

**COUNTY OF FRESNO, CALIFORNIA
JUVENILE JUSTICE DELINQUENCY
AND PREVENTION PROGRAM
FUNDED BY THE STATE OF CALIFORNIA
CORRECTIONS STANDARDS AUTHORITY**

FINANCIAL STATEMENT

**FOR THE YEAR ENDED
JUNE 30, 2009**

COUNTY OF FRESNO, CALIFORNIA
JUVENILE JUSTICE DELINQUENCY
AND PREVENTION PROGRAM
FUNDED BY THE STATE OF CALIFORNIA
CORRECTIONS STANDARDS AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2009

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INDEPENDENT AUDITOR'S REPORT

The Board of Supervisors
of the County of Fresno, California

We have audited the accompanying Statement of Grant Revenues and Expenditures of the County of Fresno, California (County) in accordance with the State of California's Corrections Standards Authority Juvenile Justice and Delinquency Program Grant Agreement Nos. CSA 104-08, CSA 910-06 and CSA 406-07 for the year ended June 30, 2009. This statement is the responsibility of the County of Fresno.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement of Grant Revenues and Expenditures is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Statement of Grant Revenue and Expenditures was prepared for the purpose of complying with the audit requirements of the State of California's Corrections Standards Authority Juvenile Justice and Prevention Program Grant Agreement Nos. CSA 104-08, CSA 910-06 and CSA 406-07, as described in Note A, and is not intended to be a complete presentation of the County's revenues and expenditures

In our opinion, the Statement of Grant Revenues and Expenditures referred to above presents fairly, in all material respects, grant revenues and expenditures of the County of Fresno in accordance with the State of California's Corrections Standards Authority Juvenile Justice and Prevention Program Grant Agreement Nos. CSA 104-08, CSA 910-06 and CSA 406-07 for the year ended June 30, 2009, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2009, on our consideration of the County's internal control over financial reporting of the grants and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the Statement of Grant Revenues and Expenditures taken as a whole. The supplemental schedules are presented for purposes of additional analysis and are not a required part of the Statement of Grant Revenues and Expenditures. Such information has been subjected to the auditing procedures applied in the audit of the Statement of Grant Revenues and Expenditures and, in our opinion, is fairly stated in all material respects in relation to the Statement of Grant Revenues and Expenditures taken as a whole.

Price Page & Company

Clovis, California
December 22, 2009

COUNTY OF FRESNO, CALIFORNIA
JUVENILE JUSTICE DELINQUENCY
AND PREVENTION PROGRAM
FUNDED BY THE STATE OF CALIFORNIA
CORRECTIONS STANDARDS AUTHORITY
STATEMENT OF GRANT REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2009

REVENUES:

Federal Pass-through Grants	\$ 69,796
State Grants	352,864
County Funds (In-Kind Match)	<u>162,770</u>

Total Revenues	<u>585,430</u>
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EXPENDITURES:

Salary and Benefits	155,790
Services and Supplies	25,759
Professional Services	9,081
CBO Contracts	92,811
Administrative Overhead	<u>42,558</u>

Total Expenditures	<u>325,999</u>
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Excess of Revenues over Expenditures	<u>\$ 259,431</u>
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The accompanying note is an integral part of this statement.

COUNTY OF FRESNO, CALIFORNIA
JUVENILE JUSTICE DELINQUENCY
AND PREVENTION PROGRAM
FUNDED BY THE STATE OF CALIFORNIA
CORRECTIONS STANDARDS AUTHORITY
NOTE TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2009

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

The U.S. Department of Justice established the Office of Juvenile Justice and Delinquency Prevention (OJJDP) to support state and local efforts to prevent delinquency and improve the juvenile justice system. Among the programs administered by the OJJDP are the Formula Grants Program and Community Prevention Grants Program (Titles II and V of the Juvenile Justice and Delinquency Prevention Act) and the Juvenile Accountability Block Grant program. The Mentally Ill Offender Crime Reduction (MIOCR) grant program was established through the enactment of AB1811 and supports locally developed efforts to reduce recidivism and promote long-term stability among mentally ill offenders. The State of California's Corrections Standards Authority is the state agency charged with administering these grants.

Financial Statement Presentation

The Statement of Grant Revenues and Expenditures presented in this report was prepared from the accounts and financial transactions of the County, and summarizes revenues and expenditures recorded by the County during the year ending June 30, 2009, for work performed under the Contract Nos. CSA 104-08, 910-06 and CSA 406-07. The financial statement is prepared in accordance with the method of accounting required by the State of California's Corrections Standards Authority. It presents the information requested by the State of California's Corrections Standards Authority and, therefore, does not purport to reflect financial position or results of operations in accordance with accounting principles generally accepted in the United States of America.

Basis of Accounting

Revenue is recognized when the grant is awarded by the State of California's Corrections Standards Authority. Expenditures are recognized as disbursed or encumbered and are claimed subject to the approved budget limitations by cost category.

SUPPLEMENTARY INFORMATION

COUNTY OF FRESNO, CALIFORNIA
 JUVENILE JUSTICE DELINQUENCY
 AND PREVENTION PROGRAM
 FUNDED BY THE STATE OF CALIFORNIA
 CORRECTIONS STANDARDS AUTHORITY
 SCHEDULE OF AGREEMENT TO ACTUAL COSTS (BUDGET TO ACTUAL)
 FOR THE YEAR ENDED JUNE 30, 2009

<u>Budget Line Item</u>	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Expenditures</u>	<u>(Under)</u>
Salary and Benefits	\$ 169,259	\$ 68,501	\$ 237,760	\$ 155,790	\$ (81,970)
Services and Supplies	28,596	10,188	38,784	25,759	(13,025)
Professional Services	10,709	-	10,709	9,081	(1,628)
CBO Contracts	290,616	(112,667)	177,949	92,811	(85,138)
Equipment	59,150	-	59,150	-	(59,150)
Administrative Overhead	<u>27,100</u>	<u>33,978</u>	<u>61,078</u>	<u>42,558</u>	<u>(18,520)</u>
Total Costs	<u>\$ 585,430</u>	<u>\$ -</u>	<u>\$ 585,430</u>	<u>\$ 325,999</u>	<u>\$ (259,431)</u>

See Independent Auditor's Report

COUNTY OF FRESNO, CALIFORNIA
JUVENILE JUSTICE DELINQUENCY
AND PREVENTION PROGRAM
FUNDED BY THE STATE OF CALIFORNIA
CORRECTIONS STANDARDS AUTHORITY
SCHEDULE OF ELIGIBLE PROJECT COSTS
FOR THE YEAR ENDED JUNE 30, 2009

<u>Budget Line Item</u>	<u>State Costs Claimed</u>	<u>In-Kind Match</u>	<u>Total</u>
Salary and Benefits	\$ 95,347	\$ 60,443	\$ 155,790
Services and Supplies	21,060	4,699	25,759
Professional Services	4,925	4,156	9,081
CBO Contracts	89,296	3,515	92,811
Administrative Overhead	<u>4,619</u>	<u>37,939</u>	<u>42,558</u>
Total	<u>\$ 215,247</u>	<u>\$ 110,752</u>	<u>\$ 325,999</u>

See Independent Auditor's Report.

COUNTY OF FRESNO, CALIFORNIA
 JUVENILE JUSTICE DELINQUENCY
 AND PREVENTION PROGRAM
 FUNDED BY THE STATE OF CALIFORNIA
 CORRECTIONS STANDARDS AUTHORITY
 SCHEDULE OF RECOMMENDED DISALLOWED COSTS (STATE FUNDS)
 FOR THE YEAR ENDED 30, 2009

<u>Budget Line Item</u>	<u>Total Costs Claimed</u>	<u>Cost Accepted</u>	<u>Recommended Disallowance</u>
Salary and Benefits	\$ 155,790	\$ 155,790	\$ -
Services and Supplies	25,759	25,759	-
Professional Services	9,081	9,081	-
CBO Contracts	92,811	92,811	-
Administrative Overhead	<u>42,558</u>	<u>42,558</u>	<u>-</u>
Total	<u>\$ 325,999</u>	<u>\$ 325,999</u>	<u>\$ -</u>

See Independent Auditor's Report.

OTHER AUDITOR'S REPORT

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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

The Board of Supervisors
of the County of Fresno, California

We have audited the Statement of Grant Revenues and Expenditures of the County of Fresno, California (County) in accordance with the State of California's Corrections Standards Authority Juvenile Justice and Prevention Program Grant Agreement Nos. CSA 104-08, CSA 910-06 and CSA 406-07 for the year ended June 30, 2009, and have issued our report thereon dated December 22, 2009. Our report contained an explanatory paragraph describing the County's policy of preparing the financial statement in accordance with the instructions from the Corrections Standards Authority, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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, and certain provisions of the Corrections Standards Authority Audit Guide.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting, as it relates to the grants, as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statement, 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 control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statement is 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*.

This report is intended solely for the information and use of management, the Board of Supervisors, others within the entity, the Corrections Standards Authority, 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.

Price Parge & Company

Clovis, California
December 22, 2009