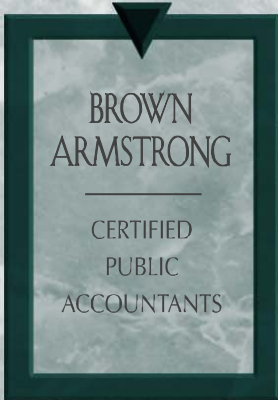


**COUNTY OF KERN, CALIFORNIA**  
**SINGLE AUDIT REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2012**

**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

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, 2012, which collectively comprise the County of Kern's basic financial statements and have issued our report thereon dated December 28, 2012. 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

Management of the County of Kern is responsible for establishing and maintaining effective 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.

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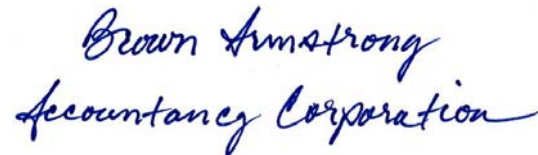
Compliance and Other Matters

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*.

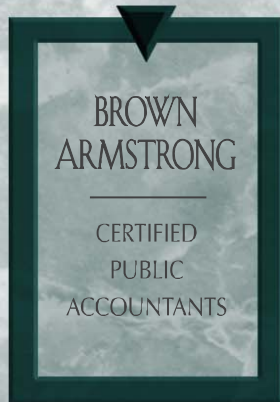
We noted certain matters that we reported to management of the County of Kern in a separate letter dated December 28, 2012.

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

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive, flowing style.

Bakersfield, California  
December 28, 2012



# 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, 2012. 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, 2012.

### 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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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.

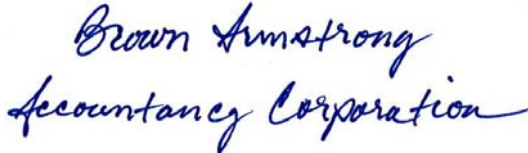
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all the deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We 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, 2012, and have issued our report thereon dated December 28, 2012. 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 OMB 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.

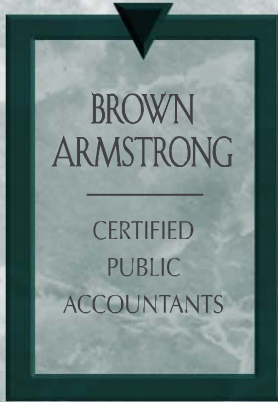
This report is intended for the information of the Board of Supervisors, management, Federal Awarding Agencies, Pass-Through Entities, and the State Controller's Office and is not intended to be and should not be used by anyone other than these specified parties.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive, flowing style.

Bakersfield, California  
March 22, 2013





**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 December 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, 2011, through June 30, 2012. 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, 2011, through June 30, 2012, 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**

*Brown Armstrong  
Accountancy Corporation*

Bakersfield, California  
March 22, 2013



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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, 2012**

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>Federal CFDA Number</u>	<u>Supplemental Identifying Number</u>	<u>Total Expenditures</u>
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>			
Direct Programs			
Schools and Roads - Grants to Counties	10.666	Kern (County 15)	\$ 9,080
ARRA - Community Facilities Loans and Grants	10.766	CA-CF-15-00-16, CA-CF-15-00-17	239,815
Passed through California Department of Food and Agriculture			
Plant and Animal Disease, Pest Control, and Animal Care	10.025	11-8500-0484-CA, 11-8520-1317-CA, 12-8506-1317-CA	300,961
Passed through Kern County Department of Agriculture and Measurement Standards Board			
Plant and Animal Disease, Pest Control, and Animal Care	10.025	11-8500-0654-CA, 12-806-0654-CA	1,149,036
Subtotal			1,449,997
Passed through U.S. Department of Education			
School Breakfast Program	10.553	Kern (County 15)	39,636
National School Lunch Program	10.555	Kern (County 15)	600,510
Subtotal - Child Nutrition Cluster			640,146
Passed through California Department of Social Services			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561	Kern (County 15)	11,303,273
Passed through California Department of Health Services			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561	Kern (County 15)	104,092
Subtotal			11,407,365
Passed through U.S. Forest Service			
Cooperative Forestry Assistance	10.664	Kern (County 15)	81,903
<i>Total U.S. Department of Agriculture</i>			13,828,306
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
Direct Programs			
Community Development Block Grants (CDBG)/Entitlement Grants	14.218	Kern (County 15)	10,399,284
Emergency Shelter Grants Program	14.231	Kern (County 15)	218,729
Supportive Housing Program	14.235	CA0606B9D041003, CA1007B9D041000	118,099
Home Investment Partnerships Program	14.239 *	Kern (County 15)	1,530,780
ARRA - Homelessness Preventing and Rapid Re-Housing Program	14.257	Kern (County 15)	1,029,390
Passed through California Department of Public Health			
Housing Opportunities for Persons with AIDS	14.241	10-10134	84,517
<i>Total U.S. Department of Housing and Urban Development</i>			13,380,799

(Continued)

\* 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, 2012**

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	Federal CFDA Number	Supplemental Identifying Number	Total Expenditures
<b><u>U.S. DEPARTMENT OF INTERIOR</u></b>			
Direct Programs			
Payment in Lieu of Taxes	15.226	N/A	2,498,911
National Fire Plan - Rural Fire Assistance	15.242	N/A	19,740
<i>Total U.S. Department of Interior</i>			2,518,651
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>			
Direct Programs			
Public Safety Partnership and Community Policing Grants	16.710	Kern (County 15)	2,286,014
Forensic DNA Backlog Reduction Program	16.741	2010-DN-BX-K088 & 2011-DN-BX-K440	247,054
State Criminal Alien Assistance Program	16.606	Kern (County 15)	464,181
Southwest Border Prosecution Initiative Program	16.755	Kern (County 15)	189,439
ARRA - State and Local Law Enforcement Assistance Program	16.809	Kern (County 15)	33,422
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2107	175,733
ARRA - Edward Byrne Memorial Justice Assistance Grant Program	16.804	Kern (County 15)	137,784
Passed through California Emergency Management Agency			
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2011-DJ-BX-2181	451,501
ARRA - Edward Byrne Memorial Justice Assistance Grant Program	16.804	ZA09-01-0150, ZO09-01-0150	999,649
Subtotal - JAG Program Cluster			1,764,667
Passed through California Corrections Standard Authority			
Juvenile Accountability Block Grants	16.523	Kern (County 15)	90,033
Passed through California Emergency Management Agency			
Crime Victim Assistance	16.575	Kern (County 15)	244,203
Edward Byrne Memorial Formula Grant Program	16.579	Kern (County 15)	20,397
Violence Against Women Formula Grants	16.588	2011-WF-AX-0041	280,182
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	2008-CD-BX-0011 & 2010-CD-BX-0011	146,080
Passed through Bureau of Justice Assistance			
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	2010-CD-BX-0058	62,548
Subtotal			208,628
<i>Total U.S. Department of Justice</i>			5,828,220
<b><u>U.S. DEPARTMENT OF LABOR</u></b>			
Direct Programs			
National Farmworker Jobs Program	17.264	AC21976FU	2,021,141
Passed through Stanislaus County			
ARRA - Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors	17.275 *	K074178	90,359
Passed through Kern Community College District			
ARRA - Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors	17.275 *	K077133/GJ-20075-10-60-A-6	297,804
Subtotal			388,163

*(Continued)*

\* 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, 2012**

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>Federal CFDA Number</u>	<u>Supplemental Identifying Number</u>	<u>Total Expenditures</u>
<b><u>U.S. DEPARTMENT OF LABOR (Continued)</u></b>			
Passed through California Department of Employment Development			
Workforce Investment Act (WIA) Adult Program	17.258 *	K178661 & K282476	4,208,725
ARRA - WIA Adult Program	17.258 *	K074142	<u>774,245</u>
Subtotal			<u>4,982,970</u>
WIA Youth Activities	17.259 *	K178661, K282476	<u>3,528,940</u>
ARRA - WIA Dislocated Workers	17.260 *	K074142, EM-20479-10-60-A-6	262,123
Passed through La Cooperativa Campesina de California			
WIA Dislocated Workers	17.260 *	R972231	180,835
Passed through City of Southbay			
WIA Dislocated Workers	17.260 *	11-W110	104,462
Passed through Tulare County			
WIA Dislocated Workers	17.260 *	K074142	<u>516,207</u>
Subtotal			<u>1,063,627</u>
Passed through California Department of Employment Development			
WIA Dislocated Workers	17.278 *	K178661, K282476	3,558,655
WIA Dislocated Workers	17.278 *	K282476	<u>377,013</u>
Subtotal			<u>3,935,668</u>
Subtotal - WIA Cluster			<u>13,511,205</u>
<i>Total U.S. Department of Labor</i>			<u>15,920,509</u>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>			
Direct Programs			
Airport Improvement Program	20.106	Kern (County 15)	<u>2,486,879</u>
Passed through California Department of Transportation			
Highway Planning and Construction	20.205 *	06-5950R	<u>8,225,262</u>
Formula Grants for Other Than Urbanized Areas	20.509 *	Kern (County 15)	496,414
ARRA - Formula Grants for Other Than Urbanized Areas	20.509 *	Kern (County 15)	<u>560,730</u>
Subtotal			<u>1,057,144</u>
ARRA - National Infrastructure Investments	20.933	06-5950R	<u>270,515</u>
Passed through California Office of Traffic Safety			
State and Community Highway Safety	20.600	18X5201640CA11 & 18X95204100CA11	<u>511,369</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	Kern (County 15)	<u>103,558</u>
<i>Total U.S. Department of Transportation</i>			<u>12,654,727</u>

(Continued)

\* 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, 2012**

<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	<u>43,540</u>
<i>Total U.S. National Endowment for the Humanities</i>			<u>43,540</u>
<u>U.S. Department of Energy</u>			
Direct Programs			
ARRA - Energy Efficiency and Conservation Block Grant Program	81.128 *	Kern (County 15)	<u>2,329,249</u>
Passed through California Department of Employment Development State Energy Program	81.041	K077133/GJ-20075-10-60-A-6	<u>10,000</u>
<i>Total U.S. Department of Energy</i>			<u>2,339,249</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>			
Passed through California Department of Rehabilitation Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	27818	<u>315,441</u>
<i>Total U.S. Department of Education</i>			<u>315,441</u>
<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	<u>9,430</u>
Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals	93.042	AP-1011-33	<u>35,341</u>
Title III, Part D - Disease Prevention and Health Promotion Services	93.043	AP-1011-33	<u>39,695</u>
National Family Caregiver Support, Title III, Part E	93.052	AP-1011-33	<u>287,419</u>
Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	AP-1011-33	305,053
Title III, Part C - Nutrition Services	93.045	AP-1011-33	1,503,357
Nutrition Services Incentive Program	93.053	AP-1011-33	<u>291,050</u>
Subtotal - Aging Cluster			<u>2,099,460</u>
Administration on Aging Grants	93.518	2M-1011-33	<u>8,726</u>
Centers for Medicare and Medicaid Services Research, Demonstrations, and Evaluations	93.779	HI-1011-33, 2M-1011-33	<u>114,044</u>
Passed through California Department of Public Health Public Health Emergency Preparedness	93.069	EPO 10-16 & EPO CDC 11-16	<u>507,005</u>

(Continued)

\* 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, 2012**

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>			
Passed through California Department of Public Health (Continued)			
Project Grants and Cooperative Agreements for Tuberculosis Control	93.116	Kern (County 15)	<u>126,623</u>
Immunization Grants	93.268	10-95374	392,620
ARRA - Immunization	93.712	3H23IP922507-07S1	<u>260,943</u>
Subtotal - Immunization Grants Cluster			<u>653,563</u>
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	2M-1011-33	<u>295,674</u>
National Bioterrorism Hospital Preparedness Program	93.889	EPO 10-16, EMS-1154	<u>412,533</u>
HIV Care Formula Grants	93.917	10-95262	<u>217,347</u>
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	10-95262	<u>24,126</u>
HIV Prevention Activities - Health Department Based	93.940	10-95262	<u>248,440</u>
Preventive Health Services - Sexually Transmitted Diseases Control	93.977	09-11127	<u>65,000</u>
Maternal and Child Health Services Block Grant to the States	93.994	2010-15	<u>228,807</u>
Passed through California Centers for Disease Control			
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	US CDC PO 220532	<u>23,427</u>
Community Transformation Grants and National Dissemination and Support for Community Transformation Grants	93.531	1U58DP003616-01	<u>205,713</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>1,094,857</u>
Passed through California Department of Social Services			
Guardianship Assistance	93.090	Kern (County 15)	<u>1,199,241</u>
Promoting Safe and Stable Families	93.556	Kern (County 15)	<u>1,003,799</u>
Temporary Assistance for Needy Families (TANF)	93.558	Kern (County 15)	<u>100,929,788</u>
Family Support Payments to States - Assistance Payments	93.560	Kern (County 15)	<u>1,614,840</u>
Refugee and Entrant Assistance - State Administered Programs	93.566	Kern (County 15)	<u>7,097</u>
Community-Based Child Abuse Prevention Grants	93.590	Kern (County 15)	<u>44,553</u>

*(Continued)*

\* 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, 2012**

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>Federal CFDA Number</u>	<u>Supplemental Identifying Number</u>	<u>Total Expenditures</u>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</u></b>			
<i>Passed through California Department of Social Services (Continued)</i>			
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Kern (County 15)	<u>1,057,608</u>
Foster Care - Title IV-E	93.658 *	Kern (County 15)	<u>33,764,753</u>
Adoption Assistance	93.659 *	Kern (County 15)	13,048,998
ARRA - Adoption Assistance	93.659 *	Kern (County 15)	<u>14,029</u>
Subtotal			<u>13,063,027</u>
Social Services Block Grant	93.667	Kern (County 15)	<u>5,214,391</u>
Chafee Foster Care Independence Program	93.674	Kern (County 15)	<u>313,839</u>
<i>Passed through California Department of Child Support Services</i>			
Child Support Enforcement	93.563	Kern (County 15)	<u>15,116,069</u>
<i>Passed through Secretary of State</i>			
Voting Access for Individuals with Disabilities - Grants to States	93.617	Section 261 11G26113	<u>3,400</u>
Voting Access for Individuals with Disabilities - Grants for Protection and Advocacy Systems	93.618	Section 261 08G26122	<u>68,635</u>
<i>Passed through California Department of Health Care Services</i>			
Children's Health Insurance Program	93.767	Kern (County 15)	<u>442,758</u>
<i>Passed through California Department of Alcohol and Drug Programs</i>			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	2B08TI010005-12	<u>4,122,685</u>
<i>Passed through California Department of Social Services</i>			
Medical Assistance Program	93.778	Kern (County 15)	13,158,556
<i>Passed through California Department of Human Services</i>			
Medical Assistance Program	93.778	Kern (County 15)	2,700,516
<i>Passed through California Department of Health Care Services</i>			
Medical Assistance Program	93.778	Kern (County 15)	3,895,279
<i>Passed through California Department of Public Health</i>			
Medical Assistance Program	93.778	2010-15, EPO 09-16 & 08-85060	<u>641,195</u>
Subtotal Medical Assistance Program			<u>20,395,546</u>
<i>Total U.S. Department of Health and Human Services</i>			<u>205,279,251</u>
<b><u>U.S. EXECUTIVE OFFICE OF THE PRESIDENT</u></b>			
<i>Direct Programs</i>			
High Intensity Drug Trafficking Areas Program	95.001	Kern (County 15)	<u>279,275</u>
<i>Total U.S. Executive Office of the President</i>			<u>279,275</u>

*(Continued)*

\* 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, 2012**

<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 HOMELAND SECURITY</u>			
Direct Programs			
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	Kern (County 15)	<u>4,157,713</u>
Hazardous Materials Preparedness	97.093	Kern (County 15)	<u>7,284</u>
Passed through Federal Emergency Management Agency			
Fire Management Assistance Grant	97.046	FEMA-2852, 2849, 2858, 1952, 2961, 2971, 2970 & DR 001952	<u>266,423</u>
Passed through Federal Emergency Management Agency			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Kern (County 15)	147,636
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Kern (County 15)	<u>6,355</u>
Passed through California Emergency Management Agency (CalEMA)			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-1952-DR-CA, 029-00000	<u>949,373</u>
Subtotal			<u>1,103,364</u>
Emergency Management Performance Grants	97.042	CalEMA ID #029-00000	<u>87,755</u>
Federal Disaster Assistance to Individuals and Households in Presidential Declared Disaster Areas	97.048	Kern (County 15)	<u>49,232</u>
Metropolitan Medical Response System	97.071	CalEMA ID #029-00000	<u>113,840</u>
State Homeland Security Program	97.073	CalEMA ID #029-00000	<u>1,146,411</u>
Buffer Zone Protection Program	97.078	CalEMA ID #029-00000	<u>92,852</u>
<i>Total U.S. Department of Homeland Security</i>			<u>7,024,874</u>
TOTAL FEDERAL AWARDS EXPENDED			<u>\$ 279,412,842</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, 2012**

**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 – DISCLOSURE FOR CALIFORNIA EMERGENCY MANAGEMENT AGENCY (CalEMA), CALIFORNIA CORRECTIONS STANDARD AUTHORITY, AND CALIFORNIA OFFICE OF TRAFFIC SAFETY AND DEPARTMENT OF JUSTICE GRANTS**

The following is the detail of total revenues and expenditures, including all Federal, state, and local funding sources, related to County of Kern CalEMA, California Corrections Standard Authority, and California Office of Traffic Safety and Department of Justice 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 - 6/30/2012	7/1/2008 - 12/31/2012	\$ 1,034,462	\$ 20,667	\$ -	\$ 1,055,129	\$ 1,055,129
DC11220150	Anti-Drug Abuse Enforcement Team Program	7/1/2011 - 6/30/2012	7/1/2011 - 6/30/2013	77,360	374,141	-	451,501	451,501
MH08080150	California Multi-Jurisdictional Methamphetamine Enforcement Team	8/1/2008 - 6/30/2012	8/1/2008 - 12/31/2012	2,199,242	455,595	102,608	2,757,445	2,757,445
RU08100150	Central Valley Rural Crime Prevention Program	7/1/2008 - 6/30/2012	7/1/2008 - 12/31/2012	1,183,932	27,644	-	1,211,576	1,211,576
CSA 135-11	Juvenile Accountability Block Grants Program: Graffiti Intervention Program	7/1/2011 - 6/30/2012	7/1/2011 - 6/30/2012	98,536	-	-	98,536	98,536
PU11020150	Probation Special Units Program - Violence Against Women	10/1/2011 - 6/30/2012	10/1/2011 - 9/30/2012	133,085	-	-	133,085	133,085
VV11030150	Violence Against Women Vertical Prosecution Program	7/1/2011 - 6/30/2012	7/1/2011 - 6/30/2012	205,200	46,312	-	251,512	251,512
AL10112	Portable Evidential Breath Test (PEBT) Program	10/1/2009 - 9/30/2011	10/1/2009 - 9/30/2011	140,241	865,372	-	1,005,613	1,005,613
ZA09010150	Anti-Drug Abuse Enforcement Team Recovery Act Program	3/1/2010 - 6/30/2012	3/1/2010 - 9/30/2012	442,869	50,000	-	492,869	492,869
2011-DJ-BX-2107	Edward Byrne Memorial Justice Assistance Grant (JAG) - Vertical Prosecution Program	10/1/2010 - 6/30/2012	10/1/2010 - 9/30/2014	175,733	-	-	175,733	175,733
2010-CD-BX-0058	Paul Coverdell National Forensic Science Improvement Act Competitive Program	10/1/2010 - 12/31/2011	10/1/2010 - 12/31/2011	104,116	70,884	-	175,000	175,000
AL1171	"Zero Tolerance" Repeat and Felony DUI Vertical Prosecution Program	10/1/2010 - 9/30/2011	10/1/2010 - 9/30/2011	388,073	1,677	-	389,750	389,750
CQ10070150	Paul Coverdell National Forensic Science Improvement Program	10/1/2010 - 6/30/2012	10/1/2010 - 8/31/2012	80,405	680	94,085	175,170	175,170
ZP09010150	Evidence Based Probation Supervision Recovery Act Program	1/1/2010 - 6/30/2012	1/1/2010 - 9/30/2012	157,441	1,002,164	-	1,159,605	1,159,605
VW11290150	Victim Witness Assistance Program	7/1/2011 - 6/30/2012	7/1/2011 - 6/30/2012	490,580	-	-	490,580	490,580
ZM09010150	California Multi-Jurisdictional Methamphetamine Enforcement Team Recovery Act Program	3/1/2010 - 6/30/2012	3/1/2010 - 9/30/2012	225,033	-	-	225,033	225,033
20044	Lab Enhances Services in the Battle Against DUI and DUID Drivers	10/1/2011 - 6/30/2012	10/1/2011 - 9/30/2012	-	6,025	22,895	28,920	28,920
20085	Kern County Impaired/Drug Driving Impact Prosecution Program	10/1/2011 - 6/30/2012	10/1/2011 - 9/30/2012	285,537	3,836	-	289,373	289,373
20558	Intensive Probation Supervision for High-Risk Felony and Repeat DUI Offenders	10/1/2011 - 6/30/2012	10/1/2011 - 9/30/2012	101,431	257	-	101,688	101,688

**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:

Program	CFDA #	Federal Expenditures	State Expenditures
<b>Source: California Department of Aging</b>			
Special Programs for the Aging-Title VII-B Elder Abuse, Neglect, and Exploitation Prevention	93.041	\$ 9,430	\$ -
Special Programs for the Aging-Title VII-A Long-Term Care Ombudsman Services	93.042	35,341	-
Special Programs for the Aging-Title III-D Disease Prevention	93.043	39,695	-
Special Programs for the Aging-Title III-B Supportive Services	93.044	305,053	-
Special Programs for the Aging-Title III-C Senior Nutritional Services	93.045	1,503,357	126,163
Special Programs for the Aging-Title III-E Caregiver Support	93.052	287,419	-
Nutrition Services Incentive Program	93.053	291,050	-
Administration on Aging Grants (MIPPA 2)	93.518	8,726	-
Health Insurance Counseling and Advocacy Program	93.779	103,703	179,282
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations (MIPPA 2)	93.779	10,341	-
<b>Source: California Department of Social Services</b>			
Medical Assistance Program (5610)	93.778	2,700,516	-
Medical Assistance Program (9147)	93.779	1,266,870	839,939
Totals		<u>\$ 6,561,501</u>	<u>\$ 1,145,384</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 audit of 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:

<b>Revenues:</b>		<b>Amount Approved</b>	<b>Cumulative Total - June 30, 2011</b>	<b>September 30, 2011</b>	<b>December 31, 2011</b>	<b>March 31, 2012</b>	<b>June 30, 2012</b>	<b>Year Ended June 30, 2012</b>	<b>Cumulative Total - June 30, 2012</b>
Passenger facility charge revenue received			\$ 5,397,240	\$ 111,767	\$ 108,296	\$ 118,781	\$ 138,185	\$ 477,029	\$ 5,874,269
Interest earned			<u>212,837</u>	<u>650</u>	<u>256</u>	<u>626</u>	<u>905</u>	<u>2,437</u>	<u>215,274</u>
Total passenger facility charge revenue received			5,610,077	112,417	108,552	119,407	139,090	479,466	6,089,543
<b>Expenditures:</b>									
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>	-	-	-	-	-	<u>9,403,000</u>
PFC Expenditures (Over) / Under Revenues			<u>\$ (3,792,923)</u>	<u>\$ 112,417</u>	<u>\$ 108,552</u>	<u>\$ 119,407</u>	<u>\$ 139,090</u>	<u>\$ 479,466</u>	<u>\$ (3,313,457)</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, 2012**

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	14.239	Home Investment Partnerships Program
2	17.275	ARRA - Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors
3	<i>WIA Cluster:</i> 17.258 17.259 17.260 17.278	WIA - Adult Program, including ARRA Grant WIA - Youth Activities WIA - Dislocated Workers, including ARRA Grant WIA Dislocated Workers
4	20.205	Highway Planning and Construction
5	20.509	Formula Grants for Other Than Urbanized Areas, including ARRA Grant
6	81.128	ARRA - Energy Efficiency and Conservation Block Grant Program
7	93.658	Foster Care - Title IV-E
8	93.659	Adoption Assistance, including ARRA Grant

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 3,000,000
Auditee qualified as low-risk auditee?	Yes

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, 2012**

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

None.

Findings and Questioned Costs for Federal Awards

None.