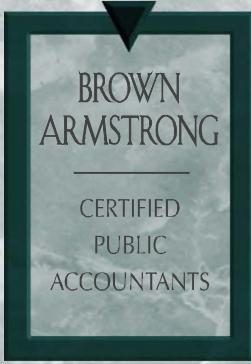


COUNTY OF KERN, CALIFORNIA
SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2011

**COUNTY OF KERN, CALIFORNIA
SINGLE AUDIT REPORT**

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BROWN ARMSTRONG
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Members of the Board of Supervisors County of Kern, California

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We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Kern as of and for the year ended June 30, 2011, which collectively comprise the County of Kern's basic financial statements and have issued our report thereon dated December 28, 2011. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County of Kern's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County of Kern's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County of Kern'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 combination of deficiencies in internal control such that there is a reasonable possibility that material misstatement of the entity'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.



REGISTERED with the Public Company Accounting Oversight Board and MEMBER of the American Institute of Certified Public Accountants

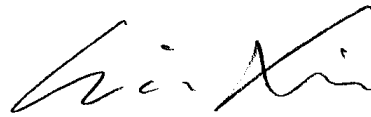
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Kern'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*.

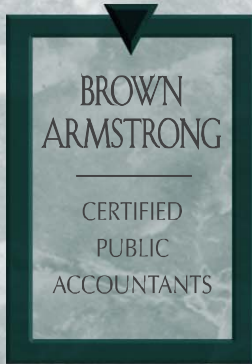
We noted certain matters that we reported to management of the County of Kern in a separate letter dated December 28, 2011.

This report is intended solely for the information and use of the Board of Supervisors, management, Federal Awarding Agencies, Pass-Through Entities, and the State Controller's Office and is not intended to be and should not be used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION



Bakersfield, California
December 28, 2011



BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Honorable Members of
the Board of Supervisors
County of Kern, California

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Compliance

We have audited the compliance of the County of Kern 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 its major federal programs for the year ended June 30, 2011. The County of Kern’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 of Kern’s management. Our responsibility is to express an opinion on the County of Kern’s compliance based on our audit.

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 of Kern’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 of the County of Kern’s compliance with those requirements.

In our opinion, the County of Kern 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, 2011.

Internal Control Over Compliance

The management of the County of Kern 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 of Kern’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 of Kern’s internal control over compliance.



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MEMBER of the American Institute of
Certified Public Accountants

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 control deficiency, or combination of control deficiencies, in internal control over compliance, such that there is a reasonable possibility that 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 the 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

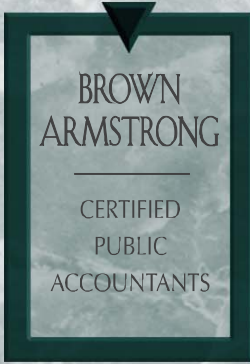
We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Kern, as of and for the year ended June 30, 2011, and have issued our report thereon dated December 28, 2011. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the County of Kern's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and the 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 financial statements as a whole.

This report is intended for the information of the Board of Supervisors, management, Federal Awarding Agencies, Pass-Through Entities, and the State Controller's Office and is not intended to be and should not be used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION



Bakersfield, California
March 28, 2012



BROWN ARMSTRONG
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE
COMMON AND SPECIFIC REQUIREMENTS APPLICABLE
TO THE PASSENGER FACILITY CHARGES PROGRAM

To the Honorable Members of
the Board of Supervisors
County of Kern, California

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We have examined management's assertion, included in its representation letter dated March 28, 2012, that the County of Kern complied with the common and specific requirements that are applicable to the Passenger Facility Charges Program during the period July 1, 2010, through June 30, 2011. As discussed in that representation letter, management is responsible for the County of Kern's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the County of Kern's compliance based on our examination.

Our examination was made in accordance with standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County of Kern's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the County of Kern's compliance with specified requirements.

In our opinion, management's assertion that the County of Kern complied with the common and specific requirements that are applicable to the Passenger Facility Charges Program during the period July 1, 2010, through June 30, 2011, is fairly stated, in all material respects.

This report is intended solely for the information and use of the Board of Supervisors, management, and the Federal Aviation Administration and is not intended to be and should not be used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

[Handwritten signature]

Bakersfield, California
March 28, 2012



REGISTERED with the Public Company
Accounting Oversight Board and
MEMBER of the American Institute of
Certified Public Accountants

**COUNTY OF KERN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>Federal CFDA Number</u>	<u>Supplemental Identifying Number</u>	<u>Total Expenditures</u>
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Direct Programs			
Farmers' Market Promotion Program	10.168	12-25-G-0911	\$ 2,000
Schools and Roads - Grants to Counties	10.666	Kern (County 15)	151,216
ARRA - Community Facilities Loans and Grants	10.766	Kern (County 15)	13,500
Passed through California Department of Food and Agriculture			
Plant and Animal Disease, Pest Control, and Animal Care	10.025	09-8500-0484-CA, 09-8523-0497-CA, 10-8520-1399-CA, 10-8520-1164-CA, 10-8520-1211-CA, 10-8520-1317-CA & 10-604-2010-23	418,830
Inspection Grading and Standardization	10.162	10-0089	688,279
Passed through U.S. Department of Education			
School Breakfast Program	10.553	Kern (County 15)	36,828
Passed through California Department of Education			
National School Lunch Program	10.555	Kern (County 15)	755,410
Subtotal - Child Nutrition Cluster			792,238
Passed through California Department of Social Services			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561 *	Kern (County 15)	9,618,275
ARRA - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561 *	Kern (County 15)	266,851
Subtotal			9,885,126
Passed through U.S. Forest Service			
Cooperative Forestry Assistance	10.664	Kern (County 15)	26,253
<i>Total U.S. Department of Agriculture</i>			<u>11,977,442</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Direct Programs			
Community Development Block Grants (CDBG)/Entitlement Grants	14.218 *	Kern (County 15)	11,430,301
ARRA - Community Development Block Grant/Entitlement Grants	14.253 *	Kern (County 15)	938,422
Subtotal - CDBG/Entitlement Grants Cluster			12,368,723
Emergency Shelter Grants Program	14.231	Kern (County 15)	172,024
Supportive Housing Program	14.235	CA0606B9D040801	72,367
Home Investment Partnerships Program	14.239	Kern (County 15)	4,521,360
ARRA - Homelessness Preventing and Rapid Re-Housing Program	14.257 *	Kern (County 15)	790,849
Passed through California Department of Public Health			
Housing Opportunities for Persons with AIDS	14.241	10-10134	529,756
<i>Total U.S. Department of Housing and Urban Development</i>			<u>18,455,079</u>

* Major Program

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF KERN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2011**

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>Federal CFDA Number</u>	<u>Supplemental Identifying Number</u>	<u>Total Expenditures</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Programs			
Public Safety Partnership and Community Policing Grants	16.710	Kern (County 15)	<u>576,192</u>
Forensic DNA Backlog Reduction Program	16.741	2009-DN-BX-K050 & 2010-DN-BX-K08	<u>260,801</u>
ARRA - State and Local Law Enforcement Assistance Program	16.809	Kern (County 15)	<u>101,062</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738 *	2009-DJ-BX-0417 & 2010-DJ-BX-0328	253,146
ARRA - Edward Byrne Memorial Justice Assistance Grant Program	16.804 *	2009-SB-B9-0538	253,951
Passed through California Emergency Management Agency			
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738 *	2010-DJ-BC-0384	520,759
ARRA - Edward Byrne Memorial Justice Assistance Grant Program	16.804 *	2009-SU-B9-0009	<u>700,040</u>
Subtotal - JAG Program Cluster			<u>1,727,896</u>
Passed through California Corrections Standard Authority			
Juvenile Accountability Block Grants	16.523	Kern (County 15)	<u>65,502</u>
Passed through California Emergency Management Agency			
Crime Victim Assistance	16.575	Kern (County 15)	<u>244,203</u>
Edward Byrne Memorial Formula Grant Program	16.579	Kern (County 15)	<u>74,617</u>
Violence Against Women Formula Grants	16.588	2010-WF-AX-0035	<u>330,382</u>
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	2008-CD-BX-0011 & 2010-CD-BX-0011	48,834
Passed through Bureau of Justice Assistance			
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	2009-CD-BX-0062	<u>144,279</u>
Subtotal			<u>193,113</u>
<i>Total U.S. Department of Justice</i>			<u>3,573,768</u>
<u>U.S. DEPARTMENT OF LABOR</u>			
Direct Programs			
ARRA - Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors	17.275	GJ-197825R & J-19782-10-60-A-6	<u>79,864</u>
National Farmworker Jobs Program	17.264 *	AC164597EO	2,378,686
Passed through La Cooperativa Campesina de California			
National Farmworker Jobs Program	17.264 *	MH16448AZO	<u>48,890</u>
Subtotal			<u>2,427,576</u>
Passed through Kern Community College District			
ARRA - Labor Force Statistics	17.002	K077133/GJ-20075-10-60-A-6	<u>94,504</u>
Passed through California Department of Employment Development			
ARRA - Employment Service/Wagner-Peyser Funded Activities	17.207	K074142, K078498 & ES-17548-08-55-A-6	<u>140,778</u>
ARRA - Work Incentive Grants	17.266	K074142	<u>21,269</u>

* Major Program

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF KERN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2011

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>Federal CFDA Number</u>	<u>Supplemental Identifying Number</u>	<u>Total Expenditures</u>
<u>U.S. DEPARTMENT OF LABOR (Continued)</u>			
Workforce Investment Act (WIA) Adult Program	17.258 *	R970538 & K074142	2,877,542
ARRA - WIA Adult Program	17.258 *	R970538 & K074142/ AA-17110-08-55-A-6	355,135
WIA Youth Activities	17.259 *	R970538 & K074142	3,625,236
WIA Dislocated Workers	17.260 *	R970538 & K074142/ EM-20479-10-60-A-6	3,776,500
ARRA - WIA Dislocated Workers	17.260 *	R970538 & K074142/ AA-17110-08-55-A-6	1,990,618
Passed through Kern Community College District ARRA - WIA Adult Program	17.258 *	K076828/AA-17110-08-55-A-6	112,702
Passed through La Cooperative Campesina de California WIA Dislocated Workers	17.260 *	R972231	288,964
ARRA - WIA Dislocated Workers	17.260 *	K077914/AA-17110-08-55-A-6	40,529
Passed through Merced County ARRA - WIA Dislocated Workers	17.260 *	K074142AA-17110-08-55-A-6	62,788
Passed through Tulare County WIA Dislocated Workers	17.260 *	K074142	<u>823,229</u>
Subtotal - WIA Cluster			<u>13,953,243</u>
<i>Total U.S. Department of Labor</i>			<u>16,717,234</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Direct Programs			
Airport Improvement Program	20.106 *	Kern (County 15)	3,487,019
Passed through Federal Aviation Administration ARRA - Airport Improvement Program	20.106 *	Kern (County 15)	<u>1,060,755</u>
Subtotal			<u>4,547,774</u>
Passed through California Department of Transportation Highway Planning and Construction	20.205 *	06-5950R	31,195,934
ARRA - Surface Transportation Infrastructure - Discretionary Grants for Capital Investments II	20.933 *	06-5950R	<u>71,800,467</u>
Subtotal - Highway Planning and Construction Cluster			<u>102,996,401</u>
Formula Grants for Other Than Urbanized Areas	20.509	Kern (County 15)	<u>730,311</u>
Passed through California Office of Traffic Safety State and Community Highway Safety	20.600	18X5201640CA11 & 68-0297066	<u>1,122,920</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	Kern (County 15)	<u>120,203</u>
<i>Total U.S. Department of Transportation</i>			<u>109,517,609</u>

* Major Program

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF KERN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2011

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>Federal CFDA Number</u>	<u>Supplemental Identifying Number</u>	<u>Total Expenditures</u>
<u>U.S. NATIONAL ENDOWMENT FOR THE HUMANITIES</u>			
Direct Programs			
Grants to States	45.310	40-7774	55,906
<i>Total U.S. National Endowment for Humanities</i>			55,906
<u>U.S. DEPARTMENT OF EDUCATION</u>			
Passed through California Department of Rehabilitation			
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	27818	368,574
ARRA - Rehabilitation Services - Vocational Rehabilitation Grants to States	84.390	H390A090005/27576A	35,813
Subtotal - Vocational Rehabilitation Cluster			404,387
<i>Total U.S. Department of Education</i>			404,387
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Passed through California Department of Aging			
Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	AP-1011-33	9,995
Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals	93.042	AP-1011-33	36,657
Title III, Part D - Disease Prevention and Health Promotion Services	93.043	AP-1011-33	31,967
National Family Caregiver Support, Title III, Part E	93.052	AP-1011-33	301,829
Medicare Enrollment Assistance Program	93.071	MI-0910-33	4,061
Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	AP-1011-33	327,940
Title III, Part C - Nutrition Services	93.045	AP-1011-33	1,614,373
Nutrition Services Incentive Program	93.053	AP-1011-33	313,665
Subtotal - Aging Cluster			2,255,978
Affordable Care Act - Medicare Improvements for Patients and Providers	93.518	2M-1011-33	8,726
Centers for Medicare and Medicaid Services Research, Demonstrations, and Evaluations	93.779	HI-1011-33, 2M-1011-33 & MI-0910-33	133,814
Passed through California Health Advocates			
Title IV and Title II - Discretionary Projects	93.048	90MP0020	5,000
Passed through California Department of Public Health			
Public Health Emergency Preparedness	93.069	EPO 09-16, EPO 10-16 & EPO P4-16	641,447
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	Kern (County 15)	138,874
Immunization Grants	93.268	* 10-95374 & 10-95433	502,850
ARRA - Immunization	93.712	* 09-11239/3H23IP922507-07S1	326,917
Subtotal - Immunization Grants Cluster			829,767
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	US CDC 220532	25,000
Refugee and Entrant Assistance - Discretionary Grants	93.576	10-15-90840-00	3,750

* Major Program

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF KERN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2011

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	Federal CFDA Number	Supplemental Identifying Number	Total Expenditures
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</u>			
National Bioterrorism Hospital Preparedness Program	93.889	EPO 10-16	<u>323,922</u>
HIV Care Formula Grants	93.917	10-95262	<u>603,575</u>
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	10-95262	<u>34,226</u>
HIV Prevention Activities - Health Department Based	93.940	10-95262	<u>230,027</u>
Preventive Health Services - Sexually Transmitted Diseases Control	93.977	09-11127	<u>50,029</u>
Maternal and Child Health Services Block Grant to the States	93.994	2010-15	<u>168,393</u>
Passed through California Department of Mental Health Projects for Assistance in Transition from Homelessness	93.150	1946001347J5	<u>219,992</u>
Block Grants for Community Mental Health Services	93.958	1946001347J5	<u>1,086,286</u>
Passed through California Department of Social Services Guardianship Assistance	93.090	Kern (County 15)	23,912
ARRA - Guardianship Assistance	93.090	Kern (County 15)	<u>1,433</u>
Subtotal			<u>25,345</u>
Promoting Safe and Stable Families	93.556	Kern (County 15)	<u>907,205</u>
Temporary Assistance for Needy Families (TANF)	93.558 *	Kern (County 15)	111,453,184
ARRA - Emergency Contingency Fund for Temporary Assistance for Needy Families State Program	93.714 *	ARRA Stimulus Funds	<u>2,511,477</u>
Subtotal - TANF Cluster			<u>113,964,661</u>
Family Support Payments to States - Assistance Payments	93.560	Kern (County 15)	<u>1,473,480</u>
Refugee and Entrant Assistance - State Administered Programs	93.566	Kern (County 15)	<u>27,886</u>
Community-Based Child Abuse Prevention Grants	93.590	Kern (County 15)	<u>70,707</u>
Adoption Incentive Payments	93.603	Kern (County 15)	<u>1,536</u>
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Kern (County 15)	<u>1,041,638</u>
Foster Care - Title IV-E	93.658 *	Kern (County 15)	36,089,642
ARRA - Foster Care - Title IV-E	93.658 *	ARRA Stimulus Funds	<u>752,787</u>
Subtotal			<u>36,842,429</u>
Adoption Assistance	93.659	Kern (County 15)	11,999,727
ARRA - Adoption Assistance	93.659	ARRA Stimulus Funds	<u>917,899</u>
Subtotal			<u>12,917,626</u>
Social Services Block Grant	93.667	Kern (County 15)	<u>3,065,768</u>
Chafee Foster Care Independence Program	93.674	Kern (County 15)	<u>320,008</u>

* Major Program

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF KERN, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2011

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>Federal CFDA Number</u>	<u>Supplemental Identifying Number</u>	<u>Total Expenditures</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</u>			
Passed through California Department of Child Support Services Child Support Enforcement	93.563 *	Kern (County 15)	14,803,764
ARRA - Child Support Enforcement	93.563 *	Kern (County 15)/1004CA4002	558,936
Subtotal			<u>15,362,700</u>
Passed through Secretary of State Voting Access for Individuals with Disabilities - Grants to States	93.617	Section 261 09G26121	5,000
Voting Access for Individuals with Disabilities - Grants for Protection and Advocacy Systems	93.618	Section 261 08G26122	112,120
Passed through California Department of Health Care Services Children's Health Insurance Program	93.767	Kern (County 15)	391,759
Passed through California Department of Alcohol and Drug Programs Block Grants for Prevention and Treatment of Substance Abuse	93.959	2B08TI010005-11	4,700,076
Passed through California Department of Social Services Medical Assistance Program	93.778 *	Kern (County 15)	13,411,867
Passed through California Department of Human Services Medical Assistance Program	93.778 *	Kern (County 15)	3,008,284
Passed through California Department of Health Care Services Medical Assistance Program	93.778 *	Kern (County 15)	3,836,867
Passed through California Department of Public Health Medical Assistance Program	93.778 *	2010-15, EPO 09-16 & 08-85060	772,695
Subtotal Medical Assistance Program			<u>21,029,713</u>
<i>Total U.S. Department of Health and Human Services</i>			<u>219,402,972</u>
<u>U.S. EXECUTIVE OFFICE OF THE PRESIDENT</u>			
Direct Programs High Intensity Drug Trafficking Areas Program	95.001	Kern (County 15)	119,985
<i>Total U.S. Executive Office of the President</i>			<u>119,985</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Passed through Federal Emergency Management Agency Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Kern (County 15)	58,338
Staffing for Adequate Fire and Emergency Response	97.083 *	Kern (County 15)	4,999,771
Passed through California Emergency Management Agency (CalEMA) Emergency Management Performance Grants	97.042	CalEMA ID #029-00000	161,588
Assistance to Firefighters Grant	97.044	Kern (County 15)	10,038
Metropolitan Medical Response System	97.071	CalEMA ID #029-00000	330,419
State Homeland Security Program	97.073 *	CalEMA ID #029-00000	820,514
Buffer Zone Protection Program	97.078	CalEMA ID #029-00000	76,817
<i>Total U.S. Department of Homeland Security</i>			<u>6,457,485</u>
TOTAL FEDERAL AWARDS EXPENDED			<u><u>\$386,681,867</u></u>

* Major Program

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF KERN, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 – GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all Federal financial assistance programs of the County of Kern, California. The County of Kern's (the County) reporting entity is defined as follows: the County is presented as the primary government and its component units, as required by Governmental Accounting Standards Board Statements No. 14 and No. 39. A component unit is a legally separate organization which is financially accountable to the primary government. Blended component units are, in substance, part of the County's operations so data from these units are combined with data of the County. Management has determined that the following components should be blended: County Service Areas, Golf Courses, Sanitation Districts, Kern Asset Leasing Corporation, and Kern County Tobacco Funding Corporation. Each blended component unit has a June 30 year-end. Management has also determined that the following component units should be discretely presented: First 5 Kern, Housing Authority of the County of Kern, and Tejon Ranch Public Facilities Financing Authority. All Federal financial assistance received directly from Federal agencies as well as Federal financial assistance passed through other government agencies are included in the schedule.

NOTE 2 – BASIS OF ACCOUNTING

Consistent with the County's method of filing Federal financial reports, the accompanying Schedule of Expenditures of Federal Awards is presented using the cash basis of accounting. Differences, if any, between the schedule and the general purpose financial statements (presented on a modified accrual basis of accounting) are not material.

NOTE 3 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule agree with the amounts reported in the related periodic Federal financial reports.

NOTE 4 – CALIFORNIA EMERGENCY MANAGEMENT AGENCY (CalEMA) DISCLOSURE

The following is the detail of total revenues and expenditures, including all Federal, state, and local funding sources, related to County of Kern Office of Emergency Services, Corrections Standard Authority, and CalEMA Grants:

Grant Award Number	Program Description	Audit Period	Grant Period	Personnel Services	Operating Expense	Equipment	Total Allowable Expenditures	Total Revenue Earned
VB08060150	Vertical Prosecution Block Grant Program	7/1/2008 - 6/30/2011	7/1/2008 - 12/31/2011	\$ 899,899	\$ 20,667	\$ -	\$ 920,566	\$ 920,566
DC10210150	Anti-Drug Abuse Enforcement Team Program	7/1/2010 - 6/30/2011	7/1/2010 - 6/30/2011	87,120	433,639	-	520,759	520,759
2009-CD-BX-0062	Paul Coverdell National Forensic Sciences Improvement Act Competitive Program	10/1/2009 - 6/30/2011	10/1/2009 - 12/31/2010	9,188	102,297	13,515	125,000	125,000
CQ08060150	Paul Coverdell Forensic Sciences Improvement Act Program	10/1/2008 - 6/30/2011	10/1/2008 - 8/31/2010	-	73,730	-	73,730	73,730
MH08080150	California Multi-Jurisdictional Methamphetamine Enforcement Team	8/1/2008 - 6/30/2011	8/1/2008 - 12/31/2011	2,216,218	456,187	102,608	2,775,013	2,775,013
RU08100150	Central Valley Rural Crime Prevention Program	7/1/2008 - 6/30/2011	7/1/2008 - 12/31/2011	1,027,986	23,899	-	1,051,885	1,051,885
CSA 135-10	Juvenile Accountability Block Grants Program: Graffiti Intervention Program	7/1/2010 - 6/30/2011	7/1/2010 - 6/30/2011	72,518	35	-	72,553	72,553
PU10010150	Probation Special Units Program - Violence Against Women	10/1/2010 - 6/30/2011	10/1/2010 - 9/30/2011	133,085	-	-	133,085	133,085
VV10020150	Violence Against Women Vertical Prosecution Program	7/1/2010 - 6/30/2011	7/1/2010 - 6/30/2011	251,334	55,842	-	307,176	307,176
AL10112	Portable Evidential Breath Test (PEBT) Program	10/1/2009 - 6/30/2011	10/1/2009 - 9/30/2011	122,449	783,695	-	906,144	906,144
ZA09010150	Anti-Drug Abuse Enforcement Team Recovery Act Program	3/1/2010 - 6/30/2011	3/1/2010 - 2/28/2012	287,415	50,000	-	337,415	337,415
2009-DJ-BX-0417	Vertical Prosecution Program	10/1/2008 - 6/30/2011	10/1/2008 - 9/30/2012	212,980	-	-	212,980	212,980
2010-CD-BX-0058	Paul Coverdell National Forensic Science Improvement Act Competitive Program	10/1/2010 - 6/30/2011	10/1/2010 - 9/30/2011	112,452	-	-	112,452	112,452
AL1171	"Zero Tolerance" Repeat and Felony DUI Vertical Prosecution Program	10/1/2010 - 6/30/2011	10/1/2010 - 9/30/2011	296,142	-	-	296,142	296,142
CQ10070150	Paul Coverdell Forensic Science Improvement Program	10/1/2010 - 6/30/2011	10/1/2010 - 8/31/2011	28,410	680	-	29,090	29,090
2010-DJ-BX-0328	Edward Byrne Memorial Justice Assistance Grant Program	10/1/2009 - 6/30/2011	10/1/2009 - 9/30/2013	207,824	-	-	207,824	207,824
ZP09010150	Evidence-Based Probation Supervision Recovery Act Program	1/1/2010 - 6/30/2011	1/1/2010 - 9/30/2012	70,141	346,466	-	416,607	416,607
VW10280150	Victim Witness Assistance Program	7/1/2010 - 6/30/2011	7/1/2010 - 6/30/2011	489,850	730	-	490,580	490,580
ZM09010150	Kern California Multi-Jurisdictional Methamphetamine Enforcement Team Recovery Act Program	3/1/2010 - 6/30/2011	3/1/2010 - 2/28/2012	113,467	-	-	113,467	113,467

NOTE 5 – DEPARTMENT OF AGING FEDERAL/STATE SHARE

Beginning with the fiscal year ended June 30, 2005, the California Department of Aging (CDA) required agencies that receive CDA funding to display State-funded expenditures discreetly along with Federal expenditures. The County expended the following State and Federal amounts under these grants:

<u>Program</u>	<u>CFDA #</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>
Special Programs for the Aging-Title VII-B Elder Abuse, Neglect, and Exploitation Prevention	93.041	\$ 9,995	\$ -
Special Programs for the Aging-Title VII-A Long Term Care Ombudsman Services	93.042	36,657	-
Special Programs for the Aging-Title III-D Disease Prevention	93.043	31,967	-
Special Programs for the Aging-Title III-B Supportive Services	93.044	327,940	-
Special Programs for the Aging-Title III-C Senior Nutritional Services	93.045	1,614,373	127,565
Health Care Fraud Prevention, Opportunity	93.048	5,000	-
Special Programs for the Aging-Title III-E Caregiver Support	93.052	301,829	-
Nutrition Services Incentive Program	93.053	313,665	-
Medicare Enrollment Assistance Program	93.071	4,061	-
Administration on Aging Grants	93.518	8,726	-
Medical Assistance Program (5610)	93.778	3,008,284	-
Health Insurance Counseling and Advocacy Program	93.779	115,918	179,282
Medical Assistance Program (9147)	93.779	1,594,979	995
Centers for Medicare and Medicaid Services (CMS)			
Research, Demonstrations and Evaluations	93.779	17,896	-
Ombudsman Special Deposit	N/A	-	39,204
	Totals	<u>\$ 7,391,290</u>	<u>\$ 347,046</u>

NOTE 6 – PASSENGER FACILITY CHARGE (PFC) SCHEDULE OF REVENUES AND EXPENDITURES

In accordance with the “Passenger Facility Charge Audit Compliance and Reporting Guide for Public Agencies,” issued by the Federal Aviation Administration (FAA), the Passenger Facility Charge (PFC) program of the County of Kern Airport has been conducted in conjunction with the Federal single audit of the County’s Airport Improvement Program (CFDA No. 20.106). The following is a detailed schedule of PFC revenues and expenditures:

<u>Revenues:</u>	<u>Date Approved / Project Description</u>	<u>Amount Approved</u>	<u>Cumulative Total - June 30, 2010</u>	<u>September 30, 2010</u>	<u>December 31, 2010</u>	<u>March 31, 2011</u>	<u>June 30, 2011</u>	<u>Year Ended June 30, 2011</u>	<u>Cumulative Total - June 30, 2011</u>
Passenger facility charge revenue received			\$ 4,887,071	\$ 92,156	\$ 79,490	\$ 181,146	\$ 157,377	\$ 510,169	\$ 5,397,240
Interest earned			<u>211,735</u>	<u>403</u>	<u>118</u>	<u>205</u>	<u>376</u>	<u>1,102</u>	<u>212,837</u>
Total passenger facility charge revenue received			5,098,806	92,559	79,608	181,351	157,753	511,271	5,610,077
<u>Expenditures:</u>									
Application 01-03-C-00-BFL	March 16, 2001								
Project 1	Land Acquisition of Airport Expansion	\$ 317,000	317,000	*** -	-	-	-	-	317,000
Project 2	New Passenger Terminal	9,086,000	<u>9,086,000</u>	*** -	-	-	-	-	<u>9,086,000</u>
Total passenger facility charge revenue expended			<u>9,403,000</u>	-	-	-	-	-	9,403,000
PFC Expenditures (Over) / Under Revenues			<u>\$ (4,304,194)</u>	<u>\$ (4,211,635)</u>	<u>\$ (4,132,027)</u>	<u>\$ (3,950,676)</u>	<u>\$ (3,792,923)</u>	<u>\$ (3,792,923)</u>	<u>\$ (3,792,923)</u>

*** Total allowable PFC expenditures for Application 01-03-C-00-BFL are \$9,403,000. Per FAA's recommendation, total construction costs of \$9,403,000 for these projects were recognized as PFC expenditures when the costs were incurred in prior years. Therefore, no additional PFC expenditures were recognized in the current year.

FINDINGS AND QUESTIONED COSTS

**COUNTY OF KERN, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
THE YEAR ENDED JUNE 30, 2011**

FINANCIAL STATEMENTS

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section .510(a)?	No
Identification of major programs:	

No.	CFDA Number	Program
1	10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program, including ARRA Grant
2	<i>CDBG Entitlement Grants Cluster:</i>	
	14.218	Community Development Block Grants/Entitlement Grants
	14.253	ARRA - Community Development Block Grant/Entitlement Grants
3	14.257	ARRA - Homelessness Preventing and Rapid Re-Housing Program
4	<i>JAG Program Cluster:</i>	
	16.738	Edward Byrne Memorial Justice Assistance Grant Program
	16.804	ARRA - Edward Byrne Memorial Justice Assistance Grant Program
5	<i>WIA Cluster:</i>	
	17.258	WIA - Adult Program, including ARRA Grant
	17.259	WIA - Youth Activities
	17.260	WIA - Dislocated Workers, including ARRA Grant
6	17.264	National Farmworker Jobs Program
7	20.106	Airport Improvement Program, including ARRA Grant
8	<i>Highway Planning and Construction Cluster:</i>	
	20.205	Highway Planning and Construction
	20.933	ARRA - Surface Transportation Infrastructure - Discretionary Grants for Capital Investments II
9	<i>Immunization Grants Cluster:</i>	
	93.268	Immunization Grants
	93.712	ARRA - Immunization
10	<i>TANF Cluster:</i>	
	93.558	Temporary Assistance for Needy Families
	93.714	ARRA - Emergency Contingency Fund for Temporary Assistance for Needy Families State Program

11	93.563	Child Support Enforcement, including ARRA Grant
12	93.658	Foster Care - Title IV-E, including ARRA Grant
13	93.778	Medical Assistance Program
14	97.073	State Homeland Security Program
15	97.083	Staffing for Adequate Fire and Emergency Response

Dollar threshold used to distinguish between Type A and Type B programs: \$ 3,000,000

Auditee qualified as low-risk auditee? No

Findings Relating to Financial Statements Required Under Generally Accepted Government Auditing Standards

None.

Findings and Questioned Costs for Federal Awards

None.

**COUNTY OF KERN, CALIFORNIA
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
THE YEAR ENDED JUNE 30, 2011**

None.