

**SAN MATEO COUNTY  
SHERIFF'S OFFICE**

**Mentally Ill Offender Crime Reduction Grant Program  
Grant Contract No. 961-06  
Grant Period: January 1, 2007 through September 30, 2008**

**STATEMENT OF GRANT REVENUES AND EXPENDITURES**

**With Auditor's Reports Thereon**

**And**

**Supplemental Schedules**

**Sheriff's Office**  
**Mentally Ill Offender Crime Reduction Grant**  
**For the Grant Period**  
**January 1, 2007 through September 30, 2008**

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## Office of Controller



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### Independent Auditor's Report

Board of Supervisors  
San Mateo County  
400 County Center  
Redwood City, CA 94063

We have audited the accompanying Statement of Grant Revenues and Expenditures of the Mentally Ill Offender Crime Reduction Grant Program (MIOCR Grant Program) Contract No.961-06 of the San Mateo County Sheriff's Office for the period January 1, 2007 through September 30, 2008 in accordance with the California Department of Corrections and Rehabilitation Corrections Standards Authority's Grant Administration Guide. This statement is the responsibility of the County Sheriff's Office management. Our responsibility is to express an opinion on the Statement of Grant Revenues and Expenditures based on our audit.

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. 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 Revenues and Expenditures was prepared for the purpose of complying with the audit requirements of the California Department of Corrections and Rehabilitation Corrections Standards Authority's Grant Administration Guide as described in Note 4 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, the grant revenues and expenditures of the MIOCR Grant Program in accordance with the California Department of Corrections and Rehabilitation Corrections Standards Authority's Grant Administration Guide for the period January 1, 2007 through September 30, 2008 in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2009, on our consideration of the MIOCR Grant Program's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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.

The supplemental schedules on pages 7 to 10 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.

*County of San Mateo Controller*

Redwood City, California  
May 15, 2009

## Office of Controller



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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***

Board of Supervisors  
San Mateo County  
400 County Center  
Redwood City, CA 94063

We have audited the Statement of Grant Revenues and Expenditures of the Mentally Ill Offender Crime Reduction Grant Program (MIOCR Grant Program) Contract No.961-06 of the San Mateo County Sheriff's Office for the period January 1, 2007 through September 30, 2008 in accordance with the California Department of Corrections and Rehabilitation Corrections Standards Authority's Grant Administration Guide, and have issued our report thereon dated May 15, 2009. 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 MIOCR Grant Program's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the Statement of Grant Revenues and Expenditures, but not for the purposes of expressing an opinion on the effectiveness of the MIOCR Grant Program's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the MIOCR Grant Program'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 MIOCR Grant Program'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 MIOCR Grant Program's Statement of Grant Revenues and Expenditures that is more than inconsequential will not be prevented or detected by the MIOCR Grant Program's internal control.

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

Our consideration of the 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 MIOCR Grant Program's Statement of Grant Revenues and Expenditures 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 the County's Board of Supervisors, management and the California Department of Corrections and Rehabilitation Corrections Standards Authority.

*County of San Mateo Controller*

Redwood City, California

May 15, 2009

**San Mateo County Sheriff's Office  
Mentally Ill Offender Crime Reduction Grant Program**

**Statement of Grant Revenues and Expenditures**

**For the Grant Period January 1, 2007 to September 30, 2008**

**Revenues**

State Grant Revenue (Note 7)	\$ 460,143	
In-Kind Match Revenue (Note 8)	<u>116,907</u>	
Total Revenues		\$ 577,050

**Expenditures**

Salaries and Benefits	370,128	
Community-based Organization Contracts	173,073	
Services and Supplies	18,595	
Professional Services	14,750	
Fixed Assets	<u>504</u>	
Total Expenditures		<u>577,050</u>

<b>Excess of Revenues Over Expenditures</b>	<u><u>\$ -</u></u>
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The accompanying notes are an integral part of this statement.

**San Mateo County Sheriff's Office – Mentally Ill Offender Crime Reduction Grant Program**  
**Notes to Statement of Grant Revenues and Expenditures**  
**January 1, 2007 through September 30, 2008**

**1. General Program Information**

In 1998, the California State Sheriffs' Association and Mental Health Association co-sponsored Senate Bill 1485 that established the Mentally Ill Offender Crime Reduction Grant Program (MIOCR Program) – an initiative that supported the implementation and evaluation of locally developed demonstration projects designed to curb recidivism among persons with mental illness. This legislation directed the California Department of Corrections and Rehabilitation Corrections Standards Authority (Authority) to administer the MIOCR Program and to assess its overall effectiveness in reducing crime, jail time and criminal justice costs associated with the mentally ill offender population. The goals of the MIOCR Program are to reduce the rate of crime, jail crowding and criminal justice costs associated with mentally ill offenders.

The San Mateo County Sheriff's Office qualified for the MIOCR Program and in 1999 established the Mentally Ill Offender Crime Reduction Grant Program (MIOCR Grant Program). First funding for the MIOCR Program was awarded in 1999 and additional funding was awarded in 2007.

**2. Description of Grant**

The Authority awarded \$857,460 to the San Mateo County Sheriff's Office for the period January 1, 2007 through September 30, 2008. As of September 30, 2008, total expenditures amounted to \$577,050, of which, \$460,143 was from grant funds. The funds were spent in the following categories: salaries and benefits, services and supplies, professional services and community-based organization (CBO) contracts. The remaining \$397,317 of awarded funds was unspent by the Sheriff's Office. As of September 30, 2008, \$206,390 was reimbursed from the Authority. The remaining \$253,753 was reimbursed by the Authority as of issuance of this report.

**3. The County's Reporting Structure**

The accounts of the County are organized on the basis of funds. A fund is defined as an independent accounting entity with self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities.

Components of the reporting structure applicable to the transactions under the grant contract:

*Governmental Funds:* Use the current financial resources measurement focus. The measurement focus is based upon spending or funds flow and determination of changes in fund balance.

**4. Basis of Financial Statement Presentation**

The *Statement of Grant Revenues and Expenditures* was prepared for the purpose of complying with the audit requirements of the Authority's Grant Administration Guide and is not intended to be a complete presentation of the County's revenues and expenditures. Only revenues and expenditures related to the MIOCR Grant Program have been included.

**San Mateo County Sheriff's Office – Mentally Ill Offender Crime Reduction Grant Program**  
**Notes to Statement of Grant Revenues and Expenditures**  
**January 1, 2007 through September 30, 2008**

**5. Basis of Accounting**

Basis of accounting refers to the timing of recognizing revenues and expenditures/expenses in an account and when to report them in the financial statements, regardless of the measurement focus applied.

The modified accrual basis of accounting is used to record grant revenues and expenditures. Revenues are recognized in the accounting period in which they become both available and measurable (flow of current financial resources measurement focus). Expenditures are recognized in the accounting period in which the liability is incurred.

**6. Grant Amendments**

MIOCR Grant Program was amended on April 29, 2008 to reduce original amount of funds awarded through the grant program. The MIOCR Grant Program was amended again on June 30, 2008 to extend the grant period for three months. The new grant period is from January 1, 2007 to September 30, 2008.

**7. Grant Revenues**

Total grant revenue of \$460,143 reported on the *Statement of Grant Revenues and Expenditures* include \$253,753 reimbursed from the Authority subsequent to September 30, 2008, as explained in Note 2 above.

**8. Grant Expenditures and Matching Funds**

Total grant expenditures of \$577,050 include \$116,907 of in-kind match provided by the County of San Mateo.



## **Supplemental Schedules**

**San Mateo County Sheriff's Office  
Mentally Ill Offender Crime Reduction Grant Program**

**Schedule of Matching Fund Requirements**

**For the Grant Period January 1, 2007 to September 30, 2008**

	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>
<b>San Mateo County</b>			
In-Kind Match			
Salaries and Benefits	80,898	80,898	
CBO Contracts	48,000	22,513	
Services and Supplies	88,700	13,496	
Total In-Kind Match	<u>217,598</u>	<u>116,907</u>	<u>20%</u>
Total Matching Funds	<u>217,598</u>	<u>116,907</u>	<u>20%</u>
<b>State of California</b>			
Total State Funds	<u>857,460</u>	<u>460,143</u>	<u>80%</u>
Total Costs	<u><u>1,075,058</u></u>	<u><u>577,050</u></u>	<u><u>100%</u></u>

**San Mateo County Sheriff's Office  
Mentally Ill Offender Crime Reduction Grant Program**

**Schedule of Eligible Costs  
Budget to Actual**

**For the Grant Period January 1, 2007 to September 30, 2008**

<b>Budget Line Item</b>	<b>Budget</b>	<b>Expenditures</b>	<b>(Over)/Under</b>
Salaries and Benefits	474,408	370,128	104,280
CBO Contracts	429,700	173,073	256,627
Services and Supplies	135,200	18,595	116,605
Professional Services	24,500	14,750	9,750
Fixed Assets	11,250	504	10,746
<b>Total</b>	<b>1,075,058</b>	<b>577,050</b>	<b>498,008</b>

**San Mateo County Sheriff's Office  
Mentally Ill Offender Crime Reduction Grant Program**

**Schedule of Eligible Project Costs**

**For the Grant Period January 1, 2007 to September 30, 2008**

<b>Budget Line Item</b>	<b>State Costs Claimed</b>	<b>Costs Claimed for</b>		<b>Other Costs</b>	<b>Total</b>
		<b>Cash Match</b>	<b>In-Kind Match</b>		
Salaries and Benefits	\$ 289,230	\$ -	\$ 80,898	\$ -	\$ 370,128
CBO Contracts	150,560	-	22,513	-	173,073
Services and Supplies	5,099	-	13,496	-	18,595
Professional Services	14,750	-	-	-	14,750
Fixed Assets	504	-	-	-	504
<b>Total</b>	<b>\$ 460,143</b>	<b>\$ -</b>	<b>\$ 116,907</b>	<b>\$ -</b>	<b>\$ 577,050</b>

**San Mateo County Sheriff's Office  
Mentally Ill Offender Crime Reduction Grant Program**

**Schedule of Disallowed Costs - State Funds**

**For the Grant Period January 1, 2007 to September 30, 2008**

<b>Budget Line Item</b>	<b>Total Costs Claimed</b>	<b>Costs Accepted</b>	<b>Recommended Disallowances</b>
Salaries and Benefits	\$ 289,230	\$ 289,230	\$ -
CBO Contracts	150,560	150,560	-
Services and Supplies	5,099	5,099	-
Professional Services	14,750	14,750	-
Fixed Assets	504	504	-
<b>Total</b>	<b>\$ 460,143</b>	<b>\$ 460,143</b>	<b>\$ -</b>