

**COUNTY OF MARIN
SINGLE AUDIT REPORT
JUNE 30, 2012**

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF MARIN

Single Audit Report
For the Year Ended June 30, 2012

Table of Contents

	<u>Page</u>
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 <i>Government Auditing Standards</i>	1-2
Independent Auditor's Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program, on Internal Control Over Compliance and Schedule of Expenditures of Federal Awards In Accordance with OMB Circular A-133.....	3-5
Schedule of Expenditures of Federal Awards	7-12
Notes to Schedule of Expenditures of Federal Awards.....	13-16
Schedule of Findings and Questioned Costs	17-18
Summary Schedule of Prior Audit Findings.....	19
Supplementary Schedule of the California Emergency Management Agency and the Department of Corrections and Rehabilitation Programs Grant Expenditures.....	21-22

THIS PAGE INTENTIONALLY LEFT BLANK



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

Board of Supervisors
 County of Marin
 San Rafael, 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 the County of Marin (County), as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements and have issued our report thereon dated February 22, 2013. 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. We did not audit the financial statements of the Marin County Redevelopment Agency, the Housing Authority of the County of Marin, and the Marin County Transit District, which represent the following percentages of assets and revenues/additions as of and for the fiscal year ended June 30, 2012:

<u>Opinion Unit</u>	<u>Assets</u>	<u>Revenues/ Additions</u>
Governmental Activities	0.00%	0.56%
Business-Type Activities	81.45%	86.47%

Those financial statements were audited by other auditors whose report thereon has been furnished to us. This report does not include the results of the 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 the 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.

A *deficiency in internal control* 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 and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Board of Supervisors
County of Marin
San Rafael, California

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*.

We noted certain matters that we reported to management of the County on a separate letter dated February 22, 2013.

This report is intended solely for the information and use of management, the 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.

A handwritten signature in cursive script that reads "Gallina LLP".

Roseville, California
February 22, 2013



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM,
ON INTERNAL CONTROL OVER COMPLIANCE AND SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Supervisors
County of Marin
San Rafael, California

Compliance

We have audited the compliance of the County of Marin (County) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2012. 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, regulations, 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 the following entities, which are not included in the schedule of expenditures of federal awards for the year ended June 30, 2012:

Entity	Federal Expenditures
Housing Authority of the County of Marin	\$ 35,697,133
Marin County Transit District	1,297,966

Our audit, described below, did not include the operations of those entities as those entities were audited separately by other auditors 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.

In our opinion, the County complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Board of Supervisors
County of Marin
San Rafael, California

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 the 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, but not for the purpose of expressing 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 deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended June 30, 2012, and have issued our report thereon dated February 22, 2013. We did not audit the financial statements of the Marin County Redevelopment Agency, the Housing Authority of the County of Marin, and the Marin County Transit District. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included in the Marin County Redevelopment Agency, the Housing Authority of the County of Marin, and the Marin County Transit District is based on the reports of the other 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The Supplementary Schedules of Grant Expenditures have not been subjected to auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

Board of Supervisors
County of Marin
San Rafael, California

This report is intended solely for the information and use of management, the 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.

A handwritten signature in cursive script that reads "Gallina LLP".

Roseville, California
March 9, 2013 except for the Schedule
of Expenditures of Federal Awards, which is
dated February 22, 2013

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF MARIN

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements/ Expenditures
<u>U.S. Department of Agriculture</u>			
Passed through State Department of Agriculture:			
Plant and Animal Disease, Pest Control, and Animal Care			
Light Brown Apple Moth Program	10.025	11-0431	\$ 11,177
Light Brown Apple Moth Program	10.025	11-0364	14,879
Light Brown Apple Moth Program	10.025	11-0571	30,473
European Grapevine Moth	10.025	11-0310	7,625
Glassy-winged Sharpshooter	10.025	10-0335	96,915
Sudden Oak Death -P, Ramorum	10.025	11-0349	33,595
Subtotal CFDA Number 10.025			<u>194,664</u>
Passed through State Department of Social Services:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	--	2,438,336
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - FSET	10.561	--	141,052
California Nutrition Network (CNN)	10.550	--	122,312
Subtotal CFDA Number 10.561			<u>2,701,700</u>
Special Supplemental Nutrition Program for Women, Infants, and Children - Administrative	10.557	--	1,145,718
Subtotal CFDA Number 10.557			<u>1,145,718</u>
Passed through California Department of Aging:			
Senior Farmers Market Nutrition Program	10.576	--	10,000
Subtotal Pass-Through			<u>10,000</u>
Total U.S. Department of Agriculture			<u>\$ 4,052,082</u>
<u>U.S. Department of Commerce</u>			
Direct Programs through the National Oceanic and Atmospheric Administration:			
Habitat Conservation	11.463	NA09NMF4630358	52,383
Total U.S. Department of Commerce			<u>\$ 52,383</u>
<u>U.S. Department of Housing and Urban Development</u>			
Direct Programs:			
Community Development Block Grants/Entitlement Grants	14.218	B-03-UC-06-0004	2,866
Community Development Block Grants/Entitlement Grants	14.218	B-06-UC-06-0004	17,136
Community Development Block Grants/Entitlement Grants	14.218	B-07-UC-06-0004	25,850
Community Development Block Grants/Entitlement Grants	14.218	B-08-UC-06-0004	65,865
Community Development Block Grants/Entitlement Grants	14.218	B-09-UC-06-0004	206,258
Community Development Block Grants/Entitlement Grants	14.218	B-10-UC-06-0004	363,930
Community Development Block Grants/Entitlement Grants	14.218	B-11-UC-06-0004	1,091,296
Community Development Block Grant ARRA Entitlement ARRA Grants (CDBG-R)	14.253	B-09-UY-06-0004	83,969
Community Development Block Grants/Entitlement Grants-Outstanding Loan Balance	14.218	--	3,629,506
Subtotal CFDA Number 14.218 Direct			<u>5,486,676</u>
HOME Investment Partnerships Program	14.239	M-05-UC-06-0206	19,465
HOME Investment Partnerships Program	14.239	M-06-UC-06-0206	22,093
HOME Investment Partnerships Program	14.239	M-07-UC-06-0206	22,093
HOME Investment Partnerships Program	14.239	M-08-UC-06-0206	93,135
HOME Investment Partnerships Program	14.239	M-09-UC-06-0206	651,184
HOME Investment Partnerships Program	14.239	M-10-UC-06-0206	695,250
HOME Investment Partnerships Program	14.239	M-11-UC-06-0206	1,004,322
HOME Investment Partnerships Program-Outstanding Loan Balance	14.239	--	8,771,167
Subtotal CFDA Number 14.239 Direct			<u>11,278,709</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

COUNTY OF MARIN

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements/ Expenditures
<u>U.S. Department of Housing and Urban Development</u> (continued)			
Direct Programs (continued):			
Homelessness Prevention and Rapid Re-Housing Program	14.262	S-09-UY-06-0004	\$ 51,913
Subtotal CFDA Number 14.262 Direct			<u>51,913</u>
Subtotal Direct			<u>16,817,298</u>
Passed through San Francisco Redevelopment Agency:			
AIDS Program			
Housing Opportunities For Persons With AIDS (HOPWA)	14.241	2010-11	22,265
Housing Opportunities For Persons With AIDS (HOPWA)	14.241	2011-12	329,408
Housing Opportunities For Persons With AIDS (HOPWA)-Outstanding Loan Balance	14.241		470,000
Subtotal CFDA Number 14.241			<u>821,673</u>
Total U.S. Department of Housing and Urban Development			<u>\$ 17,638,971</u>
<u>U.S. Department of Interior</u>			
Direct Programs:			
Coastal Impact Assistance Program (CIAP)	15.426	--	128,000
Subtotal Direct			<u>128,000</u>
Passed through National Park Service:			
West Marin Emergency Services	15.000	--	90,915
Subtotal CFDA Number 15.000			<u>90,915</u>
Total U.S. Department of Interior			<u>\$ 218,915</u>
<u>U.S. Department of Justice</u>			
Direct Programs:			
Drug Court Discretionary Grant Program	16.585	--	110,904
Arrest Policies and Enforcement of Protection Orders Program-Violence Against Women	16.590	--	179,322
State Criminal Alien Assistance Programs (SCAAP)	16.606	--	478,557
Support and Treatment After Release (STAR)	16.745	--	26,580
Economic High Tech and Cyber Crime Prevention	16.752	2011-BE-BX-0001	72,881
Equitable Sharing Program (Asset Forfeiture Program)	16.922	--	24,612
Subtotal Direct			<u>892,856</u>
Passed through California Department of Corrections and Rehabilitation:			
Juvenile Accountability Incentive Block Grant	16.523	CSA129-09AMYVPT	67
Juvenile Accountability Incentive Block Grant-AMYVPT	16.523	CSA129-11	26,537
Subtotal CFDA Number 16.523			<u>26,604</u>
Enhanced DMC - Technical Assistance Program II	16.540	CSA359-09	116,895
Subtotal Pass-Through			<u>116,895</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738	DC11140210	154,943
Subtotal Pass-Through			<u>154,943</u>
Passed through California Emergency Management Agency:			
Child Abuse Treatment Program	16.575	AT 11080210	110,464
Child Abuse Treatment Program	16.575	AT10070210	55,217
Underserved Victim Advocacy	16.575	UV10010210	45,770
Underserved Victim Advocacy	16.575	UV 11020210	83,102
Victim Witness Assistance Program	16.575	VW 11300210	82,605
Subtotal CFDA Number 16.575			<u>377,158</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

COUNTY OF MARIN

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements/ Expenditures
<u>U.S. Department of Justice</u> (continued)			
Passed through California Emergency Management Agency (continued):			
ARRA-Edward Byrne Memorial Justice Assistance Grant Program	16.804	ZP09010210	\$ 132,395
ARRA-Edward Byrne Memorial Justice Assistance Grant Program	16.804	ZM09010210	7,789
ARRA-Edward Byrne Memorial Justice Assistance Grant Program	16.804	ZA09010210	111,498
Subtotal CFDA Number 16.804			<u>251,682</u>
Total U.S. Department of Justice			<u>\$ 1,820,138</u>
<u>U.S. Department of Labor</u>			
Passed through California Department of Aging:			
Title V - Senior Community Service Employment Program	17.235	--	86,098
Subtotal Pass-Through			<u>86,098</u>
Passed through State Employment and Training Administration:			
WIA - Title I Adult Program	17.258	--	486,873
WIA - Title I Youth Activities	17.259	--	310,322
WIA - Title I Dislocated Workers	17.278	--	737,169
Subtotal WIA Cluster			<u>1,534,364</u>
Total U.S. Department of Labor			<u>\$ 1,620,462</u>
<u>U.S. Department of Transportation</u>			
Direct Program:			
Airport Improvement Program	20.106	03-06-0167-14	175,077
Subtotal Direct			<u>175,077</u>
Passed through State Department of Transportation:			
Highway Planning and Construction	20.205	HSIP-5927(060)	1,214
Highway Planning and Construction	20.205	ER-4434-(005)	1,618
Highway Planning and Construction	20.205	PLHL-5927(064)	8,555
Highway Planning and Construction	20.205	NMTPL-5927(065)	21,822
Highway Planning and Construction	20.205	HSIP-5927(077)	21,839
Highway Planning and Construction	20.205	NMPTL-5927(051)	71,398
Highway Planning and Construction	20.205	CML-5927(082)&(089)	151,842
Highway Planning and Construction	20.205	SRTSL-5927(061)	354,951
Highway Planning and Construction	20.205	NMPTL-5927(058)	1,431,676
Highway Planning and Construction	20.205	041-99041-00	77,099
Highway Planning and Construction	20.205	CML-5927(083)	9,926
Highway Planning and Construction	20.205	HSIPL-5927(090)	17,768
Highway Planning and Construction	20.205	RT-21-008	14,894
Subtotal CFDA Number 20.205			<u>2,184,602</u>
Passed through Metropolitan Transportation Commission:			
Job Access and Reverse Commute Program (JARC)	20.516	2008-25	322,341
Subtotal Pass-Through			<u>322,341</u>
Passed through California Emergency Management Agency:			
Hazardous Materials Emergency Preparedness Grant	20.703	041-00000/1731-0100	9,435
Hazardous Materials Emergency Preparedness Grant	20.703	041-00000/2631-0101	13,958
Subtotal Pass-Through			<u>23,393</u>
Total U.S. Department of Transportation			<u>\$ 2,705,413</u>
<u>U.S. Environmental Protection Agency</u>			
Direct Program:			
Richarson Bay-EPA	66.202	EM-00T34101-0	14,061
Subtotal Direct			<u>14,061</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

COUNTY OF MARIN

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements/ Expenditures
<u>U.S. Environmental Protection Agency (continued)</u>			
Passed through California Department of Public Health:			
Marshall East Shore Phase II & Woodacre Flats	66.472		\$ 3,714
Beach Monitoring and Notification Program Grants	66.472	11-10785	12,593
Subtotal CFDA Number 66.472			<u>16,307</u>
Total U.S. Environmental Protection Agency			<u>\$ 30,368</u>
<u>U.S. Department of Energy</u>			
Passed through Association of Bay Area Governments			
ARRA - Retrofit Bay Area State Energy Program	81.041	--	206,683
Subtotal Pass-Through			<u>206,683</u>
Passed through California Energy Commission			
ARRA - Marin County Energy Efficiency Projects (EECBG)	81.128	CBG-09-126	318,797
Subtotal Pass-Through			<u>318,797</u>
Total U.S. Department of Energy			<u>\$ 525,480</u>
<u>U.S. Department of Education</u>			
Passed through State Department of Rehabilitation:			
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	--	61,045
Subtotal Pass-Through			<u>61,045</u>
Passed through State Department of Education:			
Individual Disability Education Act (IDEA)	84.325	--	432,635
Subtotal Pass-Through			<u>432,635</u>
Total U.S. Department of Education			<u>\$ 493,680</u>
<u>U.S. Election Assistance Commission</u>			
Passed through California Secretary of State:			
Smart Voter Services	90.401	11G30101	5,132
Subtotal Pass-Through			<u>5,132</u>
Total U.S. Election Assistance Commission			<u>\$ 5,132</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through California Department of Aging:			
Title VII - Elder Abuse	93.041	--	2,192
Title VII - Ombudsman	93.042	--	27,102
Title IIID - Disease Prevention	93.043	--	16,393
Title IIIB - Supportive Services	93.044	--	288,922
Title IIIC - Congregate Nutrition	93.045	--	125,420
Title IIIC - Home Delivered Nutrition	93.045	--	382,688
Title IIIE - Family Caregiver	93.052	--	126,592
Nutrition Services Incentive Program	93.053	--	51,889
Subtotal Pass-Through			<u>1,021,198</u>
Passed through Secretary of State:			
Voter Accessibility (ADA)	93.617	11G26119	6,296
Subtotal Pass-Through			<u>6,296</u>
Passed through State Department of Health Care Services:			
Emergency Preparedness - Lab	93.065	--	111,139
Public Health Emergency Preparedness Program	93.069	--	236,656
Risk Base Initiative	93.069	--	12,405
Tuberculosis Control Program	93.116	--	26,600

See accompanying notes to Schedule of Expenditures of Federal Awards.

COUNTY OF MARIN

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements/ Expenditures
<u>U.S. Department of Health and Human Services (continued)</u>			
Passed through State Department of Health Care Services (continued):			
Child Lead Poisoning Prevention	93.197	--	\$ 43,143
Immunization Assistance Program	93.268	--	93,726
Subtotal Pass-Through			<u>523,669</u>
Passed through State Department of Social Services:			
Promoting Safe and Stable Families	93.556	--	113,966
Subtotal Pass-Through			<u>113,966</u>
Temporary Assistance for Needy Families (TANF) State Programs	93.558	--	966,377
Temporary Assistance for Needy Families (TANF) State Programs	93.558	--	9,375,527
Subtotal CFDA Number 93.558			<u>10,341,904</u>
Child Support Enforcement	93.563	--	2,369,733
Subtotal CFDA Number 93.563			<u>2,369,733</u>
Refugee Cash Assistance	93.566	--	26,730
Subtotal Pass-Through			<u>26,730</u>
Child Welfare Services – State Grants	93.645	--	61,872
Children's Services	93.645	--	366,637
Subtotal CFDA Number 93.645			<u>428,509</u>
CWS IV-E	93.658	--	1,410,857
Foster Care – Title IV-E	93.658	--	488,276
Foster Care	93.658	--	788,669
ARRA - Foster Care	93.658	--	(717)
Statewide Automated Child Welfare Information Systems	93.658	--	12,489
Subtotal CFDA Number 93.658			<u>2,699,574</u>
Adoption Assistance Program	93.659	--	971,932
ARRA - Adoption Assistance Program	93.659	--	(538)
Subtotal CFDA Number 93.659			<u>971,394</u>
Child Welfare Services - Title XX	93.667	--	72,820
Licensing	93.667	--	81,242
Subtotal CFDA Number 93.667			<u>154,062</u>
In-Home Support Services	93.778	--	1,051,189
Medical Assistance Program/MAA/TCM	93.778	--	2,884,455
Child Health Development and Prevention	93.778	--	402,668
Subtotal CFDA Number 93.778			<u>4,338,312</u>
Independent Living Program	93.674	--	85,650
Bioterrorism Hospital Preparedness Program	93.889	--	153,587
Maternal and Child Health Services	93.994	--	230,468
Subtotal Pass-Through			<u>469,705</u>
Passed through City and County of San Francisco Department of Public Health:			
HIV Emergency Relief Formula Grant	93.914	--	793,639
HIV Testing & Prevention	93.940	--	42,855
Subtotal Pass-Through			<u>836,494</u>
Passed through the State Department of Mental Health:			
Substance Abuse and Mental Health Services Administration (SAMHSA)	93.958	--	544,863
SAMHSA - Adult	93.243	--	360,415
SAMHSA - Juvenile	93.243	--	291,627
Subtotal Pass-Through			<u>1,196,905</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

COUNTY OF MARIN

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements/ Expenditures
<u>U.S. Department of Health and Human Services (continued)</u>			
Passed through State Department of Alcohol and Drug Abuse Programs:			
Block Grants for Prevention and Treatment of Substance Abuse (SAPT)	93.959	--	\$ 1,911,593
Federal Drug Medi-Cal	93.778	--	212,366
Subtotal Pass-Through			<u>2,123,959</u>
Total U.S. Department of Health and Human Services			<u>\$ 27,622,410</u>
<u>U.S. Department of Homeland Security</u>			
Passed through State Office of Homeland Security:			
Homeland Security Grant	97.067	UASI 08	172,595
Homeland Security Grant	97.067	UASI 09	11,427
Homeland Security Grant	97.067	UASI 10	49,023
Homeland Security Grant	97.067	SHS09	204,393
Homeland Security Grant	97.067	SHS10	90,156
Homeland Security Grant	97.067	SHS11	28,050
Interoperable Emergency Communication Grant	97.067	UASI 10	195,727
Urban Areas Security Initiative	97.067	2009	379,020
Urban Areas Security Initiative	97.067	2010	279,241
Subtotal CFDA Number 97.067			<u>1,409,632</u>
Emergency Management Performance Grant	97.042	--	172,301
Hazard Migration Grant Program	97.039	HMGP 1646-27-07	17,178
Subtotal Pass-Through			<u>189,479</u>
Total U.S. Department of Homeland Security			<u>\$ 1,599,111</u>
Total Expenditures of Federal Awards			<u><u>\$ 58,384,545</u></u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

COUNTY OF MARIN

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

NOTE 1: REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the County of Marin, except for those activities of the *Housing Authority of the County of Marin* and the *Marin County Transit District*. The County of Marin's reporting entity is defined in Note 1 to the County's basic financial statements. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule. The *Housing Authority of the County of Marin* and the *Marin County Transit District* are component units of the County. Separate reports have been issued for the *Housing Authority of the County of Marin* and the *Marin County Transit District* by other auditors.

The expenditures incurred under federal award programs audited by other auditors are as follows:

<u>Entity</u>	<u>Federal Expenditures</u>
Housing Authority of the County of Marin	\$ 35,697,133
Marin County Transit District	1,297,966

NOTE 2: BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting and the accrual basis of accounting for program expenditures accounted for in governmental funds and proprietary funds, respectively, as described in Note 1 of the County's basic financial statements.

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal award expenditures agree or can be reconciled with the amounts reported in the County's basic financial statements.

NOTE 4: TOTAL FEDERAL AWARDS EXPENDED BY CFDA NUMBER

When there is more than one program under a single CFDA number, the Schedule of Expenditures of Federal Awards totals all programs under the one CFDA number. Occasionally, however, this total could not be conveniently displayed because all programs under one CFDA number were not contiguous. When this occurred, this total is not shown in the Schedule, but instead is provided below:

<u>CFDA No.</u>	<u>Total Federal Expenditures</u>
93.045	\$ 508,108
93.069	249,061
93.243	652,042
93.778	4,550,678

COUNTY OF MARIN

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

NOTE 5: PROGRAM CLUSTERS

The following programs are considered to be clusters of programs as defined by OMB Circular A-133.

<u>Federal CFDA</u>	<u>Program Title</u>	<u>Federal Expenditures</u>
<u>CDBG – Entitlement Grants Cluster:</u>		
14.218	Community Development Block Grants/Entitlement Grants	\$ 2,866
14.218	Community Development Block Grants/Entitlement Grants	17,136
14.218	Community Development Block Grants/Entitlement Grants	25,850
14.218	Community Development Block Grants/Entitlement Grants	65,865
14.218	Community Development Block Grants/Entitlement Grants	206,258
14.218	Community Development Block Grants/Entitlement Grants	363,930
14.253	Community Development Block Grant ARRA Entitlement Grants (CDBG-R) – (Recovery Act Funded)	1,091,296 83,969
14.218	Community Development Block Grants/Entitlement Grants – Outstanding Loan Balance	3,629,506
	TOTAL	<u>\$ 5,486,676</u>
<u>WIA Cluster:</u>		
17.258	WIA - Title I Adult Program	\$ 486,873
17.259	WIA - Title I Youth Activities	310,322
17.278	WIA - Title I Dislocated Workers	737,169
	TOTAL	<u>\$ 1,534,364</u>
<u>Aging Cluster:</u>		
93.044	Title IIIB – Supportive Services	\$ 288,922
93.045	Title IIIC – Congregate and Home Delivered Nutrition	508,108
93.053	Nutrition Services Incentive Program	51,889
	TOTAL	<u>\$ 848,919</u>
<u>JAG Program Cluster:</u>		
16.738	Edward Byrne Memorial Justice Assistance Grant Program	\$ 154,943
16.804	ARRA - Edward Byrne Memorial Justice Assistance Grant Program	132,395
16.804	ARRA - Edward Byrne Memorial Justice Assistance Grant Program	7,789
16.804	ARRA - Edward Byrne Memorial Justice Assistance Grant Program	111,498
	TOTAL	<u>\$ 406,625</u>

COUNTY OF MARIN

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

NOTE 6: SUBRECIPIENTS

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

CFDA Number	Federal Program Title	Program Expenditures
16.575	Child Abuse Treatment Program	\$ 144,556
14.218	Community Development Block Grant (CDBG)	1,432,794
14.253	Community Development Block Grant-Recovery (CDBG-R) (ARRA)	82,541
14.239	HOME Investment Partnerships Program (HOME)	2,420,059
14.241	Housing Opportunities for Persons with AIDS (HOPWA)	343,398
15.000	GGNRA West Marin Emergency Svcs	90,915
97.073	Department of Homeland Security SHS09	9,958
97.073	Department of Homeland Security SHS10	48,300
97.008	Department of Homeland Security UAS109	11,427
16.590	Violence Against Women	179,322
10.550	California Nutrition Network	122,312
14.262	Homeless Prevention & Rapid Re-Housing (HPRP)	51,913
16.585	BJA- Adult Drug Court	110,904
16.745	Support & Treatment After Release (STAR)	26,580
17.235	Title V - Senior Community Service Employment Program	86,098
84.126	Rehab Services	61,045
93.044	Title IIIB - Supportive Services	288,922
93.045	Title IIIC Congregate and Home Delivered Nutrition	508,108
93.052	Title IIIE - Family Caregiver	126,592
93.053	Nutrition Services Incentive Program (NSIP)	51,889
93.778	Federal Drug Medi-Cal	212,366
93.958	SAMHSA-Juvenile Drug Court	291,627
93.958	SAMHSA- Adult Drug Court	360,415
93.958	Substance Abuse and Mental Health (SAMHSA)	544,863
93.959	Substance Abuse (SAPT)	1,911,593
		<u>\$ 9,518,497</u>

NOTE 7: PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

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

COUNTY OF MARIN

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

NOTE 8: DEPARTMENT OF AGING FEDERAL/STATE SHARE

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

Federal Grantor Pass Through Grantor Program Title	CFDA Number	Grant/ Contract Number	Expenditures	
			State	Federal
US Department of Agriculture				
<i>Passed through California Department of Aging</i>				
Senior Farmers Market Nutrition Program	10.576		\$ --	\$ 10,000
US Department of Labor				
<i>Passed through California Department of Aging</i>				
Title V - Senior Community Service Employment Program	17.235		--	86,098
US Department of Health and Human Services				
<i>Passed through California Department of Aging</i>				
Title VII Elder Abuse	93.041		--	2,192
Title VII Ombudsman	93.042		--	27,102
Title III D Disease Prevention	93.043		--	16,393
Title III B Supportive Services	93.044		25,108	288,922
Title III C Congregate and Home Delivered Nutrition	93.045		47,355	508,108
Title III E Family Caregiver	93.052		--	126,592
Nutrition Services Incentive Program	93.053		--	51,889
			<u>\$ 72,463</u>	<u>\$ 1,117,296</u>

NOTE 9: LOANS OUTSTANDING

The following program had federally-funded loans outstanding at June 30, 2012:

Federal CFDA #	Program Title	Amounts Outstanding	
		July 1, 2011	June 30, 2012
14.218	Community Development Block Grants/ Entitlement Grants	\$ 3,629,506	\$ 3,751,750
14.239	HOME Investment Partnerships Program Housing Opportunities for Persons with AIDS	8,771,167	10,270,042
14.241	(HOPWA)	470,000	470,000
		<u>\$ 12,870,673</u>	<u>\$ 14,491,792</u>

COUNTY OF MARIN

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

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. 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

Name of Federal Program

10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
14.239	HOME Investment Partnerships Program
16.738, 16.804	JAG Program Cluster
93.558	Temporary Assistance for Needy Families/(TANF) State Programs
93.658	Foster Care – Title IV-E
93.659	Adoption Assistance Program
93.778	Medical Assistance Program
93.959	Block Grants for Prevention and Treatment of Substance Abuse (SAPT)

- | | |
|-----------------------------------------------------------------------------------|-------------|
| 5. Dollar Threshold used to distinguish between Type A and Type B programs: | \$1,751,536 |
| 6. Auditee qualified as a low-risk auditee under OMB Circular A-133, Section 530? | No |

COUNTY OF MARIN

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

Section 2

Financial Statement Findings

None Reported

Section 3

Federal Award Findings and Questioned Costs

None Reported

COUNTY OF MARIN

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2012

Reference Number	11-SA-1
Federal Program Title	Adoption Assistance ARRA – Adoption Assistance
CFDA Number (s)	93.659
Federal Agency	U.S. Department of Health and Human Services
Pass-Through Entity	California Department of Social Services
Compliance Requirement	Eligibility

Criteria:

Federal Adoption Assistance cannot be paid unless federal eligibility is present. Generally, for federal eligibility, a child must be within specified income categories, be a child with certain “special needs,” be unable to be adopted without Adoption Assistance, and have the adoption assistance agreement in place before the adoption decree is entered. Title 22 California Code of Regulations §35331(a) requires that the determination of the child's eligibility for adoption assistance be documented in the case record on the Eligibility Certification – Adoption Assistance Program form (the AAP-4). Previous to the use of the AAP-4, a form F9 was used to document a child's eligibility for Adoption Assistance.

Condition:

During performance of testing over eligibility requirements for the Adoptions Assistance Program, 40 active cases were reviewed and it was noted that two cases that were not eligible to receive federal assistance were paid with federal funds.

Effect:

By not reviewing the information that was input into the case management system from the eligibility determination forms, the County has not fully adhered to internal policies. In addition, the County submitted claims in excess of allowable costs by claiming reimbursements for ineligible participants.

Questioned Costs:

One case had 12 benefit payments at \$633 each which equals \$7,596 and the other case had 12 benefit payments at \$719 each which equals \$8,628. That brings the total questioned costs to \$16,224.

Recommendation:

We recommend that the County instruct its eligibility staff to make sure a properly-executed AAP-4 is contained in the case file before approving federal Adoption Assistance. When any case is identified which does not have an AAP-4, we recommend that a supervisor review the case file to make sure that the aid code for the case is correct.

Status:

The results of our testing over the eligibility compliance requirements for the Adoption Assistance Program did not result in any findings. Issue deemed resolved.

THIS PAGE INTENTIONALLY LEFT BLANK

**SUPPLEMENTARY SCHEDULES
OF
THE CALIFORNIA EMERGENCY
MANAGEMENT AGENCY
AND
THE DEPARTMENT OF CORRECTIONS
AND REHABILITATION PROGRAMS
GRANT EXPENDITURES**

THIS PAGE INTENTIONALLY LEFT BLANK

COUNTY OF MARIN

Supplementary Schedule of the California Emergency Management Agency
and the Department of Corrections and Rehabilitation Programs Grant Expenditures
For the Year Ended June 30, 2012

California Emergency Management Agency Grants

The following represents expenditures for California Emergency Management Agency (Cal EMA) programs for the year ended June 30, 2012. The amount reported in the Schedule of Expenditures of Federal Awards is determined by calculating the federal portion of the current year expenditures.

Program	Expenditures Claimed			Share of Expenditures Current Year (FY 11-12)		
	For the Period Through June 30, 2011	For the Year Ended June 30, 2012	Cumulative As of June 30, 2012	Federal Share	State Share	County Share
VW 11300210 Victim Witness Assistance						
Personal services	\$ --	\$ 167,498	\$ 167,498	\$ 77,551	\$89,947	\$ --
Operating expenses	--	14,438	14,438	5,054	9,384	--
Totals	<u>\$ --</u>	<u>\$ 181,936</u>	<u>\$ 181,936</u>	<u>\$ 82,605</u>	<u>\$99,331</u>	<u>\$ --</u>
AT 10070210 Child Abuse Treatment						
Personal services	\$ 7,177	\$ 2,073	\$ 9,250	\$ 2,073	\$ --	\$ --
Operating expenses	89,378	53,144	142,522	53,144	--	--
Totals	<u>\$ 96,555</u>	<u>\$ 55,217</u>	<u>\$ 151,772</u>	<u>\$ 55,217</u>	<u>\$ --</u>	<u>\$ --</u>
AT 11080210 Child Abuse Treatment						
Personal services	\$ --	\$ 5,790	\$ 5,790	\$ 5,790	\$ --	\$ --
Operating expenses	--	104,674	104,674	104,674	--	--
Totals	<u>\$ --</u>	<u>\$ 110,464</u>	<u>\$ 110,464</u>	<u>\$110,464</u>	<u>\$ --</u>	<u>\$ --</u>
UV 10010210 Underserved Victim Advocacy & Outreach						
Personal services	\$ 8,718	\$ 29,914	\$ 38,632	\$ 22,074	\$ --	\$ 7,840
Operating expenses	31,107	27,299	58,406	23,696	--	3,603
Totals	<u>\$ 39,825</u>	<u>\$ 57,213</u>	<u>\$ 97,038</u>	<u>\$ 45,770</u>	<u>\$ --</u>	<u>\$ 11,443</u>
UV 11020210 Underserved Victim Advocacy & Outreach						
Personal services	\$ --	\$ 79,706	\$ 79,706	\$ 61,272	\$ --	\$ 18,434
Operating expenses	--	24,172	24,172	21,830	--	2,342
Totals	<u>\$ --</u>	<u>\$ 103,878</u>	<u>\$ 103,878</u>	<u>\$ 83,102</u>	<u>\$ --</u>	<u>\$ 20,776</u>
VB 08060210 Vertical Prosecution						
Personal services	\$ 104,022	\$ 25,414	\$ 129,436	\$ --	\$25,414	\$ --
Operating expenses	8,674	--	8,674	--	--	--
Totals	<u>\$ 112,696</u>	<u>\$ 25,414</u>	<u>\$ 138,110</u>	<u>\$ --</u>	<u>\$25,414</u>	<u>\$ --</u>
ZP09010210 - ARRA - Edward Byrne Memorial Justice Assistance Grant Program (Evidence Based Probation Supervision)						
Personal services	\$ 97,743	\$ 132,395	\$ 230,138	\$132,395	\$ --	\$ --
Totals	<u>\$ 97,743</u>	<u>\$ 132,395</u>	<u>\$ 230,138</u>	<u>\$132,395</u>	<u>\$ --</u>	<u>\$ --</u>
ZM09010210 - ARRA - Edward Byrne Memorial Justice Assistance Grant Program (Cal Multi Jurisdictional Meth Enforcement Team)						
Personal services	\$ 23,913	\$ 7,789	\$ 31,702	\$ 7,789	\$ --	\$ --
Totals	<u>\$ 23,913</u>	<u>\$ 7,789</u>	<u>\$ 31,702</u>	<u>\$ 7,789</u>	<u>\$ --</u>	<u>\$ --</u>
ZA09010210 - ARRA - Edward Byrne Memorial Justice Assistance Grant Program (Anti-Drug Abuse Enforcement Team)						
Personal services	\$ 170,842	\$ 111,498	\$ 282,340	\$111,498	\$ --	\$ --
Totals	<u>\$ 170,842</u>	<u>\$ 111,498</u>	<u>\$ 282,340</u>	<u>\$111,498</u>	<u>\$ --</u>	<u>\$ --</u>

COUNTY OF MARIN

Supplementary Schedule of the California Emergency Management Agency
and the Department of Corrections and Rehabilitation Programs Grant Expenditures
For the Year Ended June 30, 2012

California Department of Corrections and Rehabilitation Grants

The following represents expenditures for the California Department of Corrections and Rehabilitation programs for the year ended June 30, 2012. The amount reported in the Schedule of Expenditures of Federal Awards is determined by calculating the federal portion of the current year expenditures.

Program	Expenditures Claimed			Share of Expenditures Current Year (11-12)		
	Cumulative Through June 30, 2011	For the Year Ended June 30, 2012	Cumulative As of June 30, 2012	Federal Share	State Share	County Share
CSA 129-11 Juvenile						
Personal services	\$ 161,239	\$ 26,537	\$ 187,776	\$ 26,537	\$ --	\$ --
Totals	<u>\$ 161,239</u>	<u>\$ 26,537</u>	<u>\$ 187,776</u>	<u>\$ 26,537</u>	<u>\$ --</u>	<u>\$ --</u>
CSA 129-09 AMYVPT						
Personal services	\$ 11,256	\$ 67	\$ 11,323	\$ 67	\$ --	\$ --
Totals	<u>\$ 11,256</u>	<u>\$ 67</u>	<u>\$ 11,323</u>	<u>\$ 67</u>	<u>\$ --</u>	<u>\$ --</u>
CSA 359-09 - Enhanced						
Personal services	\$ 125,000	\$ 116,895	\$ 241,895	\$116,895	\$ --	\$ --
Totals	<u>\$ 125,000</u>	<u>\$ 116,895</u>	<u>\$ 241,895</u>	<u>\$116,895</u>	<u>\$ --</u>	<u>\$ --</u>
DC11 14 0210 Coordination of Probation Enforcement						
Personal services	\$ 555,517	\$ 73,130	\$ 628,647	\$ 73,130	\$ --	\$ --
Operating expenses	--	81,813	81,813	81,813	--	--
Totals	<u>\$ 555,517</u>	<u>\$ 154,943</u>	<u>\$ 710,460</u>	<u>\$154,943</u>	<u>\$ --</u>	<u>\$ --</u>