistance Grant - San Simeon Earthquake	97.036	798	798	798
Public Assistance Grant - San Simeon Earthquake	97.036	1,201	1,201	1,201
Public Assistance Grant - San Simeon Earthquake	97.036	15,381	15,381	15,381
Public Assistance Grant - San Simeon Earthquake	97.036	14,821	14,821	14,821
Public Assistance Grant - San Simeon Earthquake	97.036	3,503	3,503	3,503
Public Assistance Grant - San Simeon Earthquake	97.036	16,496	16,496	16,496
Public Assistance Grant - San Simeon Earthquake	97.036	26,475	26,475	26,475
Public Assistance Grant - San Simeon Earthquake	97.036	28,031	28,031	28,031
Public Assistance Grant - San Simeon Earthquake	97.036	18,719	18,719	18,719
Subtotal		<u>125,425</u>	<u>125,425</u>	<u>125,425</u>

**COUNTY OF SAN LUIS OBISPO, CALIFORNIA**

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2004

	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
<b>DEPARTMENT OF HOMELAND SECURITY (continued)</b>				
Passed through State (continued):				
Hazard Mitigation Grant (83.548)	97.039	\$ 53,232	\$ 53,232	\$ 63,602
Hazard Mitigation Grant (83.548) - Prior year under-accrual	97.039	--	37,446	37,446
Emergency Management Program Grant - Non Terrorism '03 (83.552)	97.042	13,872	12,360	12,360
Emergency Management Program Grant - Non Terrorism '04 (83.552)	97.042	56,665	39,565	39,565
Emergency Operations Planning	97.051	1,153	1,153	1,153
Citizen Corp. (Community Emergency Response Team)	97.053	521	55	55
Direct Payments:				
Transportation Security Administration, Law Enforcement Personnel	97.000	303,496	274,033	403,116
State Homeland Security Grant Program	97.004	66,057	66,057	66,057
State Homeland Security Grant Program	97.004	502,148	55,959	55,959
State Homeland Security Grant Program	97.004	198,384	--	194,212
State Homeland Security Grant Program	97.004	--	--	61,615
State Homeland Security Grant Program	97.004	10,673	--	1,724
State Homeland Security Grant Program	97.004	5,645	2,559	2,559
State Homeland Security Grant Program	97.004	6,303	2,701	2,701
State Homeland Security Grant Program #1	97.004	190,474	126,080	190,474
State Homeland Security Grant Program #2	97.004	52,849	52,849	50,408
State Domestic Preparedness Grant 2002	97.004	7,389	7,389	7,389
Subtotal		<u>1,039,922</u>	<u>313,594</u>	<u>633,098</u>
Assistance to Firefighters Grant	97.044	<u>312,550</u>	<u>312,550</u>	<u>312,550</u>
<b>Total Department of Homeland Security</b>		<u>\$ 1,906,836</u>	<u>\$ 1,169,413</u>	<u>\$ 1,628,370</u>
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>		<u><u>\$ 64,512,895</u></u>	<u><u>\$ 68,384,456</u></u>	<u><u>\$ 67,568,210</u></u>

## COUNTY OF SAN LUIS OBISPO

### Notes to Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2004

Note 1: **General**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the County of San Luis Obispo. The County of San Luis Obispo reporting entity is defined in Note 1 to the County's basic financial statements. All federal financial assistance received directly from agencies as well as federal financial assistance passed through other government agencies are included in the schedule.

Note 2: **Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards is prepared on a basis other than that used to record transactions in the accounting records and as reported in the basic financial statements. Sources of information for preparation of the Schedule of Expenditures of Federal Awards varies, depending on the accounting practices and reporting requirements of the department implementing the program.

Note 3: **Relationship to Federal Financial Reports**

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.

**COUNTY OF SAN LUIS OBISPO**

Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2004

**Note 5: California Office of Emergency Services/Office of Criminal Justice Planning Grants**

The following represents expenditures for Office of Emergency Services programs for the year ended June 30, 2004. The amount reported in the Schedule of Expenditures of Federal Awards is determined by calculating the federal portion of the current year expenditures. The Office of Emergency Services assumed administration of the following Office of Criminal Justice Planning programs on October 1, 2003.

Program	Budget	Expenditures Claimed			Share of Expenditures - Current Year		
		For the Period Through June 30, 2003	For the Year Ended June 30, 2004	Cumulative As of June 30, 2004	Federal Share	State Share	County Share
<b>VW03220400</b>							
Personal services	\$ 184,534	\$ --	\$ 46,479	\$ 46,479	\$ 25,564	\$ 20,915	\$ --
Operating expenses	3,353	--	839	839	461	378	--
Equipment	--	--	--	--	--	--	--
Totals	<u>\$ 187,887</u>	<u>\$ --</u>	<u>\$ 47,318</u>	<u>\$ 47,318</u>	<u>\$ 26,025</u>	<u>\$ 21,293</u>	<u>\$ --</u>
<b>VW033Q0400</b>							
Personal services	\$ 77,313	\$ --	\$ 138,055	\$ 138,055	\$ 69,362	\$ 68,693	\$ --
Operating expenses	63,256	--	2,514	2,514	1,263	1,251	--
Equipment	--	--	--	--	--	--	--
Totals	<u>\$ 140,569</u>	<u>\$ --</u>	<u>\$ 140,569</u>	<u>\$ 140,569</u>	<u>\$ 70,625</u>	<u>\$ 69,944</u>	<u>\$ --</u>
<b>DC03140400</b>							
Personal services	\$ 64,660	\$ --	\$ 64,660	\$ 64,660	\$ 64,660	\$ --	\$ --
Operating expenses	1,078	--	1,078	1,078	1,078	--	--
Equipment	--	--	--	--	--	--	--
Totals	<u>\$ 65,738</u>	<u>\$ --</u>	<u>\$ 65,738</u>	<u>\$ 65,738</u>	<u>\$ 65,738</u>	<u>\$ --</u>	<u>\$ --</u>
<b>DC033Q0400</b>							
Personal services	\$ 188,513	\$ --	\$ 188,513	\$ 188,513	\$ 188,513	\$ --	\$ --
Operating expenses	--	--	--	--	--	--	--
Equipment	--	--	--	--	--	--	--
Totals	<u>\$ 188,513</u>	<u>\$ --</u>	<u>\$ 188,513</u>	<u>\$ 188,513</u>	<u>\$ 188,513</u>	<u>\$ --</u>	<u>\$ --</u>
<b>MS033Q0400</b>							
Personal services	\$ 110,529	\$ --	\$ 110,529	\$ 110,529	\$ 110,529	\$ --	\$ --
Operating expenses	35,193	--	35,193	35,193	35,193	--	--
Equipment	46,896	--	46,896	46,896	46,896	--	--
Totals	<u>\$ 192,618</u>	<u>\$ --</u>	<u>\$ 192,618</u>	<u>\$ 192,618</u>	<u>\$ 192,618</u>	<u>\$ --</u>	<u>\$ --</u>
<b>MS03020400</b>							
Personal services	31,915	--	31,915	31,915	31,915	--	--
Operating expenses	2,602	--	2,602	2,602	2,602	--	--
Equipment	--	--	--	--	--	--	--
Totals	<u>\$ 34,517</u>	<u>\$ --</u>	<u>\$ 34,517</u>	<u>\$ 34,517</u>	<u>\$ 34,517</u>	<u>\$ --</u>	<u>\$ --</u>

**COUNTY OF SAN LUIS OBISPO**

Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2004

Program	Budget	Expenditures Claimed			Share of Expenditures - Current Year		
		For the Period Through June 30, 2003	For the Year Ended June 30, 2004	Cumulative As of June 30, 2004	Federal Share	State Share	County Share
<u>EA03060400</u>							
Personal services	\$ 93,844	\$ --	\$ 65,597	\$ 65,597	\$ 56,053	\$ --	\$ 9,544
Operating expenses	17,377	--	13,547	13,547	11,572	--	1,975
Equipment	--	--	--	--	--	--	--
Totals	<u>\$ 111,221</u>	<u>\$ --</u>	<u>\$ 79,144</u>	<u>\$ 79,144</u>	<u>\$ 67,625</u>	<u>\$ --</u>	<u>\$ 11,519</u>
<u>VB03010400</u>							
Personal services	\$ 77,603	\$ --	\$ 77,603	\$ 77,603	\$ --	\$ 77,603	\$ --
Operating expenses	--	--	--	--	--	--	--
Equipment	--	--	--	--	--	--	--
Totals	<u>\$ 77,603</u>	<u>\$ --</u>	<u>\$ 77,603</u>	<u>\$ 77,603</u>	<u>\$ --</u>	<u>\$ 77,603</u>	<u>\$ --</u>

Note 6: **California Board of Corrections/Office of Criminal Justice Planning**

The following represents expenditures for the Board of Corrections program for the year ended June 30, 2004. The amount reported in the Schedule of Expenditures of Federal Awards is determined by calculating the federal portion of the current year expenditures. The Board of Corrections assumed administration of the following Office of Criminal Justice Planning program on October 1, 2003.

Program	Budget	Expenditures Claimed			Share of Expenditures - Current Year		
		For the Period Through June 30, 2003	For the Year Ended June 30, 2004	Cumulative As of June 30, 2004	Federal Share	State Share	County Share
<u>IP03010400</u>							
Personal services	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Operating expenses	51,356	--	51,356	51,356	46,220	--	5,136
Equipment	--	--	--	--	--	--	--
Totals	<u>\$ 51,356</u>	<u>\$ --</u>	<u>\$ 51,356</u>	<u>\$ 51,356</u>	<u>\$ 46,220</u>	<u>\$ --</u>	<u>\$ 5,136</u>

**COUNTY OF SAN LUIS OBISPO**

Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2004

Note 7: **Department of Insurance Grant**

The following represents expenditures for the Workers' Compensation Insurance Fraud Program for the year ended June 30, 2004.

Program	Budget	Expenditures Claimed			Share of Expenditures - Current Year		
		For the Period Through June 30, 2003	For the Year Ended June 30, 2004	Cumulative As of June 30, 2004	Federal Share	State Share	County Share
<b><u>Workers' Compensation Insurance Fraud</u></b>							
Personal services	\$ 60,721	\$ --	\$ 60,721	\$ 60,721	\$ --	\$ 60,721	\$ --
Operating expenses	--	--	--	--	--	--	--
Equipment	--	--	--	--	--	--	--
Totals	<u>\$ 60,721</u>	<u>\$ --</u>	<u>\$ 60,721</u>	<u>\$ 60,721</u>	<u>\$ --</u>	<u>\$ 60,721</u>	<u>\$ --</u>

Note 8: **Department of Justice Grants**

The following represents expenditures for Department of Justice programs for the year ended June 30, 2004.

Program	Budget	Expenditures Claimed			Share of Expenditures - Current Year		
		For the Period Through June 30, 2003	For the Year Ended June 30, 2004	Cumulative As of June 30, 2004	Federal Share	State Share	County Share
<b><u>Spousal Abuser Program (03SA10D27)</u></b>							
Personal services	\$ 39,913	\$ --	\$ 39,913	\$ 39,913	\$ --	\$ 33,261	\$ 6,652
Operating expenses	--	--	--	--	--	--	--
Equipment	--	--	--	--	--	--	--
Totals	<u>\$ 39,913</u>	<u>\$ --</u>	<u>\$ 39,913</u>	<u>\$ 39,913</u>	<u>\$ --</u>	<u>\$ 33,261</u>	<u>\$ 6,652</u>
<b><u>Victim Compensation and Government Claims Board (BOC-3057)</u></b>							
Personal services	191,539	--	183,219	183,219	--	183,219	--
Operating expenses	23,619	--	31,939	31,939	--	31,939	--
Equipment	--	--	--	--	--	--	--
Totals	<u>\$ 215,158</u>	<u>\$ --</u>	<u>\$ 215,158</u>	<u>\$ 215,158</u>	<u>\$ --</u>	<u>\$ 215,158</u>	<u>\$ --</u>
<b><u>Victim Compensation and Government Claims Board (BOC-3074)</u></b>							
Personal services	49,767	--	33,212	33,212	--	33,212	--
Operating expenses	8,859	--	6,761	6,761	--	6,761	--
Equipment	--	--	--	--	--	--	--
Totals	<u>\$ 58,626</u>	<u>\$ --</u>	<u>\$ 39,973</u>	<u>\$ 39,973</u>	<u>\$ --</u>	<u>\$ 39,973</u>	<u>\$ --</u>

**COUNTY OF SAN LUIS OBISPO**

Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2004

Note 9: **Department of Health - Statewide Immunization Information Services (SIIS) Grant**

The following represents expenditures for the Department of Health - Statewide Immunization Information Services program for the year ended June 30, 2004.

Program	Budget	Expenditures Claimed			Share of Expenditures - Current Year		
		For the Period Through June 30, 2003	For the Year Ended June 30, 2004	Cumulative As of June 30, 2004	Federal Share	State Share	County Share
<u>Statewide Immunization Information Services (03-75397)</u>							
Personal services	106,671	--	106,671	106,671	--	106,671	--
Operating expenses	16,743	--	16,743	16,743	--	16,743	--
Equipment	--	--	--	--	--	--	--
Totals	<u>\$ 123,414</u>	<u>\$ --</u>	<u>\$ 123,414</u>	<u>\$ 123,414</u>	<u>\$ --</u>	<u>\$ 123,414</u>	<u>\$ --</u>

**COUNTY OF SAN LUIS OBISPO**

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2004

**Section 1**

Summary of Auditor's Results

Financial Statements

- |  |               |
|--|---------------|
| 1. Type of auditor's report issued:  | Unqualified   |
| 2. Internal control over financial reporting:                                |               |
| a. Material weaknesses identified?   | No            |
| b. Reportable conditions 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. Reportable conditions 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)? | None reported |
| 4. Identification of major programs:  |               |

CFDA Number

10.551  
10.561  
  
20.205  
93.558  
93.563  
93.659

Name of Federal Program

Food Stamps  
State Administrative Matching  
    Grants for Food Stamp Program  
Public Ways and Facilities  
Temporary Assistance for Needy Families  
Child Support Enforcement  
Adoption Assistance

- |   |              |
|---|--------------|
| 5. Dollar threshold used to distinguish between Type A and Type B programs:       | \$ 2,027,046 |
| 6. Auditee qualified as a low-risk auditee under OMB Circular A-133, Section 530? | Yes          |

**COUNTY OF SAN LUIS OBISPO**

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2004

**Section 2**

Financial Statement Findings

None Reported

**Section 3**

Federal Award Findings and Questioned Costs

None Reported