



Transmitted via e-mail

October 26, 2016

Mr. Robert Nelson, Assistant Director of Administration
California Office of Traffic Safety
2208 Kausen Drive, Suite 300
Elk Grove, CA 95758

Dear Mr. Nelson:

Final Report—Sacramento County District Attorney’s Office, Traffic Safety Grant Audit

The Department of Finance, Office of State Audits and Evaluations, has completed its audit of the Sacramento County District Attorney’s Office (County) grants DI1415 and DI1416, issued by the California Office of Traffic Safety.

The enclosed report is for your information and use. The County’s response to the report finding and our evaluation of the response are incorporated into this final report. This report will be placed on our website.

We appreciate the assistance and cooperation of the County. If you have any questions regarding this report, please contact Zachary Stacy, Manager, or Alexis Calleeance, Supervisor, at (916) 322-2985.

Sincerely,

Original signed by:

Jennifer Whitaker, Chief
Office of State Audits and Evaluations

Enclosure

cc: Ms. Karen Coyle, Assistant Director of Operations, California Office of Traffic Safety
Ms. Trina Nguyen, Associate Accounting Analyst, California Office of Traffic Safety
Mr. Ron Miller, Operations Coordinator, California Office of Traffic Safety
Ms. Susan Elliott, Chief of Administrative Services, Sacramento County District Attorney’s Office
Ms. Claire Stetson, Senior Accounting Manager, Sacramento County District Attorney’s Office
Ms. Sue Keeler, Administrative Services Officer, Sacramento County District Attorney’s Office

Sacramento County District Attorney's Office
Alcohol and Drug Impaired Driver Vertical Prosecution
and Traffic Safety Resource Prosecutor Programs
Grant Agreements DI1415 and DI1416

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

MEMBERS OF THE TEAM

Managers

Frances Parmelee, CPA
Zachary Stacy

Supervisor

Alexis Calleance

Staff

Rosalie Bradley

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

You can contact our office at:

Department of Finance
Office of State Audits and Evaluations
915 L Street, 6th Floor
Sacramento, CA 95814
(916) 322-2985

BACKGROUND, SCOPE AND METHODOLOGY

BACKGROUND

The California Office of Traffic Safety's (OTS) mission is to effectively and efficiently administer traffic safety grant funds to reduce traffic deaths, injuries, and economic loss. OTS implements its mission by awarding grants to local and state public agencies from several federal funding sources. The ten priority areas of concentration for grant funding include the following: Alcohol-Impaired Driving, Distracted Driving, Drug-Impaired Driving, Occupant Protection, Pedestrian and Bicycle Safety, Traffic Records, Emergency Medical Services, Roadway Safety, Police Traffic Services, and Motorcycle Safety.¹

The Sacramento County District Attorney's Office (County) received a \$1.085 million grant to provide intense and specialized training and technical assistance to police officers, prosecutors, and other traffic safety professionals. Additionally, the County received a \$1.163 million grant to provide a specialized team to prosecute DUI's that result in death and/or serious injury. The County is responsible for the prosecution of criminal cases forwarded by law enforcement agencies within Sacramento County.²

SCOPE

In accordance with an interagency agreement, the Department of Finance, Office of State Audits and Evaluations, audited grant agreements DI1415 and DI1416, for the period October 1, 2013 through September 30, 2014.

The audit objectives were to determine whether the County's grant expenditures claimed were in compliance with applicable laws, regulations, and grant requirements; and whether the grant accomplishments were accurately reported in the Final Quarterly Performance Report (QPR). We did not assess the efficiency or effectiveness of program operations.

County's management is responsible for ensuring accurate financial reporting and compliance with applicable laws, regulations, and grant requirements. OTS is responsible for the state-level administration of the grant program.

METHODOLOGY

To determine whether grant expenditures were in compliance with applicable laws, regulations, and the grant requirements; and whether the grant accomplishments were accurately reported in the Final QPR, we performed the following procedures:

- Examined the grant files, the grant agreements, and applicable policies and procedures.
- Reviewed the County's accounting records, vendor invoices, and timesheets.

¹ Excerpts from www.OTS.ca.gov.

² Excerpts from OTS grant agreements DI1415 and DI1416

- Reviewed subcontractor vendor invoices, timesheets, student reviews, and login sheets.
- Selected a sample of claimed expenditures and determined whether they were allowable, grant-related, incurred within the grant period, supported by accounting records, and properly recorded.
- Evaluated whether other revenue sources were used to reimburse expenditures claimed for reimbursement under the grant agreements.
- Evaluated whether a sample of grant accomplishments were accurately reported in the Final QPR by reviewing newsletters, media press releases, statistic member logs, and consultation logs.

In conducting our audit, we obtained an understanding of the County's internal controls, including any information systems controls that we considered significant within the context of our audit objectives. We assessed whether those controls were properly designed and implemented. Any deficiencies in internal control that were identified during the audit and determined to be significant within the context of our audit objectives are included in this report.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Except as noted below, the grant expenditures claimed complied with the grant agreements' requirements. Additionally, the grant accomplishments were accurately reported in the Final Quarterly Performance Reports. The Schedule of Claimed and Questioned Amounts is presented below.

Schedule of Claimed and Questioned Amounts

Grant Agreement DI1415	
Category	Claimed¹
Personnel	\$ 36,808
Contractual Services	885,388
Total Expenditures	\$ 922,196

Grant Agreement DI1416		
Category	Claimed²	Questioned
Personnel	\$ 770,402	\$ 0
Travel Expense	150	0
Contractual Services	266,900	3,777
Other Direct Costs	13,195	0
Total Expenditures	\$ 1,050,647	\$ 3,777

Finding 1: Unsupported Contractual Services

For grant agreement DI1416, the Sacramento County District Attorney's Office (County) subcontracted with the City of Elk Grove (City) to provide students education training on the consequences of driving under the influence. The City claimed a total of \$75,549; however, only \$71,772 was supported by timesheets.

From October 1, 2013 through September 30, 2014, the City claimed that 80 percent of an employee's personnel hours were grant related. However, the timesheets only showed 75 percent of the employee's personnel hours were charged to the grant. We calculated the difference and deemed \$3,777 (\$75,549 - \$71,772) as questioned costs.

The California Office of Traffic Safety (OTS) Grant Program Manual states that if a subgrantee is receiving less than 100 percent of funding for personnel services, their time distribution to OTS grants must be supported by after-the-fact Personnel Activity Reports (e.g., timesheets).

Recommendations:

- A. Remit \$3,777 to OTS.
- B. For future grants, the County should improve fiscal controls to reduce the risk of non-compliance and questioned costs.

¹ OTS awarded \$1,085,339 and the County claimed \$922,196.

² OTS awarded \$1,162,704 and the County claimed \$1,050,647.



Sacramento County District Attorney's Office

ANNE MARIE SCHUBERT
District Attorney

Stephen J. Grippi
Chief Deputy

Michael A. Neves
Assistant District Attorney

October 11, 2016

Ms. Jennifer Whitaker, Chief
Office of State Audits and Evaluations
915 L Street
Sacramento, CA 95814-37006

**Re: Response to Draft Report – Sacramento County District Attorney's Office,
Traffic Safety Grant Audit – Grants DI1415 and DI1416**

Dear Ms. Whitaker:

Thank you for the opportunity to review and respond to the Department of Finance's (DOF) draft audit report dated September 27, 2016 regarding the Office of Traffic Safety (OTS) grants DI1415 and DI1416.

Finding 1: Unsupported Contractual Services of \$3,777 for Grant DI1416

The DOF auditors state that expenses in the amount of \$3,777 were not fully supported by timesheets (Personnel Activity Reports) submitted by the subgrantee, the City of Elk Grove (City). The budgeted and reimbursable rate for this grant was 80%; however, the City employee submitted timesheets recording grant related work as 75%. Per the approved grant budget, the City claimed 80% and the County submitted 80% for reimbursement from OTS. Since inception of the grant in 2009, this employee's time has been dedicated 100% to the grant, but OTS funding has fluctuated between 75% and 80%.

Although the timesheet percentage of 75% was incorrect, the County asks that this finding be waived as the employee committed 100% of her working schedule to the grant which has been verified by the City. Additionally, the City paid the remaining 20% of the employee's salary.

Thank you again for the opportunity to respond to your draft audit report. If you have any questions, please contact me at (916) 874-5126 or elliotts@sacda.org.

Your consideration of this matter is greatly appreciated.

Sincerely,

Original signed by:

Susan Elliott
Chief, Administrative Services

cc: Ms. Claire Stetson, Senior Accounting Manager, Sacramento County District Attorney’s Office
Ms. Sue Keeler, Administrative Services Officer, Sacramento County District Attorney’s Office
Mr. Robert Nelson, Assistant Director of Administration, California Office of Traffic Safety
Ms. Karen Coyle, Assistant Director of Operations, California Office of Traffic Safety
Ms. Trina Nguyen, Associate Accounting Analyst, California Office of Traffic Safety
Mr. Ron Miller, Operations Coordinator, California Office of Traffic Safety

EVALUATION OF RESPONSE

The Sacramento County District Attorney's Office (County) response to the draft audit report has been reviewed and incorporated into the final report. In evaluating the County's response, we provide the following comment:

Finding 1: Unsupported Contractual Services

The County requested the Finding be waived stating that the subgrantee's employee timesheet was in error and that the employee committed 100 percent of their working schedule to grant activities. However, because the County did not provide adequate supporting documentation, the finding and recommendation will remain unchanged.