



DEPARTMENT OF
FINANCE

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Transmitted via e-mail

April 21, 2011

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

Dear Ms. Garcia:

Interim Audit Report—Department of Justice, Office of Traffic Safety Grant Audit

The Department of Finance, Office of State Audits and Evaluations (Finance), has completed its interim audit of the Department of Justice's (DOJ) Statewide Portable Evidential Breath Testing Program Enhancement, grant agreement AL0950 for the period October 1, 2008 through June 30, 2010.

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.

This report will be placed on our website. Additionally, pursuant to Executive Order S-20-09, please 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 DOJ's staff. If you have any questions regarding this report, please contact Kimberly Tarvin, Manager, or Alma Ramirez, 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: Ms. Patty Wong, Regional Coordinator, Office of Traffic Safety
Ms. Deborah Hrepich, Associate Accounting Analyst, Office of Traffic Safety
Mr. Dave Harper, Assistant Director, Division of Administrative Services, Department of Justice
Ms. Koelyn Hooper, Data Processing Manager III, Department of Justice
Ms. Deborah Merrill, Chief of Accounting, Department of Justice
Ms. Jill Spriggs, Chief, Bureau of Forensic Services, Department of Justice

A GRANT AUDIT

Department of Justice
Statewide Portable Evidential Breath
Testing Program Enhancement
Grant Agreement AL0950

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

MEMBERS OF THE AUDIT TEAM

Kimberly Tarvin, CPA
Manager

Alma Ramirez, CPA
Supervisor

Staff
Alice Yip

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

You can contact our office at:

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BACKGROUND, SCOPE, METHODOLOGY, AND RESULTS

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 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.¹

The Department of Justice (DOJ) received a grant from OTS to implement a Statewide Portable Evidential Breath Testing Program Enhancement. The grant provides funding for the purchase of evidential portable alcohol testing devices and enhancement of technology infrastructure to support the devices. DOJ provides scientific analysis of the alcohol level content of a suspect arrested for DUI, to 39 counties with over 10 million residents. DOJ analyzes approximately 22,000 fluid samples along with 41,000 evidential and 18,000 screening breath tests from drivers suspected of DUI each year.²

SCOPE

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

<u>Grant Agreement</u>	<u>Audit Period</u>	<u>Awarded</u>
AL0950	October 1, 2008 through June 30, 2010 ³	\$1,725,193

The audit objective was to determine whether DOJ'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.

DOJ'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 Excerpts from www.OTS.ca.gov

² Excerpts from grant agreement AL0950.

³ The interim audit covers grant expenditures claimed and performance goals reported from October 1, 2008 through June 30, 2010. The grant period ends September 30, 2012.

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 DOJ's accounting records.
- Determined whether a sample of expenditures were:
 - Allowable
 - Grant related
 - Incurred with the grant period
 - Supported by accounting records
 - Properly recorded
 - Not double billed to other revenue sources
- Determined whether equipment purchased with grant funds exists.
- Evaluated whether a sample of the goals and objectives required by the grant agreement were met or were progressing in accordance with the established target dates.

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 July 2010 through April 2011.

The 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.

RESULTS

Based on the audit procedures performed, DOJ met the fiscal requirements of 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 AL0950			
For the Interim Period October 1, 2008 through June 30, 2010			
Category	Claimed	Audited	Questioned
Travel Expense	\$ 5,885	\$ 5,885	\$ 0
Contractual Services	451,543	451,543	0
Equipment	271,649	271,649	0
Other Direct Costs	127,254	127,254	0
Total Expenditures	\$856, 331	\$856, 331	\$ 0