



Transmitted via e-mail

November 10, 2010

Ms. Michelle Meadows, Assistant Director of Administration
Office of Traffic Safety
2208 Kausen Drive, Suite 300
Elk Grove, CA 95758

Dear Ms. Meadows:

Final Report—University of California Davis Medical Center, Office of Traffic Safety Grant Audit

The Department of Finance, Office of State Audits and Evaluations (Finance), has completed its interim audit of the University of California Davis Medical Center's (Center) Adolescent Screening and Brief Intervention Program, grant agreement AL0915 for the period October 1, 2008 through December 31, 2009.

The enclosed report is for your information and use. Because there were no audit findings or issues requiring a response, we are issuing the report as final.

In accordance with Finance's policy of increased transparency, the final report will be placed on our website. Additionally, pursuant to Executive Order S-20-09, the Office of Traffic Safety is required to post this report in its entirety to the Reporting Government Transparency website at <http://www.reportingtransparency.ca.gov/> within five working days of this transmittal.

We appreciate the assistance and cooperation of the Center's staff. If you have any questions regarding this report, please contact Kimberly Tarvin, Manager, or Rick Cervantes, Supervisor, at (916) 322-2985.

Sincerely,

Original signed by:

David Botelho, CPA
Chief, Office of State Audits and Evaluations

Enclosure

cc: On following page

cc: Mr. Ahmad Hakim-Elahi, Ph.D., Director, Office of Research, Sponsored Programs,
University of California, Davis
Ms. Christy Adams, RN, BSN, Trauma Prevention Program Coordinator, University of
California Davis Medical Center
Ms Kathleen Hass, Manager, Extramural Funds Accounting, Accounting and Financial
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Mr. James Ringo, Assistant Manager, Extramural Funds Accounting, Accounting and
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Ms. Cheryl Duncan, Supervisor, School of Medicine Finance Department, University of
California, Davis
Ms. Patty Wong, Regional Coordinator, Office of Traffic Safety
Ms. Deborah Hrepich, Associate Accounting Analyst, Office of Traffic Safety

A GRANT AUDIT

University of California Davis Medical Center
Adolescent Screening and Brief Intervention Program
Grant Agreement AL0915

Prepared By:
Office of State Audits and Evaluations
Department of Finance

MEMBERS OF THE TEAM

Kim Tarvin, CPA
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Final reports are available on our website at <http://www.dof.ca.gov>

You can contact our office at:

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Office of State Audits and Evaluations
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BACKGROUND

The Office of Traffic Safety (OTS) is charged with the responsibility of obtaining and distributing federal funds in an effort to carry out the direction of the National Highway Traffic Safety Act. The federal funds are designed to mitigate traffic safety problems as defined by the Highway Safety Plan. Currently, there are eight program priority areas earmarked for grant funding: Alcohol and Other Drugs, Occupant Protection, Pedestrian and Bicycle Safety, Emergency Medical Services, Traffic Records, Roadway Safety, Motorcycle Safety, and Police Traffic Services. OTS allocates funds to local government agencies to implement these programs via grant awards.

The University of California Davis Medical Center (Center) received a grant from OTS to decrease injury and fatality rates in alcohol-involved traffic accidents in Sacramento County. The Center expanded adult screening and brief interventions to include adolescent patients and provided educational alcohol prevention programs in the community.

SCOPE

In accordance with an interagency agreement, the Department of Finance, Office of State Audits and Evaluations, conducted an interim audit of the Center's OTS grant listed below.

<u>Grant Agreement</u>	<u>Audit Period</u>	<u>Awarded</u>
AL0915	October 1, 2008 through December 31, 2009 ¹	\$622,458

The audit objective was to determine whether the Center's grant expenditures were in compliance with applicable laws, regulations, and grant requirements. In order to design adequate procedures to evaluate fiscal compliance, we obtained an understanding of the relevant internal controls. We did not assess the efficiency or effectiveness of program operations.

The Center's management is responsible for ensuring accurate financial reporting and compliance with applicable laws, regulations, and grant requirements as well as evaluating the efficiency and effectiveness of the program. OTS is responsible for the state-level administration of the grant funds.

¹ The interim audit covers grant expenditures claimed and performance goals reported from October 1, 2008 through December 31, 2009. The grant period ends September 30, 2010.

METHODOLOGY

To determine whether grant expenditures were in compliance with applicable laws, regulations, and the grant requirements, we performed the following procedures:

- Interviewed key personnel.
- Obtained an understanding of the grant-related internal controls.
- Examined the grant files.
- Reviewed the Center's accounting records.
- Determined whether a sample of expenditures were:
 - Allowable
 - Grant related
 - Incurred within the grant period
 - Supported by accounting records
 - Properly recorded
 - Not double billed to other revenue sources
- Evaluated whether the goals and objectives required by the grant agreement were substantially met.

The results of the audit are based on our review of documentation, other information made available to us, and interviews with the staff directly responsible for administering grant funds. The audit was conducted from April 2010 through October 2010.

This audit was conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our observations and recommendations based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our observations and recommendations.

RESULTS

Based on the audit procedures performed, the Center met the fiscal requirements for the grant agreement. No observations or questioned costs were identified. The Schedule of Claimed, Audited, and Questioned Amounts is presented in Table 1.

Table 1: Schedule of Claimed, Audited, and Questioned Amounts

Grant Agreement AL0915			
For the Period October 1, 2008 through December 31, 2009			
Category	Claimed	Audited	Questioned
Personnel	\$ 146,223	\$ 146,223	\$ 0
Travel	2,974	2,974	0
Contractual Services	59,501	59,501	0
Other Direct Costs	13,955	13,955	0
Indirect Costs	21,933	21,933	0
Total Expenditures	\$ 244,586	\$ 244,586	\$ 0