

ACCOMPANYING INFORMATION – EXPENDITURES OF FEDERAL AWARDS



**KAFOURY, ARMSTRONG & CO.**  
A PROFESSIONAL CORPORATION  
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 Board of County Commissioners  
and the County Manager  
Clark County, Nevada

**Compliance**

We have audited Clark County, Nevada's (the "County") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2010. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

Clark County, Nevada's basic financial statements include the component unit operations of University Medical Center of Southern Nevada, Las Vegas Valley Water District, Big Bend Water District and Regional Transportation Commission of Southern Nevada, which received \$7,036,970, \$2,231,885, \$0, and \$83,012,150, respectively, in federal awards which are not included in the schedule during the year ended June 30, 2010. Our audit, described below, did not include the operations of University Medical Center of Southern Nevada, Las Vegas Valley Water District, Big Bend Water District or Regional Transportation Commission of Southern Nevada because these entities engaged other auditors to perform their audits in accordance with OMB Circular A-133.

Clark County, Nevada's basic financial statements include the operations of the Department of Aviation, which received \$19,196,045 in federal awards which is not included in the schedule during the year ended June 30, 2010. Our audit, described below, did not include the operations of the Department of Aviation because they were audited separately in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

As described in item 2010-12 in the accompanying schedule of findings and questioned costs, Clark County, Nevada did not comply with requirements regarding activities, allowable costs, matching criteria, period of availability, cash management, and reporting that are applicable to its Emergency Management Performance Grant (CFDA No. 97.042). Compliance with such requirements is necessary, in our opinion, for Clark County, Nevada to comply with the requirements applicable to that program.

In our opinion, because of the effects of the noncompliance described in the preceding paragraph, Clark County, Nevada did not comply in all material respects, with the requirements referred to above that could have a direct and material effect on the Emergency Management Performance Grant (CFDA No. 97.042). Also in our opinion, Clark County, Nevada complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its other major federal programs for the year ended June 30, 2010. The results of our auditing procedures also disclosed other instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2010-1, 2010-2, 2010-3, 2010-4, 2010-8, 2010-9, 2010-10, 2010-11, 2010-13, and 2010.14.

### Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2010-1, 2010-2, 2010-3, 2010-4, 2010-6, 2010-7, 2010-8, 2010-9, 2010-10, 2010-12, 2010-13, 2010-14, and 2010-15 to be material weaknesses.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2010-5 to be a significant deficiency.

Clark County, Nevada's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Clark County, Nevada's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, the Board of County Commissioners, others within the County, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Kaufery, Armstrong & Co.*

Las Vegas, Nevada  
March 30, 2011

Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF AGRICULTURE				
Child Nutrition Cluster				
Passed Through Nevada Department of Education:				
School Breakfast Program, FY 09-10	10.553	Agreement R-315-09	\$ 157,458	\$ 157,458
Passed Through Nevada Department of Education:				
National School Lunch Program, FY 09-10	10.555	Agreement R-315-09	244,355	244,355
Food Distribution Program (Commodity)	10.555	Permanent Agreement	2,269	<u>2,269</u>
				<u>246,624</u>
Passed Through Nevada Department of Education:				
Special Milk Program for Children, FY 09-10	10.556	Agreement	19,666	19,666
Passed Through Nevada Department of Education:				
Summer Food Service Program for Children, 6/7/10-8/27/10	10.559	SFSP-AGREE2010	107,510	19,612
Summer Food Service Program for Children, 6/1/09-8/27/10	10.559	CBE #601569-09	88,805	<u>66,864</u>
				<u>86,476</u>
Total Child Nutrition Cluster				<u>510,224</u>
Passed Through Nevada Department of Education:				
Child and Adult Care Food Program CACFP (FY10)	10.558	Agreement	44,867	44,867
Child and Adult Care Food Program CACFP (FY09)	10.558	Agreement CACFP-9	140,075	<u>14,669</u>
				<u>59,536</u>
Total Department of Agriculture				<u>569,760</u>

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Clark County, Nevada

Schedule of Expenditures of Federal Awards  
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Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
CDBG – Entitlement Grants Cluster				
Direct Program:				
Neighborhood Stabilization Program I (NSP1)	14.218	B-08-UN-32-0001	\$ 29,666,798	\$ 10,820,489
Recaptured Neighborhood Stabilization Funds	14.218			52,740
Community Development Block Grant, FY 08-09	14.218	B-08-UC-32-0001	7,880,458	4,611,848
Community Development Block Grant, FY 09-10	14.218	B-09-UC-32-0001	8,052,700	<u>4,247,197</u>
				<u>19,732,274</u>
Passed Through Nevada Housing Division:				
Neighborhood Stabilization Program I (NSP1)	14.218	B-08-DN-32-0001	10,370,986	<u>5,043,461</u>
				<u>24,775,735</u>
Direct Program:				
ARRA – Community Development Block Grant Entitlement Grants (CDBG-R)	14.253	B-09-UY-32-0001	2,140,484	<u>617,602</u>
Total CDBG – Entitlement Grants Cluster				<u>25,393,337</u>
Direct Program:				
Emergency Shelter Grants Program, FY 08-09	14.231	S-06-UC-32-0001	276,989	58,395
Emergency Shelter Grants Program, FY 09-10	14.231	S-09-UC-32-0001	278,212	<u>278,144</u>
				<u>336,539</u>
Direct Program:				
Shelter Plus Care Grant (Year 1)	14.238	NV01C700001	705,144	311,356

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Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (Continued)				
Direct Program:				
HOME Investment Partnerships Program, FFY 2005	14.239	M-05-DC-320224	\$ 6,312,258	\$ 956,223
HOME Investment Partnerships Program, FFY 2006	14.239	M-06-DC-320224	3,494,680	3,494,680
HOME Investment Partnerships Program, FFY 2007	14.239	M07-DC320224	3,480,852	1,693,166
Recaptured Home Funds	14.239			<u>1,438,177</u>
				<u>7,582,246</u>
Passed Through Nevada Housing Division:				
HOME Investment Partnerships Program, FY 04-05	14.239	M-04-SG320106	975,560	242,116
HOME Investment Partnerships Program, FY 05-06	14.239	M-05-SG320106	823,837	<u>16,884</u>
				<u>259,000</u>
				<u>7,841,246</u>
Direct Program:				
ARRA – Homeless Prevention and Rapid Re-Housing Program – Clark County	14.257	S-09-UY-32-0001	2,595,173	300,610
ARRA – Homeless Prevention and Rapid Re-Housing Program – City of North Las Vegas	14.257	S-09-MY-32-0003	677,704	<u>106,444</u>
				<u>407,054</u>
Passed Through Nevada Housing Division:				
ARRA – Homeless Prevention and Rapid Re-Housing Program	14.257	HPRP-2009-0003	897,388	<u>255,226</u>
				<u>662,280</u>
Total Department of Housing and Urban Development				<u>34,544,758</u>

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Clark County, Nevada

Schedule of Expenditures of Federal Awards  
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Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF INTERIOR				
Direct Program:				
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC12981	\$ 97,316	\$ 656
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC13159	2,592,520	165,679
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC13256	4,479,566	721,833
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC13257	17,424,000	8,827,722
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC13523	17,424,000	429,544
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC13726	4,530,240	94,524
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC13849	4,065,600	248,053
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC13850	5,808,000	1,318,215
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC13851	2,323,200	92,845
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC13852	5,902	726
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC14148	3,108,000	25,147
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC14149	1,162,400	39,867
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC14402	14,868,480	367,659
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC14425	4,762,560	376,853
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC14675	4,939,500	363,538
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC14676	4,662,000	35,059
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC14695	17,424,000	1,715,305
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC14902	2,915,965	1,617,195
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC14903	1,161,600	267,875
Southern Nevada Public Land Management Act-CCPW	15.235	L05AC14909	1,161,600	54,849
Southern Nevada Public Land Management Act-CCPW	15.235	L07AC13118	15,840,000	745,032
Southern Nevada Public Land Management Act-CCPW	15.235	L07AC13228	3,520,000	16,604
Southern Nevada Public Land Management Act-CCPW	15.235	L07AC13231	16,951,000	170,592
Southern Nevada Public Land Management Act-CCPW	15.235	L07AC13492	550,000	4,061
Southern Nevada Public Land Management Act-CCPW	15.235	L07AC13495	1,870,000	158,829
Southern Nevada Public Land Management Act-CCPW	15.235	L07AC13496	1,732,687	17,807
Southern Nevada Public Land Management Act-CCPW	15.235	L07AC13809	5,940,000	80,442
Southern Nevada Public Land Management Act-CCPW	15.235	L07AC13819	1,100,000	93,167
Southern Nevada Public Land Management Act-CCPW	15.235	L07AC14115	3,520,000	95,291
Southern Nevada Public Land Management Act-CCPW	15.235	L07AC14116	46,376,000	11,825,171
Southern Nevada Public Land Management Act-CCPW	15.235	L07AC14399	14,080,000	212,042
Southern Nevada Public Land Management Act-CCPW	15.235	L07AC14877	19,386,860	19,311,215

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Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF INTERIOR (Continued)				
Southern Nevada Public Land Management Act-CCPW	15.235	L07AC14880	\$ 1,540,000	\$ 1,148,379
Southern Nevada Public Land Management Act-CCPW	15.235	L08AC12964	1,320,000	10,443
Southern Nevada Public Land Management Act-CCPW	15.235	L08AC13503	270,595	97,863
Southern Nevada Public Land Management Act-CCPW	15.235	L08AC13680	2,200,000	4,582
Southern Nevada Public Land Management Act-CCPW	15.235	L08AC13693	153,720	32,723
Southern Nevada Public Land Management Act-CCPW	15.235	L08AC13820	199,484	100,848
Southern Nevada Public Land Management Act-CCPW	15.235	L08AC14127	500,000	23,450
Southern Nevada Public Land Management Act-CCPW	15.235	L08AC14128	2,475,000	15,204
Southern Nevada Public Land Management Act-CCPW	15.235	L08AC14694	212,766	55,991
Southern Nevada Public Land Management Act-CCPW	15.235	L09AC15503	1,210,000	1,210,000
Southern Nevada Public Land Management Act-CCPW	15.235	L07AC12950	163,277	66,277
Southern Nevada Public Land Management Act-DCP	15.235	L07AC12970	3,646,939	397,420
Southern Nevada Public Land Management Act-DCP	15.235	L07AC12972	198,000	80,000
Southern Nevada Public Land Management Act-DCP	15.235	L07AC12973	297,671	70,000
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13129	104,009	29,000
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13238	414,357	260,000
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13245	440,000	59,500
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13248	347,109	149,054
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13388	55,000	33,000
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13500	800,553	102,553
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13510	127,270	13,030
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13677	264,000	57,695
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13678	768,328	9,772
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13797	354,200	81,790
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13813	126,211	42,737
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13814	989,955	200,000
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13815	21,590	4,000
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13829	286,726	114,145
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13831	339,452	40,500
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13832	449,055	140,051
Southern Nevada Public Land Management Act-DCP	15.235	L07AC13833	219,909	37,500
Southern Nevada Public Land Management Act-DCP	15.235	L07AC14112	550,000	155,380
Southern Nevada Public Land Management Act-DCP	15.235	L07AC14133	1,430,001	400,000

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Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF INTERIOR (Continued)				
Southern Nevada Public Land Management Act-DCP	15.235	L07AC14369	\$ 33,000	\$ 30,000
Southern Nevada Public Land Management Act-DCP	15.235	L07AC14414	162,620	22,000
Southern Nevada Public Land Management Act-DCP	15.235	L07AC14415	857,699	233,916
Southern Nevada Public Land Management Act-DCP	15.235	L07AC14630	30,121	5,000
Southern Nevada Public Land Management Act-DCP	15.235	L07AC14632	475,848	64,000
Southern Nevada Public Land Management Act-DCP	15.235	L07AC14635	115,816	42,287
Southern Nevada Public Land Management Act-DCP	15.235	L07AC14659	2,589,290	333,925
Southern Nevada Public Land Management Act-DCP	15.235	L07AC14892	319,432	78,800
Southern Nevada Public Land Management Act-DCP	15.235	L07AC14893	744,822	85,000
Southern Nevada Public Land Management Act-DCP	15.235	L07AC14894	996,257	395,633
Southern Nevada Public Land Management Act-DCP	15.235	L07AC15046	594,992	327,992
Southern Nevada Public Land Management Act-DCP	15.235	L08AC13225	1,320,000	1,309
Southern Nevada Public Land Management Act-DCP	15.235	L08AC13507	245,367	235
Southern Nevada Public Land Management Act-DCP	15.235	L08AC13805	1,407,120	826,665
Southern Nevada Public Land Management Act-DCP	15.235	L09AC15342	3,245,368	<u>257,151</u>
				<u>57,440,197</u>
Direct Program:				
U.S. Geological Survey GIS Digital Ortho Imagery 2010	15.808	G10AC00096	97,000	<u>97,000</u>
Total Department of Interior				<u>57,537,197</u>
DEPARTMENT OF JUSTICE				
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
FFY05 Juvenile Accountability Block Grant	16.523	2005-JB-FX-0043	295,808	135,010
FFY08 Juvenile Accountability Block Grant	16.523	2008-JB-FX-0020	270,891	40,826
FFY09 Juvenile Accountability Block Grant	16.523	2009-JB-FX-0018	324,839	<u>286,838</u>
				<u>462,674</u>

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Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF JUSTICE (Continued)				
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Juvenile Justice Delinquency Prevention Formula Grant	16.540	2008-JF-FX-0016	\$ 254,705	\$ 41,577
Juvenile Justice Delinquency Prevention Formula Grant	16.540	2009-JF-FX-0011	256,700	<u>256,484</u>
				<u>298,061</u>
Direct Program:				
Kids Peace Therapeutic Foster Care Program	16.541	2009-JL-FX-0156	754,000	151,917
Direct Program:				
Internet Crimes Against Children	16.543	2008-MC-CX-K008	704,276	242,948
Passed Through the National Children's Alliance:				
Program Support – Sexual Abuse Investigative Team	16.543	426-LASV-NV-PS09	9,990	<u>5,705</u>
				<u>248,653</u>
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
FFY08 Title V – New Inspirations/Empower Program	16.548	2008-JP-FX-0002	32,159	4,394
FFY09 Title V – New Inspirations/Empower Program	16.548	2009-JP-FX-0032	35,100	<u>35,100</u>
				<u>39,494</u>
Direct Program:				
National Institute of Justice Research, Evaluation, and Development Project Grants – DNA Technology to Identify the Missing	16.560	2009-DN-BX-K195	400,000	47,085
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Crime Victim Assistance	16.575	VOCA-3145/20-SFY10-12-073	429,953	429,953

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Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF JUSTICE (Continued)				
Direct Program:				
Edward Byrne Memorial State and Local Law Enforcement Assistance				
Discretionary Grant Program:				
BJA – Southern Nevada Human Trafficking Task Force	16.580	2006-DD-BX-0001	\$ 294,257	\$ 69,162
BJA – Intelligence Lead Policing	16.580	2007-DD-BX-0692	461,736	461,736
BJA – Mobile Command Post Vehicle	16.580	2008-DD-BX-0412	424,815	<u>19,609</u>
				<u>550,507</u>
Passed Through the State of Nevada Office of the Attorney General:				
ARRA – Violence Against Women Formula Grant	16.588	2009-RAVAW-19	94,621	47,591
Violence Against Women Formula Grant	16.588	2008-STOP-02	21,754	14,964
Violence Against Women Formula Grant	16.588	2009-STOP-02	23,194	<u>14,847</u>
				<u>77,402</u>
Direct Program:				
Grants to Encourage Arrest Policies and Enhancement of Protection Orders Program	16.590	2007-WE-AX-0046	309,763	115,425
Direct Program:				
State Criminal Alien Assistance Program	16.606	2008-AP-BX-1670	2,458,833	589,358
State Criminal Alien Assistance Program	16.606	2008-AP-BX-0539	2,713,602	<u>1,493,819</u>
				<u>2,083,177</u>

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## Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF JUSTICE (Continued)				
Passed Through the Nevada Department of Public Safety, Office of Criminal Justice Assistance:				
Project Safe Neighborhoods	16.609	08-PSN/AG-02	\$ 71,431	\$ 10,542
Project Safe Neighborhoods	16.609	09-PSN-02	48,000	<u>25,155</u>
				<u>35,697</u>
Direct Program:				
Public Safety Partnership and Community Policing Grants:				
Community Oriented Policing (Forensics and CSI Upgrade)	16.710	2008-CK-WX-0374	88,854	1,672
Community Oriented Policing (Electronic Crimes & SWAT)	16.710	2008-CK-WX-0614	93,530	<u>36,762</u>
				<u>38,434</u>
Passed Through Nevada State Juvenile Justice Commission:				
Combating Underage Drinking Program	16.727	Agreement	62,808	59,612
Combating Underage Drinking Program	16.727	Agreement	225,000	<u>69,292</u>
				<u>128,904</u>
Direct Program:				
Edward Byrne Memorial Justice Assistance Grant FFY07	16.738	2007-DJ-BX-1380	1,240,885	204,313
Edward Byrne Memorial Justice Assistance Grant FFY08	16.738	2008-DJ-BX-0641	441,565	<u>320,541</u>
				<u>524,854</u>
Passed Through the Nevada Department of Public Safety, Office of Criminal Justice Assistance:				
Byrne Formula Grant Program:				
Mobile Booking Unit Technology	16.738	05-JAG-37	27,998	27,998

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Clark County, Nevada

Schedule of Expenditures of Federal Awards  
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Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF JUSTICE (Continued)				
Passed Through the City of Las Vegas:				
Edward Byrne Memorial Justice Assistance Grant	16.738	Interlocal Agreement	\$ 1,356,474	<u>\$ 11,939</u>
				<u>564,791</u>
Direct Program:				
Paul Coverdell Forensic Sciences Improvement Grant Program (2008)	16.742	2008-CD-BX-0085	95,000	72,750
Passed Through Nevada Department of Public Safety, Office of Criminal Justice Assistance:				
Paul Coverdell Forensic Sciences Improvement Grant Program (2008)	16.742	08-PC-02	19,649	11,634
Paul Coverdell Forensic Sciences Improvement Grant Program (2009)	16.742	09-PC-03	26,999	2,623
CSI Equipment Enhancement	16.742	09-JAG-16	109,308	<u>109,308</u>
				<u>123,565</u>
				<u>196,315</u>
Direct Program:				
Forensic Casework DNA Backlog Reduction Program (2008)	16.743	2008-DN-BX-K054	500,000	204,589
Forensic Casework DNA Backlog Reduction Program (2009)	16.743	2009-DN-BX-K057	489,000	346,162
Forensic Casework DNA Convicted Offender Backlog (2008)	16.743	2008-DN-BX-K015	227,220	215,740
Forensic Casework DNA Convicted Offender Backlog (2009)	16.743	2009-DN-BX-K025	102,025	32,710
Forensic Casework DNA Cold Case Crimes (2009)	16.743	2009-DN-BX-0085	499,695	<u>67,772</u>
				<u>866,973</u>
Direct Program:				
ARRA – Internet Crimes Against Children	16.800	2009-SN-B9-K022	566,519	10,590

(Continued)

## Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

<u>Federal Grantor/ Pass-Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Pass-Through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
DEPARTMENT OF JUSTICE (Continued)				
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
ARRA – State Victim Assistance Formula Grant Program	16.801	2009-SG-B9-0114	\$ 32,000	\$ 14,004
Passed Through the Nevada Department of Public Safety, Office of Criminal Justice Assistance:				
ARRA – Edward Byrne Memorial Justice Assistance Grant	16.803	09-ARRA-06	2,000,000	307,986
Passed Through the City of Las Vegas:				
ARRA – Edward Byrne Memorial Justice Assistance Grant	16.804	Interlocal Agreement	1,220,939	66,001
Direct Program:				
ATF – Gang Task Force	16.Unknown	Agreement	45,324	13,587
ATF – Gang Task Force	16.Unknown	Agreement	77,500	49,153
ATF – Armor Task Force	16.Unknown	Agreement	77,500	51,658
ATF – Intel Task Force	16.Unknown	Agreement	32,525	23,551
ATF – Intel Task Force	16.Unknown	Agreement	77,500	7,403
DEA – So. NV Gang Task Force	16.Unknown	Agreement	90,597	17,915
DEA – So. NV Gang Task Force	16.Unknown	Agreement	101,419	65,202
DEA – Tactical Diversion Task Force	16.Unknown	Agreement	9,167	9,167
DEA – Tactical Diversion Task Force	16.Unknown	Agreement	33,806	25,184
DEA – Marijuana Eradication	16.Unknown	Agreement	30,000	30,000
FBI – Criminal Apprehension Team	16.Unknown	Agreement	63,016	15,423
FBI – Criminal Apprehension Team	16.Unknown	Agreement	116,885	68,272
FBI – Eastern European Organized Crime Task Force	16.Unknown	Agreement	67,613	46,636
FBI – Joint Terrorism Task Force	16.Unknown	66F-LV-A35763	58,523	14,715
FBI – Joint Terrorism Task Force	16.Unknown	Agreement	84,516	61,604
FBI – Innocence Lost Task Force	16.Unknown	Agreement	89,925	19,909
FBI – Innocence Lost Task Force	16.Unknown	Agreement	152,129	39,238
FBI – Las Vegas Safe Streets Gang Task Force	16.Unknown	Agreement	60,266	18,686
FBI – Las Vegas Safe Streets Gang Task Force	16.Unknown	Agreement	84,516	72,969
US Marshals – Operations Falcon 4	16.Unknown	Agreement	60,735	22,495

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF JUSTICE (Continued)				
US Marshals – NV Fugitive Investigative Strike Team Equipment	16.Unknown	Agreement	\$ 904	\$ 904
US Marshals – NV Fugitive Investigative Strike Team Surveillance Van	16.Unknown	Agreement	35,000	27,580
US Marshals – NV Fugitive Investigative Strike Team Vehicle	16.Unknown	Agreement	11,000	4,862
US Marshals – NV Fugitive Investigative Strike Team	16.Unknown	Agreement	77,860	<u>36,067</u>
				<u>742,180</u>
Total Department of Justice				<u>7,476,223</u>
DEPARTMENT OF LABOR				
WIA Cluster				
Passed Through the Southern Nevada Workforce Investment Board:				
WIA Youth Activities – Governor’s Reserve Fund	17.259	Agreement	380,000	110,294
WIA Youth Activities – Governor’s Reserve Fund	17.259	Agreement	179,996	53,006
WIA Youth Activities – Title I	17.259	Agreement	35,234	23,539
ARRA – WIA Youth Activities/Youth Summer Stimulus Funds	17.259	Agreement	56,856	38,896
ARRA – WIA Youth Activities/Youth Summer Stimulus Governor Reserve Fund	17.259	Agreement	589,641	403,351
ARRA – Youth Employment and Training Services (Workforce Investment Act)	17.259	Agreement	130,912	<u>116,797</u>
Total Department of Labor				<u>745,883</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF TRANSPORTATION				
Highway Planning and Construction Cluster				
Passed Through Nevada Department of Transportation:				
Highway Planning and Construction – PM10	20.205	Agreement PR185-08-083	\$ 3,159,819	\$ 3,159,819
Highway Planning and Construction	20.205	Agreement PR194-08-063	571,275	13,580
ARRA – Highway Planning and Construction-Project No. 60380	20.205	Agreement P211-09-063	264,244	262,645
Highway Planning and Construction	20.205	Agreement PR201-09-063	498,750	39,459
Highway Planning and Construction	20.205	Agreement PR330-09-063	4,800,000	<u>574</u>
Total Planning and Construction Cluster				<u>3,476,077</u>
Highway Safety Cluster				
Passed Through Nevada Department of Public Safety, Office of Traffic Safety:				
DUI Court Program, 10/1/08 – 9/30/09	20.600	28-K8-18-6	97,494	46,392
DUI Court Program, 10/1/09 – 9/30/10	20.600	28-K8-18-6	89,578	<u>89,578</u>
				<u>135,970</u>
Passed Through Nevada Department of Motor Vehicles:				
State & Community Highway Safety, 10/1/08 – 9/30/09	20.600	27-K8-18-3	114,117	112,398
State & Community Highway Safety, 10/1/08 – 9/30/09	20.600	28-JF-1.09M, L, DV	180,289	48,809
State & Community Highway Safety, 10/1/09 – 9/30/10	20.600	210-JF-1.10 & 1.11 DV	158,500	<u>120,333</u>
				<u>281,540</u>
Total Highway Safety Cluster				<u>417,510</u>
Passed Through State Emergency Response Commission:				
FFY10 HMEP Training Grant	20.703	09-HMEP-03-01	30,000	<u>14,215</u>
Total Department of Transportation				<u>3,907,802</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
NATIONAL FOUNDATION ON THE ARTS & THE HUMANITIES				
Direct Program:				
Promotion of the Arts – Grants to Organizations and Individuals:				
ARRA – Arts and the American Recovery and Investment Act of 2009	45.024	09-5488-7219	\$ 50,000	\$ 50,000
Passed Through Nevada Arts Council: Partners in Excellence; Tier II	45.024	PIE10:5:04	9,968	<u>9,968</u>
Total National Foundation on the Arts and the Humanities				<u>59,968</u>
ENVIRONMENTAL PROTECTION AGENCY				
Direct Program:				
Air Pollution Control Program Support	66.001	A-97914710-1	793,101	793,101
Direct Program:				
Surveys, Studies, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act, PM 2.5 Monitoring Network	66.034	PM-96948101-2	185,710	86,750
Direct Program:				
Congressionally Mandated Projects – Indian Springs	66.202	XP-96920201-4	578,600	270,915
Passed Through State of Nevada, Division of Environmental Protection:				
208 Water Quality Management Plan Update 2008	66.454	C6-98950106	40,000	10,910

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
ENVIRONMENTAL PROTECTION AGENCY (Continued)				
Passed Through State of Nevada, Division of Environmental Protection:				
ARRA – Capitalization Grants for Clean Water State Revolving Funds	66.458	CS32-0921S	\$ 5,744,780	\$ <u>287,239</u>
Total Environmental Protection Agency				<u>1,448,915</u>
DEPARTMENT OF ENERGY				
Direct Program:				
Nuclear Waste Disposal Siting, 10/1/08 – 9/30/09 – Yucca Mountain Project	81.065	Public Law	1,028,743	103,457
Nuclear Waste Disposal Siting, 10/1/09 - 9/30/10 – Yucca Mountain Project	81.065	Public Law	1,900,000	<u>1,900,000</u>
				<u>2,003,457</u>
Direct Program:				
ARRA – Energy Efficiency and Conservation Block Grant	81.128	DE-EE0000685	7,663,500	43,899
Passed Through Nevada Department of Public Safety, Division of Emergency Management:				
Emergency Preparedness Working Group	81.502	8150209	36,700	191
Emergency Preparedness Working Group	81.502	81509S9	54,963	<u>54,963</u>
				<u>55,154</u>
Total Department of Energy				<u>2,102,510</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Aging Cluster				
Passed Through Nevada Department of Health and Human Services, Division for Aging Services:				
Home Safety Program	93.044	03-005-49-BX-10	\$ 16,000	\$ 16,000
Senior Advocate Program	93.044	03-005-13-BX-10	33,997	33,997
Senior Citizen's Protective Service	93.044	03-005-20-LX-10	405,000	405,000
Older Americans Act/Representative Payee Program (Title III B)	93.044	03-015-21-BX-10	101,981	101,981
Older Americans Act/Representative Payee Program (Title III B)	93.044	03-015-21-BX-09	169,969	<u>9,996</u>
Total Aging Cluster				<u>566,974</u>
Passed Through Southern Nevada Health District:				
Public Health Emergency Preparedness	93.069	Interlocal Contract	196,000	44,153
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Enhance the Safety of Children Affected by Parental Methamphetamine or Other Substance Abuse (Year 2 and 3)	93.087	RPG-3145/25-SFY08-10-001	192,255	103,443
Direct Program:				
Substance Abuse and Mental Health Services – Projects of Regional and National Significance	93.243	1H79TI021878-01	295,320	129,345
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Promoting Safe and Stable Families:				
Title IV-B Support to Children Welfare	93.556	100INV1400	158,019	158,019
Medical Wrap Around Services (Year 3)	93.556	IVB-2-3145/17-SFY08-10-048	310,000	308,205
Title IV-B Case Worker Visit Sub-Grant	93.556	IVB-2-3145/17-SFY07-10-034	171,836	<u>108,421</u>
				<u>574,645</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
TANF Cluster				
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Temporary Assistance for Needy Families, FY09-10	93.558	Interlocal Agreement/Integration	\$ 1,503,392	\$ 1,503,392
Passed Through Nevada Department of Health and Human Services, Welfare Division:				
Child Support Enforcement – Hearing Master, FY 10 – Clerk	93.563	Cooperative Agreement	555,851	555,851
Child Support Enforcement – Hearing Master, FY 10 – District Court	93.563	Cooperative Agreement	567,686	567,686
Child Support Enforcement, FY 10	93.563	Interlocal Agreement	18,104,301	18,104,301
Child Support Enforcement, FFY05 Incentive Award	93.563	Interlocal Agreement	995,080	381,195
Child Support Enforcement, FFY06 Incentive Award	93.563	Interlocal Agreement	1,186,015	752,856
ARRA – Child Support Enforcement, FFY06 Incentive Award	93.563	Interlocal Agreement	2,534,366	<u>2,534,366</u>
				<u>22,896,255</u>
Passed Through Nevada Department of Health and Human Services, Welfare Division:				
Child Support Enforcement Research	93.564	90FD0136	325,359	143,731
Passed Through Nevada Department of Health and Human Services, Welfare Division:				
Child Care and Development Block Grant	93.575	Agreement	37,162	37,162
Passed Through Nevada Department of Health and Human Services, Welfare Division:				
Access and Visitation Grant, 10/1/08 – 9/30/09	93.597	0901NVSAVP	44,154	6,036
Access and Visitation Grant, 10/1/09 – 9/30/10	93.597	0901NVSAVP	76,000	<u>43,030</u>
				<u>49,066</u>
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Federal Adoption Incentive Program	93.603	AI3229/31-SFY09-10-007	74,303	40,300

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
CPS Digital Technology	93.643	CJA-3145/11-SFY-10-025	\$ 10,000	\$ 9,901
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
ARRA – Foster Care Title IV-E	93.658	1001NV1401	1,142,716	1,142,716
Foster Care Title IV-E	93.658	1001NV1401	18,769,535	<u>18,769,535</u>
				<u>19,912,251</u>
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
ARRA – Adoption Assistance Title IV-E	93.659	1001NV1407	1,297,291	1,297,291
Adoption Assistance Title IV-E	93.659	1001NV1407	8,140,472	<u>8,140,472</u>
				<u>9,437,763</u>
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Social Services Block Grant: Title XX 2010	93.667	2010G992342	1,794,755	1,794,755
Direct Program:				
Caring Communities Demonstration Project	93.670	90CA1717/05	846,129	30,093
Passed Through Nevada Department of Health and Human Services, Division of Child and Family Services:				
Chafee Independent Living Program (Year 2)	93.674	CH3145/32-SFY08-10-018	902,937	521
Chafee Independent Living Program (Year 3)	93.674	CH3145/32-SFY08-10-018	920,898	<u>870,205</u>
				<u>870,726</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed Through Nevada Department of Health and Human Services, Nevada State Health Division:				
National Bioterrorism Hospital Preparedness Program	93.889	Interlocal Agreement	\$ 150,000	\$ 150,000
Direct Program:				
HIV Emergency Relief Project Grants:				
Ryan White – HIV Emergency Relief Project	93.914	2 H89HA06900-04-00	5,496,274	4,224,920
Ryan White – HIV Emergency Relief Project	93.914	2 H89HA06900-05-00	3,947,285	1,487,520
Ryan White Part A Minority AIDS Initiative Program	93.914	5 H3MHA08430-02-00	247,193	10,664
Ryan White Part A Minority AIDS Initiative Program	93.914	5 H3MHA08430-03-00	257,354	<u>237,710</u>
				<u>5,960,814</u>
Total Department of Health and Human Services				<u>64,254,769</u>
OFFICE OF NATIONAL DRUG CONTROL POLICY				
Direct Program:				
Executive Office of the President:				
2007 HIDTA #17PNVP501Z	95.001	17PNVP501Z	2,625,000	59,139
2008 HIDTA #18PNVP501Z	95.001	18PNVP501Z	3,162,150	775,496
2009 HIDTA #G09NV0001A	95.001	G09NV0001A	3,128,162	2,282,360
2009 HIDTA #G10NV0001A	95.001	G10NV0001A	2,996,324	<u>228,603</u>
Total Office of National Drug Control Policy				<u>3,345,598</u>

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF HOMELAND SECURITY				
Passed Through Nevada Department of Public Safety, Division of Emergency Management:				
DHS/FFY08 Interoperable Emergency Communications Grant Program	97.001	9700108	\$ 215,830	\$ 30,738
Direct Program:				
2008 National Urban Search & Rescue Response System	97.025	EMW-2008-CA-0527	1,088,429	71,782
2009 National Urban Search & Rescue Response System	97.025	2009-SR-24-K014	1,001,910	983,137
2009 National Urban Search & Rescue Response System	97.025	2010-SR-24-K051	1,071,900	<u>6,293</u>
				<u>1,061,212</u>
Passed Through Nevada Department of Public Safety, Division of Emergency Management:				
2009 Emergency Management Performance Grant - Supplemental	97.042	9704209	156	156
2009 Emergency Management Performance Grant	97.042	9704209	142,127	38,764
2010 Emergency Management Performance Grant	97.042	9704210	614,540	<u>477,596</u>
				<u>516,516</u>
Homeland Security Cluster Department of Homeland Security: State Domestic Preparedness Equipment Support Program				
Passed Through Nevada Department of Public Safety, Division of Emergency Management:				
2006 Citizen Corps Program	97.067	97067CL6	151,021	3,392
2006 Citizen Corps Program Supplemental	97.067	97067CL6	11,700	10,375
2008 Citizen Corps Program	97.067	97067CL8	19,612	2,234
2009 Citizen Corps Program	97.067	97067CL9	41,064	19,000
2006 Urban Area Security Initiative	97.067	97067U06	7,331,909	98,800
2007 Urban Area Security Initiative	97.067	97067U07	8,594,180	5,301,570
2007 Urban Area Security Initiative Supplemental	97.067	97067U07	205,005	20,960
2008 Urban Area Security Initiative	97.067	97067U08	8,759,585	3,263,817

(Continued)

Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF HOMELAND SECURITY (Continued)				
2009 Urban Area Security Initiative	97.067	97067U09	\$ 7,905,645	\$ 327,046
2007 Law Enforcement Terrorism Prevention Program	97.067	97067LL7	2,687,400	1,947,904
2006 State Homeland Security Program	97.067	97067HL6	258,749	28,422
2006 State Homeland Security Program	97.067	97067HS6	1,045	1,045
2007 State Homeland Security Program	97.067	97067HL7	28,585	11,443
2007 State Homeland Security Program	97.067	97067HE7	173,251	17,179
2007 State Homeland Security Program	97.067	97067HS7	452,006	1,030
2007 State Homeland Security Program	97.067	97067HL7	346,523	284,089
2008 State Homeland security Program	97.067	97067HL8	2,125,765	681,976
2007 Public Safety Interoperable Communications Hospitals Interoperability Plan	97.067	1155507	725,000	111,215
2008 Public Safety Interoperable Communications, Core Nevada Radio Systems IP Based Community	97.067	1155507	5,114,182	<u>389,937</u>
Total Homeland Security Cluster				<u>12,521,434</u>
Passed Through Nevada Department of Public Safety, Division of Emergency Management:				
2006 Buffer Zone Protection Program	97.078	97078B06	1,188,911	10,890
2007 Buffer Zone Protection Program	97.078	97078B07	189,000	105,582
2008 Buffer Zone Protection Program	97.078	97078B08	386,060	<u>380,395</u>
				<u>496,867</u>
Direct Program:				
Bio Watch: Field Operations & Sample Collection Activities	97.091	2006-ST-091-000011-04	379,869	379,869
Emergency Food and Shelter Program Cluster Passed Through United Way of Southern Nevada:				
ARRA – Emergency Food and Shelter National Board Program	97.114	LRO ID: 586800-002	497,390	497,390

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Clark County, Nevada

Schedule of Expenditures of Federal Awards  
for the fiscal year ended June 30, 2010

Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant Pass-Through Number	Program or Award Amount	Federal Disbursements/ Expenditures
DEPARTMENT OF HOMELAND SECURITY (Continued)				
Direct Program:				
2007 Secret Service Agreement	97.Unknown	None	\$ 106,000	\$ 14,683
2010 Secret Service Agreement	97.Unknown	None	34,843	34,843
2010 US Customs – ICE	97.Unknown	None	150,000	<u>50,310</u>
				<u>99,836</u>
Total Department of Homeland Security				<u>15,603,862</u>
TOTAL FEDERAL DISBURSEMENTS/EXPENDITURES				<u>\$191,597,245</u>

The accompanying notes are an integral part of this schedule.

Clark County, Nevada

Notes to Schedule of Expenditures of Federal Awards  
for the Year Ended June 30, 2010

1. REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activity of federal financial assistance programs of Clark County, Nevada (the "County"). The County's reporting entity is defined in Note 1 to its basic financial statements. Federal award expenditures for the Big Bend Water District, Department of Aviation, Las Vegas Valley Water District, University Medical Center of Southern Nevada, and Regional Transportation Commission of Southern Nevada, if any, are not included in this schedule. 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.

2. BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting. Expenditures are recognized when they become a demand on current available financial resources. Encumbrances are issued during the year for budgetary control purposes and lapse at fiscal year end.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Expenditures of federal awards reported in the County's basic financial statements are as follows:

General fund	\$ 9,488,790
Special revenue funds	126,239,221
Capital projects funds	55,231,878
Enterprise funds	<u>637,356</u>
Total	<u>\$191,597,245</u>

4. SUBRECIPIENT EXPENDITURES

Clark County provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA#</u>	<u>Subrecipient Expenditures</u>
ARRA – Community Development Block Grant	14.218	\$ 443,222
Community Development Block Grant	14.218	2,584,336
Neighborhood Stabilization Program	14.218	15,739,703
Emergency Shelter Grants Program	14.231	336,539
Shelter Care Plus Grant	14.238	311,356
Home Investment Partnerships Program	14.239	6,320,123
ARRA – Homeless Prevention and Rapid Re-Housing Program	14.257	86,322
Justice Assistance Grant	16.738	135,501
ARRA – Justice Assistance Grant	16.804	66,001
Hazardous Materials Emergency Preparedness Training	20.703	8,781
Ryan White Title I	93.914	4,417,143
Interoperable Emergency Communications Grant Program	97.001	30,738
Homeland Security Grant Cluster	97.067	<u>1,855,467</u>
		<u>\$32,335,232</u>

**CLARK COUNTY, NEVADA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2010**

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

***Financial Statements***

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	Yes
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

***Federal Awards***

Internal control over major programs:	
• Material weakness(es) identified?	Yes
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	Yes
Type of auditor's report issued on compliance for major programs:	Unqualified for all major programs except for Emergency Management Performance Grant (CFDA 97.042), which was adverse.
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	Yes

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number(s)</u>
Community Development Block Grants - Entitlement Grants Cluster	14.218/14.253
Southern Nevada Public Land Management Highway Planning and Construction Cluster	15.235 20.205
Child Support Enforcement	93.563
Foster Care – Title IV-E	93.658
Adoption Assistance – Title IV-E	93.659
Chafee Foster Care Independence	93.674
HIV Emergency Relief Project Grants	93.914
Emergency Management Performance Grant	97.042
Homeland Security Cluster	97.067

Dollar threshold used to distinguish between type A and type B programs:	\$3,000,000
Auditee qualified as low-risk auditee?	No

**CLARK COUNTY, NEVADA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2010**

**SECTION II – FINANCIAL STATEMENT FINDINGS**

**FINDING 2010-1-FS    POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

Criteria:                    Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, establishes standards of accounting and financial reporting for OPEB expenses and related OPEB liabilities as well as note disclosures and required supplementary information in the financial reports of state and local government employers. In determining the OPEB expenses and related liabilities, employers are required to obtain an actuarial valuation at least biennially for OPEB plans with total membership of 200 or more participants.

Condition:                    During our audit, we noted that actuarial valuations were performed for Las Vegas Metropolitan Police Department's (LVMPD) regular and civilian employees; however, the census data provided to the actuary was incomplete for both plans. Prior to the conclusion of our audit, LVMPD provided the actuary with the complete census data and the actuary updated the actuarial valuation reports, which resulted in an adjustment to the OPEB expenses and related liabilities for both of LVMPD's plans. This is a continued finding from the prior year. In 2009, the entire population of civilian employees was excluded from the census data.

Cause:                        As in the prior year, there appears to be insufficient controls in place over the review of the census data submitted to the actuary.

Effect:                        Insufficient controls over the OPEB actuarial valuation process increase the likelihood that OPEB expenses and related OPEB liabilities will be materially misstated in the County's financial reports and the likelihood that management and other financial statement users will rely on faulty information to make important decisions about the entity.

Recommendation:            The County and LVMPD should have sufficient controls in place over the actuarial valuation process of postemployment benefits other than pensions (OPEB) to ensure that all employees and other census data needed to perform an accurate valuation are provided to the independent actuary. As part of this process, the number of participants included in the actuarial valuations should be reconciled to the benefits system.

Management's  
Response:                    The County will work with the Las Vegas Metropolitan Police Department to ensure an accurate census for the next actuarial valuation.

**CLARK COUNTY, NEVADA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2010**

**FINDING 2010-2-FS      CONTROLS OVER METRO SEIZED FUNDS**

Criteria:                    The County should have controls over the seized funds collected and held by Metro to ensure management has knowledge of all transactions impacting the general ledger. Key controls include maintaining documentation for all transactions impacting the general ledger as well as management approval.

Condition:                    During our audit, we noted that the County has recorded \$4.6 million of seized funds in the financial statements as of June 30, 2010. However, Metro does not keep a detailed listing comprising the seized funds collected and held by Metro. Without detailed records, there is no information as to who the funds were collected from and who they belong to. Metro has no legal claim to the seized funds until there is a court case seeking civil forfeiture and the funds are awarded to Metro, so there is a possibility that some of the seized funds will be returned to the owner.

Cause:                        There are insufficient controls over the record keeping of seized funds collected and held by Metro.

Effect:                        Insufficient controls over the record keeping of seized funds increase the likelihood that Metro will not return the seized funds to the proper owner or will not be able to support their legal claim for civil forfeiture.

Recommendation:            The County should work with Metro to create a detail listing of all seized funds currently held by Metro. Additionally, the County should help Metro establish policies and procedures for accurately recording and tracking any new seized funds collected and held as well as the release of the seized funds due to returning to the owner or a proper legal claim by Metro.

Management's  
Response:                    The County will work with the Las Vegas Metropolitan Police Department to create a detail listing of all seized funds and assist in establishing policies and procedures as recommended.

**FINDING 2010-3-FS      CONTROLS OVER CAPITAL ASSETS**

Criteria:                    The County should have controls over capital assets to ensure that all capital asset additions and disposals are recorded accurately and that depreciation is calculated accurately. Key controls in achieving this include periodic reconciliation of current-year activity, monitoring of construction in progress, review of valuation of donated infrastructure assets and review of the useful lives of assets.

Condition:                    During our audit we identified the following issues relating to capital assets:

- The County improperly recorded the sale of a piece of land as a \$25 million gain when actually the sale resulted in the removal of a \$26.4 million asset and a loss of \$1.4 million.
- The County had \$70 million in completed projects as of June 30, 2010, that should have been transferred out of construction-in-progress and into the appropriate capital asset component such as land improvements, buildings, and equipment. A journal entry was posted as a result of our audit procedures to correct this classification.

**CLARK COUNTY, NEVADA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2010**

- Three of the County's completed projects related to Metro buildings for which the City of Las Vegas owes \$9.5 million for their share of the costs. The County had not recorded this receivable in its financial statements as of June 30, 2010.
- The unit costs utilized to value donated infrastructure assets had not been updated. A journal entry to increase donated infrastructure assets was posted in the amount of \$58 million as a result of our audit procedures.

Cause: There are insufficient controls over the record keeping of capital assets.

Effect: Insufficient controls over capital assets increase the likelihood that capital assets and related accounts will be materially misstated.

Recommendation: The County should strengthen policies and procedures over capital assets to ensure that all capital asset additions and disposals are recorded accurately and that depreciation is calculated accurately.

Management's Response: Journal entries were posted to correctly record the activity and/or value of all four conditions noted above for the year ended June 30, 2010. These entries affected total assets by less than one percent. We will review and strengthen policies and procedures for capital assets as appropriate to ensure that additions, deletions and depreciation are properly recorded.

**FINDING 2010-4-FS      CONTROLS OVER FINANCIAL REPORTING**

Criteria: Management is responsible for establishing and maintaining an effective internal control system over financial reporting. One of the components of an effective internal control system over financial reporting is the preparation of the Schedule of Expenditures of Federal Awards (SEFA) that does not require adjustment as part of the audit process.

Condition: During our audit testing, we identified \$19 million in federal expenditures for the Southern Nevada Public Land Management Act that were missing from the SEFA. These amounts were identified as a part of our audit process and have been added to the final schedule of expenditures of federal awards.

Cause: There appears to be a lack of communication regarding amounts of federal awards expended between the program personnel who keep track of the grants on a day-to-day basis and comptroller personnel who is responsible for preparation of the SEFA.

Effect: Insufficient controls over the financial reporting process increase the likelihood that management and other financial statement users will rely on faulty information to make important decisions about the entity.

Recommendation: The County should strengthen policies and procedures over communicating amounts of federal awards expended to the comptroller's office.

**CLARK COUNTY, NEVADA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2010**

Management's  
Response:

We agree that the amount in question should be reported on the SEFA. The oversight occurred due to the fact that the associated expenditure was made in prior years from unrestricted County funds as a result of a settlement of litigation related to land in the County Wetlands. When the \$19 million was reimbursed at a much later date than is typical for SNPLMA funding, it did not follow the normal expenditure process for SNPLMA projects. Staff will develop procedures to ensure that the SEFA includes all amounts expended from federal grants even if the expenditure is made initially in prior years using general County resources.

**CLARK COUNTY, NEVADA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2010**

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
**DEPARTMENT OF THE INTERIOR**  
**DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**DEPARTMENT OF HOMELAND SECURITY**

**Questioned  
Costs**

2010-1 Applies to all grant awards for the following federal programs: Community Development Block Grants – Entitlement Grants Cluster (CDBG) – CFDA No. 14.218/14.253; Southern Nevada Public Land Management Act (SNPLMA) – CFDA No. 15.235; Child Support Enforcement – CFDA No. 93.563; HIV Emergency Relief Project Grants – CFDA No. 93.914; Homeland Security Cluster – CFDA No. 97.067; all grant numbers and grant periods reported for these CFDA Nos. on the schedule of expenditures of federal awards.

*Condition:* Federal procurement requirements were deemed direct and material for 6 of the 9 programs tested as major. Our tests disclosed that these procurement requirements were not being adhered to. Specifically, in 4 of the 6 programs, the required verifications regarding suspended and debarred parties were not performed. Also, one program (CDBG – CFDA No. 14.218/14.253) performed an EPLS search as the verification procedure for governmental and non-profit contracts, however such entities are not included on the EPLS. Verification for these types of entities is required by using one of the other two verification methods. Additionally, one program (SNPLMA – CFDA No. 15.235) did not comply with the Buy American Act. The County had a similar finding over procurement compliance during the fiscal year 2009 audit.

*Criteria:* The OMB Circular A-133 Compliance Supplement (dated June 2010), states that “non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. ‘Covered transactions’ include those procurement contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000.... [and] all nonprocurement transactions (i.e., subawards to subrecipients), irrespective of award amount.” Prior to entering into a contract for a covered transaction, the non-federal entity is required to verify that the entity is not suspended or debarred or otherwise excluded. The compliance supplement provides three options for performing the verification.

Additionally, certain federal grant agreements include provisions for compliance with the Buy American Act.

*Effect:* Contracts with suspended or debarred vendors and subrecipients, could be initiated and suspended or debarred parties could be paid with federal dollars. Additionally, there is a potential for non-compliance with the Buy American Act requirements.

**CLARK COUNTY, NEVADA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2010**

*Cause:* The Purchasing and Contracts Division for the County implemented formal suspension and debarment and Buy American Act control policies and procedures in April 2010. Procedures were not performed retrospectively on existing contracts or on contract amendments dated subsequent to the date of the policy issuance. Therefore, existing contracts with current year federal expenditures were not in compliance with the federal procurement requirements. Additionally, it was noted that the Purchasing and Contracts Division for Metro has not implemented formal policies and procedures regarding the handling of federal procurement requirements.

*Recommendation:* We recommend that the County perform suspension and debarment verification on existing contracts and contract amendments with federal expenditures. Additionally, we recommend that Metro establish written policies and procedures regarding Federal procurement requirements. We also recommend that the policies require documenting in writing the procedures performed.

*Views of responsible officials and planned corrective actions:* See pages 164-165.



# Department of Finance Purchasing and Contracts

500 S Grand Central Pky 4th Fl • Box 551217 • Las Vegas NV 89155-1217  
(702) 455-2897 • Fax (702) 386-4914

George W. Stevens, Chief Financial Officer • Yolanda T. King, Director of Budget & Financial Planning  
Yolanda C. Jones, C.P.M., CPPO, Purchasing Manager

March 9, 2011

Kafoury Armstrong & Co.  
8329 West Sunset Road, Suite 210  
Las Vegas, NV 89113

RE: Finding 2010-1 Corrective Actions Taken

**EFFECT:** Contracts with suspended or debarred vendors and sub recipients could be initiated and suspended or debarred parties could be paid with Federal dollars. Additionally, there is a potential for non-compliance with the Buy American Act requirements.

**CAUSE:** The Purchasing and Contracts Division for the County implemented formal suspension and debarment and Buy America Act control policies and procedures in April 2010. Procedures were not performed retrospectively on existing contracts or on contract amendments dated subsequent to the date of expenditures and were not in compliance with the Federal procurement requirements. Additionally, it was noted that the Purchasing and Contracts Division for Metro has not implemented formal policies and procedures regarding the handling of Federal procurement requirements.

**RECOMMENDATION:** We recommend that the County perform suspension and debarment verification on existing contracts and contract amendments with Federal expenditures. Additionally, we recommend that Metro establish written policies and procedures regarding Federal procurement requirements. We also recommend that the policies require documenting in the procedures performed.

**CORRECTIVE ACTION:** Staff will be performing suspension and debarment verification on existing contracts and document performance of action(s) taken. Policy and procedures will be revised to include suspension and debarment verification when amendments or change orders are issued.

Sincerely,

  
Yolanda C. Jones, C.P.M., CPPO  
Purchasing Manager

cc: Mark Gammet  
Elizabeth Vorce  
George Stevens  
Yolanda King



March 8, 2011

Kafoury, Armstrong & Co  
8329 West Sunset Road, Suite 210  
Las Vegas, NV 89113

RE: Response to Schedule of Findings from FY 10 Grant Single Audit

To Whom it May Concern:

The Las Vegas Metropolitan Police Department (LVMPD) accepts the recommendations made in Finding 2010-1 from the FY 10 Grant Single Audit. That finding recommends that LVMPD develop and implement procedures for documenting search results demonstrating compliance to suspended and debarred vendor exclusion requirements.

Prior to April 1, 2011, LVMPD will develop and implement a policy requiring that a search be conducted of the Excluded Parties List System prior to the entry of a grant purchase requisition in SAP. This policy will prohibit entry of the requisition if the search results return a possible match and will also require the results to be printed and attached to the appropriate purchase requisition.

Please feel free to contact me with any further questions or concerns.

Sincerely,

Richard Hoggan  
Budget Director, LVMPD



**CLARK COUNTY, NEVADA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
JUNE 30, 2010**

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**Questioned  
Costs**

2010-2      Community Development Block Grants (CDBG) – CFDA No. 14.218; Community Development Block Grant ARRA Entitlement Grants (CDBG-R) – CFDA No. 14.253; Grant Nos. B-08-UN-32-0001 (NSP1) and B-09-UY-32-0001 (CDBG-R)

*Condition:* Clark County is required to submit financial and performance reports for the CDBG grant – quarterly cash transaction reports, an activity summary report, a financial summary report, a performance report, and quarterly Section 1512 reports under the American Recovery and Reinvestment Act of 2009. We tested each of these and noted errors with two of the reports. All cash transaction reports filed during the year improperly excluded NSP1 activity and all Section 1512 ARRA reports incorrectly excluded subrecipient expenditures and expenditures were not properly reported on a cumulative basis.

*Criteria:* Required reports for Federal awards should include all activity of the reporting period, be supported by applicable accounting or performance records, and be fairly presented in accordance with program requirements.

*Effect:* The cash transaction reports underreported NSP1 cash receipts and disbursements of \$10,814,226 during the year. Additionally, the Section 1512 ARRA Report for reporting period ending March 31, 2010 and June 30, 2010 excluded \$443,222 and \$461,367 in expenditures, respectively.

*Cause:* It appears that there was ineffective management oversight over the reporting compliance requirement, as the internal control process failed to ensure that all required information was properly included in the reports prior to their submission.

*Recommendation:* The County should strengthen its procedures over the review process of the federal reports for the CDBG program, to include an emphasis on new funding and new grant reporting requirements.

*Views of responsible officials and planned corrective actions:* See pages 167-168.



# Department of Finance

## Community Resources Management

500 S Grand Central Pky 5th Fl • Box 551212 • Las Vegas NV 89155-1212  
(702) 455-5025 • Fax (702) 455-5038

George W. Stevens, Chief Financial Officer • Yolanda King, Director of Budget and Financial Planning  
Michael J. Pawlak, Manager

March 8, 2011

Kafoury, Armstrong & Co.  
8329 West Sunset Road, Suite 210  
Las Vegas, NV 89113

Dear Auditors:

The purpose of this letter is to respond to the finding 2010-2 identified by the County's external auditors, Kafoury, Armstrong & Co., related to their review of the FY 2010 Community Development Block Grant Program.

### 2010-2

#### **Condition:**

Community Development Block Grant (CDBG, CFDA No. 14.218) and Community Development Block Grant ARRA Entitlement Grant (CDBG-R, CFDA No. 14.253). The County's Community Resources Management Division is required to submit financial and performance reports for the CDBG Grant. CRM incorrectly omitted NSP1 from the required cash transactions reports and incorrectly excluded and incorrectly reported subrecipient expenditures on the Section 1512 ARRA reports.

#### **Corrective Action:**

1. Effective with the January 2011 Section 1512 ARRA report, CRM has correctly reported subrecipient expenditures on a cumulative basis as required by HUD.
2. CRM will report NSP1 financial information to be included in all required quarterly cash transaction reports (SF-425). Our first quarterly report will be for the period ending March 31, 2011 and will be submitted no later than April 30, 2011. This report will capture cumulative data from the date of the inception of the NSP1 grant award through March 31, 2011.

#### **Background:**

CRM received two new CDBG grant awards for FY 2009 - CDBG ARRA and Neighborhood Stabilization Program (NSP1). The CDBG ARRA funds were authorized under Title XII of the Recovery and Reinvestment Act of 2009 (ARRA-Pub. L. No. 111-5) while the Neighborhood Stabilization Program funds were provided under the Housing and Economic Recovery Act of 2008 (HERA-Pub. L. No. 110-289, July 30, 2008).

CRM staff began submitting the required Section 1512 ARRA reports in April 2010. However, for the first two reporting periods cumulative data was not provided. Staff incorrectly believed that only

actual expenditures were to be reported and also that once a project was identified as completed and all funds had been reported, it was not required to be carried forward on subsequent reports. This resulted in the City of North Las Vegas project not being reported as a Subrecipient activity after that project was completed. This condition was corrected with the January 1, 2011 report and going forward all federal reporting will be on a cumulative basis.

NSP1 is a new HUD grant program funded through the Housing and Economic Recovery Act. In its October 6, 2008 Notice (Docket No. FR-5255-N-01) concerning the allocation and regulation of NSP1 funds, HUD identified numerous exceptions to CDBG rules that would pertain to NSP1. Among the exceptions were requirements for conforming to the HUD Consolidated Plan requirements and many performance and financial reporting requirements. Additionally, for NSP1, HUD chose not use its standard CDBG financial interface program, the Information, Disbursement and Information System (IDIS), but instead decided to use the Disaster Recovery Grant Reporting (DRGR) system. The purpose of DRGR was to allow grantees to provide online Internet based reports. Obligations, expenditures and program income data (as requested on the SF-425 form) is already collected quarterly and cumulatively by HUD through the DRGR system in the form of "Quarterly Performance Reports" (QPR). CRM staff mis-interpreted the use of DRGR as a reporting system for all NSP1 financial reports and did not receive any guidance from HUD to suggest other reports were required. It was only when staff was approached by the outside audit team inquiring about the cash transaction reports (SF-272 as now replaced by SF-425) that we inquired to our local HUD representative on this matter. In correspondence dated December 15, 2010, our HUD representative instructed staff to file the SF-425 annually via the standard CDBG reporting process. Our local HUD field office has since stated that the NSP1 cash transaction reporting is to be done on a quarterly basis.

I appreciate the effort of the auditors and the thoroughness of their work. HUD programs are always challenging to administer, especially new programs. The errors noted and the recommendations provided by the audit team will help strengthen our CDBG program and allow us to continue serving the low and moderate income citizens of Clark County.

Sincerely,



Michael J. Pawlak, Manager  
Community Resources Management

cc: Yolanda King  
Sabra Smith-Newby  
Mark Gamett  
Elizabeth Vorce  
Kristin Cooper  
Brian Paulson

**CLARK COUNTY, NEVADA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
JUNE 30, 2010**

**DEPARTMENT OF THE INTERIOR**

**Questioned  
Costs**

2010-3 Southern Nevada Public Land Management Act (SNPLMA) – CFDA No. 15.235; Grant Award Nos. L05AC14675, L05AC14148, L05AC14902, L05AC13159, L05AC14695, L05AC13850, L05AC13256, L05AC14402, L05AC13726, L05AC13849, L05AC13523, L05AC14425, L05AC13851, L05AC13257, L05AC14149, L05AC14903, L05AC12981, L05AC13852, L05AC14909, L07AC13495, L07AC13809, L07AC13228, L07AC13492, L07AC14877, L07AC13118, L07AC14880, L07AC14115, L07AC14399, L07AC13496, L07AC14116, L07AC13819, L07AC13231, L08AC14127, L08AC14694, L08AC13503, L08AC13820, L08AC13693, L08AC14128, L08AC12964, L08AC13680, L09AC15503, and L05AC14676

*Condition:* We tested the quarterly Federal Financial Report (SF-425) and the Quarterly BLM Database for compliance with Federal requirements. Our tests disclosed that for all of the SF-425 reports tested, the County incorrectly reported cash receipts and cash disbursements on the SF-425 by using quarterly totals instead of the required cumulative totals. In addition, the amount reported as the “Federal share of unliquidated obligations” did not properly include the obligations incurred but not yet paid at the end of the reporting period.

Additionally, our testing revealed that for all BLM Database projects tested there was no documentation to support supervisory review and approval prior to their submission.

*Criteria:* Required reports for Federal awards should include all activity of the reporting period, be supported by applicable accounting or performance records, and be fairly presented in accordance with program requirements. In addition, OMB Circular A-133 establishes certain requirements for non-Federal entities that expend Federal awards. For example, the County is required to “maintain internal control over Federal programs that provides reasonable assurance that the [County] is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs”.

*Effect:* Total grant receipts and outlays (grant expenditures) are improperly reported to the grantor.

*Cause:* It appears that there was ineffective management oversight over the reporting compliance requirement, as there was a lack of adequate review of the financial status reports and BLM Database reports prior to submission to the grantor.

*Recommendation:* The County should strengthen its procedures over the review process of the SF-425 for the SNPLMA program and strengthen controls by developing documentation to support review and approval of the BLM Database by someone other than the preparer prior to their submission.

*Views of responsible officials and planned corrective actions:* See page 170.



# Department of Comprehensive Planning

500 S Grand Central Pky • Box 551741 • Las Vegas NV 89155-1741  
(702) 455-4314 • Fax (702) 385-8940

Nancy Lipski, Director

March 8, 2011

Kafoury, Armstrong & Co.  
8329 West Sunset Road, Suite 2010  
Las Vegas, NV 89113

## **SUBJECT: DEPARTMENT OF THE INTERIOR – 2010-3 AUDIT FINDING**

Our office has reviewed the above noted finding from the year ending June 30, 2010, and provide the following response to you.

**CONDITION:** We tested the quarterly Federal Financial Report (SF-425) and the Quarterly BLM Database for compliance with Federal requirements. Our tests disclosed that for all of the SF-425 reports tested, the County incorrectly reported cash receipts and cash disbursements on the SF-425 by using quarterly totals instead of the required cumulative totals. In addition, the amount reported as the “Federal share of unliquidated obligations” did not properly include the obligations incurred but not yet paid at the end of the reporting period.

**RESPONSE:** The Federal Financial Reports (SF-425) were being filled out per instructions by the Grantor. When the above listed audit finding was provided to the Grantor, they agreed the SF-425's were being filled out incorrectly, and directed County staff to use cumulative totals on lines 10 (a-c) and report unliquidated obligations such as retention amounts on line 10(f) for all future SF-425 submittals.

Additionally, County staff will ensure adequate review of the financial status and BLM database reports by providing additional staff review of the reports prior to submittal to the Grantor. Staff will document those reviews by placing signed and dated statements in the County files showing the staffer who prepared the reports and the additional staff that reviewed the reports prior to submittal to the Grantor.

Should you have any questions, please feel free to contact Ron Gregory at (702) 455-3121.

Sincerely,

Bruce Sillitoe  
Planning Manager

cc: David Dobrzynski, Clark County Finance  
Elizabeth Vorce, Clark County Finance  
Becky Deuel, Clark County Public Works  
Patsy Schrader, Clark County Public Works  
Ron Gregory, Clark County Comprehensive Planning

**CLARK COUNTY, NEVADA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2010**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**PASSED THROUGH NEVADA DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Questioned  
Costs**

2010-4      Child Support Enforcement – CFDA No. 93.563; Interlocal agreement

*Condition:* During the year under audit, the County served more than 85,000 active child support enforcement cases (they are a IV-D agency under Nevada's program). As a component of our procedures, we tested compliance with the special tests and provisions requirement outlined in the OMB Circular A-133 Compliance Supplement for the Child Support Enforcement program. The special provisions tested include establishment of paternity and support obligations, enforcement of support obligations, securing and enforcing medical support obligations – state programs, and provisions of child support services for interstate cases – state programs.

Of the 40 case files tested for enforcement of support obligations, we noted 2 instances of noncompliance. No enforcement actions had been taken on these cases for over a year.

Of the 40 case files tested for securing and enforcing medical support obligations – state programs, we noted 3 instances of noncompliance in addition to the 2 instances addressed above. In two of the instances, while medical support was ordered, the County did not follow up to determine if the child in fact had satisfactory health insurance. In the third instance, the County determined that the obligated parent had access to health insurance on behalf of the child but did not take further action to enforce the obligation.

In regards to the special provisions for interstate cases – state programs, we tested a sample of 39 initiating interstate cases and a sample of 26 responding interstate cases to verify that required information was provided to the other jurisdictions within required time frames. We noted a total of 2 instances of noncompliance. In both cases, the County was late initiating requests for additional information from the responding jurisdiction.

The County had a similar finding over compliance with special tests and provisions during the fiscal year 2009 audit.

*Criteria:* The OMB Circular A-133 Compliance Supplement (dated June 2010), lists specific compliance requirements under the special tests and provisions section for the Child Support Enforcement grant, which are also found in the federal laws and regulations governing the Child Support Enforcement grant. The County should have adequate controls in place to provide reasonable assurance that the federal laws and regulations governing the Child Support Enforcement grant are being adhered to.

*Effect:* Without proper controls and reporting capabilities in place, the County has a higher risk of material noncompliance with the federal laws and regulations governing this grant.

*Cause:* It appears that there was ineffective management oversight over the special provisions applicable to this grant.

**CLARK COUNTY, NEVADA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2010**

*Recommendation:* During the year, the County implemented procedures to monitor cases for compliance with the special tests and provisions related to this grant. Such procedures include reviewing various case status reports on a regular basis. However, this review process is not formally documented and does not appear to be effective. The County should strengthen its management oversight monitoring controls over this grant. Specifically, the County should develop specific time intervals in which monitoring reports are to be reviewed by supervisors and develop documentation to support supervisor review of the reports and case follow-up.

*Views of responsible officials and planned corrective actions:* See pages 173-176.

# OFFICE OF THE DISTRICT ATTORNEY



**DAVID ROGER**  
*District Attorney*

**Family Support Division**  
(702) 671-9200 - TDD (702) 385-7486 (for the hearing impaired)

**LEGAL SECTION**  
1900 East Flamingo Road, Suite 100, Las Vegas, Nevada 89119-5168  
Fax: (702) 366-2440

**TERESA M. LOWRY**  
*Assistant District Attorney*

**CHRIS OWENS**  
*Assistant District Attorney*

**MARY-ANNE MILLER**  
*County Counsel*

**JEFFREY J. WITTHUN**  
*Assistant Director*

March 11, 2011

Kafoury, Armstrong & Co.  
Attn: Tami Miramontes  
8329 W. Sunset Road  
Las Vegas, NV 89113

Dear Ms. Miramontes:

Following is the response and corrective action plan for the area that the Clark County District Attorney, Family Support Division (DAFS) was found to be out of compliance.

2010-4          Child Support Enforcement – CFDA No. 93.563; Interlocal agreement

*Condition:* During the year under audit, the County served more than 85,000 active child support enforcement cases (they are a IV-D agency under Nevada's program). As a component of our procedures, we tested compliance with the special tests and provisions requirement outlined in the OMB Circular A-133 Compliance Supplement for the Child Support Enforcement program. The special provisions tested include establishment of paternity and support obligations, enforcement of support obligations, securing and enforcing medical support obligations – state programs, and provisions of child support services for interstate cases – state programs.

Of the 40 case files tested for enforcement of support obligations, we noted 2 instances of noncompliance. No enforcement actions had been taken on this case for over a year.

Of the 40 case files tested for securing and enforcing medical support obligations – state programs, we noted 3 instances of noncompliance in addition to the 2 instances addressed above. In two of the instances, while medical support was ordered, the County did not follow up to determine if the child in fact had satisfactory health insurance. In the third instance, the County determined that the obligated parent had access to health insurance on behalf of the child but did not take further action to enforce the obligation.

In regards to the special provisions for interstate cases – state programs, we tested a sample of 39 initiating interstate cases and a sample of 26 responding interstate cases to verify that required information was provided to the other jurisdictions within the required time frames. We noted a total of 2 instances of noncompliance. In both cases, the County was late initiating requests for additional information from the responding jurisdiction.

The County had a similar finding over compliance with special tests and provisions during the fiscal year 2009 audit.

*Criteria:* The OMB Circular A-133 Compliance Supplement (dated June 2010), lists specific compliance requirements under the special tests and provisions section for the Child Support Enforcement grant, which are also found in the federal laws and regulations governing the Child Support Enforcement grant. The County should have controls in place to provide reasonable assurance that the federal laws and regulations governing the Child Support Enforcement grant are being adhered to.

*Effect:* Without proper controls and reporting capabilities in place, the County has a higher risk of material noncompliance with the federal laws and regulations governing this grant.

*Cause:* It appears that there was ineffective management oversight over the special provisions applicable to this grant.

*Recommendation:* During the year, the County implemented procedures to monitor cases for compliance with the special tests and provisions related to this grant. Such procedures include reviewing various case status reports on a regular basis. However, this review process is not formally documented and does not appear to be effective. The County should strengthen its management oversight monitoring controls over this grant. Specifically, the County should develop specific time intervals in which monitoring reports are to be reviewed by supervisors and develop documentation to support supervisor review of the reports and case follow-up.

**DAFS Comments:**

We agree that actions were not taken within the required timeframes on the two enforcement, three medical and two interstate cases which resulted in seven findings.

**DAFS Corrective Action Plan:**

The volume of new cases received has increased due to economy, and with that increase we are seeing a decline in the quality of cases. Many public assistance custodial parents are not cooperative in providing information to aid in the identification of their child's real father or the location of the father which impedes our ability to establish paternity and/or obligations and enforce orders. In addition, vacant positions are not being filled leaving existing staff to do more with less. DAFS staffs are however committed to meeting federal and state requirements and improving performance. The following are some ways that is being accomplished:

1. Understanding that each case is unique, case managers have been given the latitude to make decisions about how best to work each case without the constraints of being tied to state policy.

2. Supervisors are reinforcing with enforcement case managers that everything they do needs to lead to a current support collection, an arrears collection, modification of an order, or case closure.
3. Enforcement supervisors are working with case managers on concentrating on getting non-payers to pay.
4. The enforcement unit administrators are working with DAFS IT to further stratify the Super Enforcement Report to use supplemental reports to enforce based on different payor criteria.

In addition, the following are what was reported in our update on actions taken to implement the corrective action plan from our 2009 OMB A-133 Single Audit:

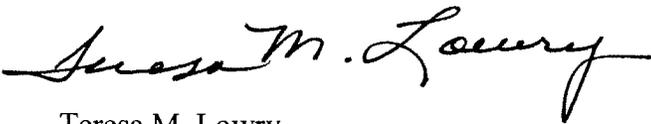
1. A "Super Locate Report" was developed in the last quarter of calendar year 2010 and made available for use on January 20, 2011. One useful benefit of the report is that it identifies cases with active child support orders. The Locate clerks find noncustodial parents (NCPs) with child support orders are more likely to have valid social security numbers which improve their chances of locating the NCPs which increases our establishment and enforcement rates.
2. The Establishment unit has 3 full-time case managers assigned to work initiating interstate establishment cases. In addition, they have 4 part-time case managers to work initiating interstate establishment backlog. These interstate case managers use the Super Establishment Report to monitor interstate cases and identify next actions that need to be taken since NOMADS cannot currently assign these types of cases to specific workers. There is a NOMADS work item (#1130) being developed that will allow the system to assign specific interstate cases to specialty case managers to assist in monitoring and tracking these case types. In addition, supervisors in the Establishment unit continue to monitor initiating interstate cases using the Super Establishment Report.

In January 2011, initiating interstate case managers were given refresher training on case management practices to ensure better compliance with interstate timeframes and proper follow-up. The 4 part-time case managers mentioned above were hired to assist in the effort to meet interstate timeframes and address existing backlog. Intake procedures have been reinforced through training to ensure that the interstate status of a case is accurately updated in NOMADS. Conversation with the Nevada Central Registry has been begun to avoid incorrect case acceptance for out of state cases from other jurisdictions (i.e., income withholding for unemployment benefits only) and the prevention of auto-initiation of cases by CSNET without having the appropriate paperwork to substantiate the case. Such corrections would reduce the overall number of interstate cases in NOMADS and increase case management effectiveness and compliance with interstate timeframes.

3. Due to staffing limitations, the Enforcement unit was not able to implement an interstate team as indicated in our original corrective action plan dated March 26, 2010. Case managers do, however, continue to work their Super Enforcement Reports which the supervisors monitor to ensure they are being worked.
  
4. All case managers were given performance standards that require them to 1) utilize their Super Report (Super Establishment Report for Paternity and Obligation Establishment case managers or Super Enforcement Report for Enforcement case managers) and 2) work their In-baskets every day. There are also timelines for working interstate cases in the performance standards for those case managers assigned to work an interstate caseload. Disciplinary actions have been taken against case managers that are deficient in meeting their performance goals.

Supervisors have also been given performance standards that require them to ensure their staff meets their individual performance standards.

Sincerely,

A handwritten signature in cursive script that reads "Teresa M. Lowry". The signature is written in black ink and is positioned above the typed name.

Teresa M. Lowry  
Assistant District Attorney

CC: Jeffrey J. Witthun, Assistant Director – Operations  
Kathi Brunson, Unit Administrator

**CLARK COUNTY, NEVADA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2010**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**PASSED THROUGH NEVADA DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Questioned  
Costs**

2010-5 Foster Care Title IV-E – CFDA No. 93.658; Adoption Assistance Title IV-E – CFDA No. 93.659; all grant numbers and grant periods reported for this CFDA on the schedule of expenditures of federal awards.

*Condition:* Our testing revealed that there is no documentation to support supervisory review and approval of eligibility determinations under the Foster Care and Adoption IV-E programs.

*Criteria:* OMB Circular A-133 establishes certain requirements for non-Federal entities that expend Federal awards. For example, the County is required to “maintain internal control over Federal programs that provides reasonable assurance that the [County] is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs”.

*Effect:* Although our audit procedures did not reveal any payments to ineligible individuals, funding through the Foster Care and Adoption IV-E programs could be paid out to ineligible individuals as a result of inadequate controls.

*Cause:* It appears that program management is aware of the importance of the necessity for review controls over the eligibility determination process, as management currently has a case file quality control review process in place. However, program management was not aware of documentation requirements which support sound control procedures, as this process is not formally documented.

*Recommendation:* The County should strengthen its control process over the review of eligibility determinations to include formal documentation of case files reviewed during the quality control review process. Specifically, such documentation should include how the percentage of cases were selected for review, the date of review, results of the review, and be initialed by the reviewer.

*Views of responsible officials and planned corrective actions:* See page 178.



# Department of Family Services

121 S Martin Luther King Blvd • Las Vegas NV 89106-4309  
(702) 455-7200 • Fax (702) 385-2999 • Hotline (702) 399-0081

Thomas D. Morton, Director • Lisa Ruiz Lee, Assistant Director • Paula Hammack, Assistant Director

March 8, 2011

Kafoury, Armstrong & Co  
1700 West Sunset Road, Suite 210  
Las Vegas, NV 89113

Subject: Title IV-E Foster Care and Adoption Assistance Program – Audit Findings

The Department of Family Services has reviewed and completed the items addressed during the subject audit. Responses to those findings are as follows:

**Finding 2010-5** – It was reported that there is no documentation to support supervisory review and approval of eligibility determination under the Foster Care and Adoption IV-E programs. Although none of the sample case files revealed any payments to ineligible individuals, Auditors felt there could be Foster Care and Adoption IV-E funding made to ineligible individuals as a result of inadequate controls.

Corrective Action – Currently a random sample of 10 IV-E case reviews for each eligibility worker is completed at least on a quarterly basis. The reviewer completes the IV-E Determination Worksheet for each case reviewed that includes the review month, findings and signature of reviewer. Supervisor provides oversight of all case reviews and verifies compliance with Title IV-E Federal and State policies and procedures. The procedure has been revised so that the Determination Worksheet of each of the cases reviewed will be kept in a central file for future audits.

If you have any questions concerning this response please contact Ceci Benitez at (702) 455-1933.

Sincerely,

Thomas Morton  
Director  
Department of Family Services

cc: Mark Gammet  
Julie Mondroski

**CLARK COUNTY, NEVADA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
JUNE 30, 2010**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
PASSED THROUGH NEVADA DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Questioned  
Costs**

2010-6 Foster Care Title IV-E – CFDA No. 93.658; Adoption Assistance Title IV-E – CFDA No. 93.659; all grant numbers and grant periods reported for this CFDA on the schedule of expenditures of federal awards.

*Condition:* Our testing of two of the four quarterly Title IV-E Foster Care and Adoption Assistance Financial Reports revealed that the County’s internal control over the review of the reports was ineffective. Specifically, numerous formula errors were noted in the report computations, which the review control did not identify prior to submission to the grantor.

*Criteria:* OMB Circular A-133 establishes certain requirements for non-Federal entities that expend Federal awards. For example, the County is required to “maintain internal control over Federal programs that provides reasonable assurance that the [County] is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs”.

*Effect:* Our audit testing revealed that formula errors in the two quarters tested resulted in an overstatement of costs in the cost pool of \$87,236. This amount reduced further by the Federal reimbursement percentage yielded an over-reimbursement from the grantor of \$43,618, as this amount was not related to actual costs. \$ 43,618

*Cause:* It appears that there was ineffective management oversight over the reporting compliance requirement, as there was a lack of adequate review of the Title IV-E Foster Care and Adoption Assistance Financial Reports prior to their submission to the grantor.

*Recommendation:* The County should strengthen its procedures over the review processes of the quarterly reports for the Foster Care and Adoption Title IV-E program.

*Views of responsible officials and planned corrective actions:* See pages 180-182.



# Department of Family Services

121 S Martin Luther King Blvd • Las Vegas NV 89106-4309  
(702) 455-7200 • Fax (702) 385-2999 • Hotline (702) 399-0081

Thomas D. Morton, Director • Lisa Ruiz Lee, Assistant Director • Paula Hammack, Assistant Director

March 8, 2011

Kafoury, Armstrong & Co  
1700 West Sunset Road, Suite 210  
Las Vegas, NV 89113

Subject: Title IV-E Foster Care and Adoption Assistance Program – Audit Findings

The Department of Family Services has reviewed and completed the items addressed during the subject audit. Responses to those findings are as follows:

**Finding 2010-6** – It was reported that spreadsheet formula errors were identified for two (2) quarters which resulted in an over-reimbursement from the grantor in the amount of \$43,618. The findings noted ineffective management oversight over the reporting compliance requirements as there was a lack of adequate review of the Title IV-E Foster Care and Adoption Assistance Reports prior to their submission to grantor.

Corrective Action – The existing process for preparation of the Title IV-E Foster Care and Adoption Assistance Financial Reports necessitates a reconciliation of quarterly period expenditures balanced with general ledger expense transactions recorded in the County's Financial System, SAP.

This reconciliation process is the first part in verifying appropriate expenditures are billed to federal programs accurately, and this task is performed by the IV-E Financial Analyst.

A concurrent reconciliation and review procedure will be implemented and completed by a Financial Analyst experienced with IV-E Financial Reporting. The Financial Analyst will verify all expenditures are reported accurately on the Title IV-E Foster Care and Adoption Assistance Financial Reports and balance general ledger expense transactions recorded in the County's Financial System, SAP for the quarterly reporting period.

In addition, the spreadsheets utilized to calculate and export data for the IV-E Financial Reports will be updated by creating specific formulas that will not allow duplicate entries and exporting inaccurate data. Upon completion of the review, the Department of Family Services Fiscal Designee will sign the request.

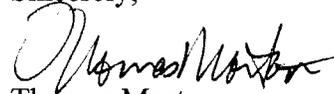
Federal program guidelines do not specify a deadline for refunding over-reimbursements; however, the over-reimbursement amount (\$43,618) will be processed as a prior-quarter adjustment on the FY 11(March- 3<sup>rd</sup> quarter) Title IV-E Foster Care and Adoption Assistance Financial Report.

Attached is a checklist that will be used to review and reconcile the IV-E Foster Care and Adoption Assistance Financial Reports. This tool provides specific data and guidelines for review to ensure accurate financial data is reported on a quarterly basis.

Please note the Kafoury staff discussed calculation and spreadsheet errors identified in the prior Fiscal Year 09 review with Financial Analysts; however, this issue was not addressed in writing or verbally to their immediate supervisor in Fiscal Year 09.

If you have any questions concerning this response please contact Julie Mondroski at (702) 455-1720.

Sincerely,



Thomas Morton

Director

Department of Family Services

cc: Mark Gammet  
Julie Mondroski

Attachments:

Title IV-E Foster Care and Adoption Assistance Financial Reports  
Fiscal Review and Reconciliation Checklist

**Clark County Department of Family Services**  
 Review Check List For Quarterly Claim  
 Supporting Documents and Invoices

For Quarter Ending January 2011

Other SAP Verify Formulas Verify Links Verify Links  
 Source Document Source Document in worksheet between to worksheet C to Worksheet D  
 to worksheet to worksheet spreadsheets

1	Part 1 - IVE CB-496: Foster Care and Adoptions Claim						
	1-1	IVE Foster Care Reimbursement Report for Fund Split					
	1-2	IVE Foster Care DCFS Claim Report for current quarter					
	1-3	IVE Adoption Claim DCFS Report					
	1-4	IVE Adoption Claim Detail with Non-Recurring					
	1-5	Non-Recurring Payment Detail					
2	Part 2 - IVE CB-496: Foster Care and Adoptions Claim						
	2-1	In Home Case Load Reports					
3	IVE Claim Invoices for Funding Split: County and State Budgets						
	3-1	IVE Claim Funding Split invoices for Clark County Funding					
	3-2	IVE Claim Funding Split invoices for Clark County Integration Funding					
<b>Cost Allocation Plan Calculation Worksheets</b>							
A	Claim Calculation Worksheet						
	A-1	Claim Calculation Worksheet: Integration Budget					
	A-2	Claim Calculation Worksheet: Clark Budget					
	A-3	Matrix Balancing					
	A-4	YNP Foster Care Eligibility Ratio					
	A-5	YNP Adoptions Eligibility Ratio					
B	Random Moment Study Results						
C	Summary of Cost in Cost Pool						
	C-1	Integration Cost Pool Summary					
	C-2	Clark County Cost Pool Summary					
D	Summary of Department Costs						
E	Adoptions staff, Licensing and Recruitment and Training 2370-1250813						
F	Direct Support Staff for Visitation, Transition and Stabilization units (1010-1250820000)						
G	Shelter: Child Haven						
	G-1	Visitation Staff (formerly Community Based Shelter Home)					
	G-2	Medical Case					
H	Permanency (Foster Care) 2370-1250815						
	H - 1	Travel					
	H - 2	Lease					
I	Child Protective Services (1010-1250816)						
J	Specialize Services (2370-1250817)						
	J-1	Disallowed Nurses Integration (2370-1250817)					
	J-2	Clinical backup					
K	CPS, Hotline, Specialty Units, Nurses for Child Haven						
	K-1	Disallowed Nurses Child Haven (1010-1250818)					
L	Administration (1250811)						
	L-1	Eligibility Cost Summary					
	L-2	SACWIC					
	L-3	Fingerprinting					
	L-4	Training Sal Backup					
M	Administration (1010-1250812)						
	M-1	SACWIC					
	M-2	CPS Staff 2300-1250812 and 816					
	M-3	Add to Eligibility Direct Cost					
	M-4	Fingerprinting					
N	County Funded Positions (2370-1250822000)						
O	District Attorney Integration (2370-1150819000)						
P	Grant Unallowable Various (2030-1250812-18)						
Q	Leases Paid By County On Behalf of DFS						
R	Detail for general Ledger line items for Professional Services						
S	Indirect Cost						

Sources:  
 Clark County General Ledger System SAP

**CLARK COUNTY, NEVADA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
JUNE 30, 2010**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
PASSED THROUGH NEVADA DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Questioned  
Costs**

2010-7      Chafee Independent Living Program (Chafee) – CFDA No. 93.674; Grant No. - CH3145/32-SFY08-10-018;

*Condition:* Our testing revealed that \$109,093 in “integration” expenditures charged to the grant were not properly reviewed and approved by program management as being for allowed activities and allowed costs under the grant.

*Criteria:* OMB Circular A-133 establishes certain requirements for non-Federal entities that expend Federal awards. For example, the County is required to “maintain internal control over Federal programs that provides reasonable assurance that the [County] is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs”.

*Effect:* Included in the “integration” expenditures were amounts paid to participants for independent living assistance. The room and board portion of this assistance is allowable only to participants who are over the age of 18. The total room and board assistance paid to participants who were under the age of 18 during the year totaled \$8,316. Additional unallowed expenditures could have been charged to the grant as a result of inadequate controls.

*Cause:* Controls are not in place to ensure that all expenditures charged to the grant are for allowable activities and are allowable costs.

*Recommendation:* The County should strengthen its controls over the review and approval of all expenditures charged to the grant to ensure compliance with the Chafee program.

*Views of responsible officials and planned corrective actions:* See page 184.



# Department of Family Services

121 S Martin Luther King Blvd • Las Vegas NV 89106-4309  
(702) 455-7200 • Fax (702) 385-2999 • Hotline (702) 399-0081

Thomas D. Morton, Director • Lisa Ruiz Lee, Assistant Director • Paula Hammack, Assistant Director

March 8, 2011

Kafoury, Armstrong & Co  
1700 West Sunset Road, Suite 210  
Las Vegas, NV 89113

Subject: Chafee Independent Living Program – Audit Findings

The Department of Family Services has reviewed and completed the items addressed during the subject audit. Responses to those findings are as follows:

**Finding 2010-7** It was noted that \$109,093 in Chafee Independent Living Program “integration” expenditures charged to the grant were not properly reviewed and approved by program management. The room and board portion of this assistance is allowable only to participants who are over the age of 18. The total room and board assistance paid to participants under the age of 18 during the year totaled \$8,316.

Corrective Action –

The Child Welfare Integration Budget Fund 2370 includes \$109,093 from federal Chafee funds allocated for eligible Chafee expenses. The Chafee Federal Guidelines designate 30% of funding for room and board expenses for youth 18 and over.

The financial analyst provided incorrect back-up documentation supporting the \$109,093 room and board expenses prior to supervisory review and approval to Kafoury audit team. The Fiscal Supervisor identified the error early in the review process and requested the Kafoury audit team allow Fiscal Supervisor to re-submit accurate back-up documentation. The request was denied.

During the period, July 1, 2009 – June 30, 2010, the Department of Family Services paid \$491,552 for room and board expenses for 81 youth (18 and over). The correct report was easily available identifying room and board expenses totaling over \$109,093 for youth 18 and over.

As part of the corrective action plan, Fiscal Supervisor will review and sign off on Chafee Requests for Reimbursement funded through the Child Welfare Integration Fund 2370.

If you have any questions concerning this response please contact Julie Mondroski at (702) 455-1720.

Sincerely,

Thomas Morton

Director

Department of Family Services

cc: Mark Gammet  
Julie Mondroski

BOARD OF COUNTY COMMISSIONERS  
SUSAN BRAGER, Chairman • STEVE SISOLAK, Vice Chair  
TOM COLLINS • LARRY BROWN • LAWRENCE WEEKLY • CHRIS GIUNCHIGLIANI • MARY BETH SCOW  
DON BURNETTE, County Manager

**CLARK COUNTY, NEVADA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2010**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**PASSED THROUGH NEVADA DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Questioned  
Costs**

2010-8      Chafee Independent Living Program (Chafee) – CFDA No. 93.674; Grant No. - CH3145/32-SFY08-10-018;

*Condition:* A sample of 5 reports from a total of 12 Monthly Financial Status and Request for Funds Reports filed during the year was selected for testing. Our tests disclosed that incorrect current period expenditures were reported on all of the reports tested, which resulted in improperly calculated requests for funds. In addition, requests for funds on 3 reports tested did not properly take into consideration advance funds requested and received.

*Criteria:* Required reports for Federal awards should include all activity of the reporting period, be supported by applicable accounting or performance records, and be fairly presented in accordance with program requirements. In addition, OMB Circular A-133 establishes certain requirements for non-Federal entities that expend Federal awards. For example, the County is required to “maintain internal control over Federal programs that provides reasonable assurance that the [County] is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs”.

*Effect:* Total grant outlays (grant expenditures) were improperly reported to the grantor throughout the year. In addition, although total funding received from the grantor did not exceed total grant outlays as of year end, requests for funds were improperly calculated throughout the year.

*Cause:* It appears that there was ineffective management oversight over the reporting and cash management compliance requirements, as there was a lack of adequate review of the Monthly Financial Status and Request for Funds Report prior to submission to the grantor.

*Recommendation:* The County should strengthen its controls over the review and approval of the preparation of the Monthly Financial Status and Request for Funds Report.

*Views of responsible officials and planned corrective actions:* See page 186.



# Department of Family Services

121 S Martin Luther King Blvd • Las Vegas NV 89106-4309  
(702) 455-7200 • Fax (702) 385-2999 • Hotline (702) 399-0081

Thomas D. Morton, Director • Lisa Ruiz Lee, Assistant Director • Paula Hammack, Assistant Director

March 8, 2011

Kafoury, Armstrong & Co  
1700 West Sunset Road, Suite 210  
Las Vegas, NV 89113

Subject: Chafee Independent Living Program – Audit Findings

The Department of Family Services has reviewed and completed the items addressed during the subject audit. Responses to those findings are as follows:

**Finding 2010-8** It was reported that Monthly Financial Status and Request for Funds Reports detailed incorrect current period expenditures resulting in improperly calculated request for funds. In addition, three (3) reports did not properly take into consideration advance funds requested and received. The finding indicated ineffective management oversight over the reporting and cash management compliance requirements due to inadequate review prior to submission to grantor.

Corrective Action – The existing process for preparation of Monthly Financial Status and Monthly Financial Status and Request for Fund reports necessitates a reconciliation of current period expenditures specified on the Monthly Financial Status and Request for Funds balanced with general ledger expense transactions recorded in the County's Financial System SAP.

This reconciliation process is the first part in verifying appropriate expenditures are billed to grantor, and this task is performed by the Chafee Grant Accountant.

A concurrent reconciliation and review procedure will be implemented and completed by a designated Financial Analyst in the DFS Fiscal Unit. The Financial Analyst will verify all expenditures are reported accurately on the Monthly Financial Status and Request for Funds and balance with general ledger expense transactions recorded in the County's Financial System, SAP for the reporting period. Upon completion of the review, the Department of Family Services Fiscal Designee will sign the request.

The cash advance issue presented as an accounting error. The additional reconciliation and review procedures detailed above are now in place; therefore, accounting errors will be identified and corrected prior to submission to grantor. In addition, the Department of Family Services will develop and implement a cash advance policy .

If you have any questions concerning this response please contact Julie Mondroski at (702) 455-1720.

Sincerely,

Thomas Morton  
Director  
Department of Family Services

cc: Mark Gammet  
Julie Mondroski

**CLARK COUNTY, NEVADA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
JUNE 30, 2010**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Questioned  
Costs**

2010-9      HIV Emergency Relief Grant – CFDA No. 93.914; Grant Award Nos. 2H89HA06900-05-00, 5H3MHA08430-03-00, 2H89HA06900-04-00 and 5H3MHA08430-02-00

*Condition:* The County did not sufficiently monitor the women, infants, children, and youth (WICY) earmarking compliance requirement specific to the HIV Emergency Relief Grant. In calculating the earmarking requirement specific to WICY, program personnel did not track actual expenditures (as required by the grant), but instead calculated an average cost per participant. This average cost was then applied to the WICY population in determining whether the earmark requirement was achieved. The County had a similar finding over WICY earmarking compliance during the fiscal year 2009 audit.

*Criteria:* The OMB Circular A-133 Compliance Supplement (dated June 2010), lists specific earmarking compliance requirements for the HIV Emergency Relief Grant. The County should have controls in place for monitoring expenditures under this grant in order to provide reasonable assurance that the earmarking requirements are met using only allowable funds or costs, which are properly calculated and valued.

*Effect:* Without proper controls in place, the County has a higher risk of noncompliance with the WICY earmarking requirement for this grant.

*Cause:* The grant year on which the earmarking calculation was performed by the County during fiscal year 2010 ended prior to the date when the County received results from the 2009 audit. Therefore, procedures to correct the finding could not have been implemented to remediate the current year finding. However, it appears that there was still ineffective management oversight over the WICY earmarking compliance requirement during the year, as no further action to correct the noted deficiency had been taken by the County.

*Recommendation:* The County should strengthen management oversight of the HIV Emergency Relief Grant WICY earmarking compliance requirement.

*Views of responsible officials and planned corrective actions:* See pages 190-191.

**CLARK COUNTY, NEVADA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2010**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Questioned  
Costs**

2010-10      HIV Emergency Relief Grant – CFDA No. 93.914; Grant Award Nos. 2H89HA06900-04-00 and 2H89HA06900-05-00

*Condition:* During the year under audit, we noted that the County did not perform some of the required compliance and monitoring procedures for its subrecipients under this federal grant. Specifically, during the current year, the County did not monitor its subrecipients to verify that they were following Federal procurement requirements regarding not doing business with suspended and debarred parties. Also, we tested the County's compliance with obtaining subrecipient audit reports and taking corrective action and noted that there are no procedures in place to verify subrecipient audits were completed within the required timeframe and that 5 out of 7 subrecipient audit reports were not reviewed by the County timely. Specifically, the County issued audit response letters for those 5 subrecipients between seven and ten months after the subrecipient audit report dates. The County had a similar finding over subrecipient monitoring compliance during the fiscal year 2009 audit.

*Criteria:* The County is required to monitor its subrecipients' compliance with the applicable Federal award information and compliance requirements. Additionally, per the OMB Circular A-133 Compliance Supplement (dated June 2010), the County must "1) ensure that subrecipients...have met the audit requirements of OMB Circular A-133 and that the required audits are completed within 9 months of the subrecipient's audit period; 2) issue a management decision on audit findings within 6 months after receipt of the subrecipient's audit report; and 3) ensure that the subrecipient takes timely and appropriate corrective action on all audit findings."

*Effect:* The County is in material noncompliance with the Federal subrecipient monitoring requirements for the HIV Emergency Relief Grant.

*Cause:* Although the County has improved its procedures over subrecipient monitoring over the prior year, it appears that there was still ineffective management oversight over the subrecipient compliance requirement, as more timely procedures should be implemented.

*Recommendation:* During 2010, the County improved its procedures over subrecipient monitoring including evaluating subrecipient's audits. The County should enhance internal controls over the HIV Emergency Relief Grant to include procedures to verify subrecipient audits are completed within the 9 month timeframe, audit reports are received and reviewed timely, and responses issued promptly within the 6 month timeframe.

*Views of responsible officials and planned corrective actions:* See pages 190-191.

**CLARK COUNTY, NEVADA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
JUNE 30, 2010**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Questioned  
Costs**

2010-11      HIV Emergency Relief Grant – CFDA No. 93.914; all grant numbers and grant periods reported for this CFDA on the schedule of expenditures of federal awards.

*Condition:* We tested all of the quarterly Federal Financial Reports (SF-425 and SF-425A) required under the grant for compliance with Federal requirements. Our tests disclosed that while the County properly reported the cumulative federal cash disbursements through the report date for multiple grants on form SF-425A, the County incorrectly reported cash receipts and cash disbursements on the SF-425 by using quarterly totals instead of the required cumulative totals.

*Criteria:* Required reports for Federal awards should include all activity of the reporting period, be supported by applicable accounting or performance records, and be fairly presented in accordance with program requirements. Specifically, the instructions for the SF-425 indicate that reported cash receipts should equal “the cumulative amount of actual cash received from the Federal agency as of the reporting period end date” and that reported cash disbursements should equal “the cumulative amount of Federal fund disbursements as of the reporting period end date.”

*Effect:* Total grant receipts and outlays (grant expenditures) are improperly reported to the grantor.

*Cause:* It appears that the Department of Health and Human Services Payment Management System utilized by the County to produce the Federal Financial Reports incorrectly populates the cumulative totals as required on SF-425 based on information entered by the County.

*Recommendation:* The County should work with the Department of Health and Human Services to develop appropriate procedures to ensure compliance with OMB reporting requirements under the HIV Emergency Relief Grant.

*Views of responsible officials and planned corrective actions:* See pages 190-191.



# Department of Social Service

## Tim Burch, Interim Director

Bobby J. Gordon, Acting Assistant Director • Sandy Jeantete, Assistant Director  
1600 Pinto Lane • Las Vegas NV 89106 • (702) 455-4270 • Fax (702) 455-5950

March 8, 2011

Kafoury, Armstrong & Co.  
8329 West Sunset Road, Suite 210  
Las Vegas, Nevada 89113

The audit findings for the Ryan White Part A program for the year ending June 30, 2010 have been reviewed by Department management and the administrator of the Ryan White program. Below are our responses:

In reference to Finding 2010-9

**Corrective Action:** In response to this finding, staff will work with the federal funding agent to identify and implement a reporting methodology that satisfy the federal reporting requirement as it relates to services provided and funding expended on WICY clients. This will at a minimum required monthly report generation of services provided to WICY clients, with an eye to the previously submitted federal statistics related to WICY (Actual statistics related to the WICY percentages to be met are released to the jurisdiction three months prior to the close of the federal grant year). Additional contract language will also need to be included in provider contracts related to the financial reporting of services provided to WICY clients.

In reference to Finding 2010-10

**Corrective Action:** In response to this finding, staff have developed and implemented more stringent compliance and monitoring procedures that cover both doing business with suspended and barred parties and OMB A-133 audit requirements. Specifically, staff check the EPLS (Excluded Parties List System) for each contracted provider annually prior to the beginning of the new contract year. Additionally, staff communicate to all providers the policy regarding the requirement that they check all their providers against the EPLS as needed and appropriate. Staff have also implemented a procedure that ensure that all provider A-133 audits are submitted, reviewed and any required management action is taken upon submission of the provider audit. Provider contract language will be updated to include relevant timeframes for submission and the staff procedure will be revised to reflect grantee required timeframes.

#### BOARD OF COUNTY COMMISSIONERS

Susan Brager, Chair • Steve Sisolak, Vice-Chair  
Lawrence L. Brown III • Tom Collins • Chris Giunchigilani • Mary Beth Scow • Lawrence Weekly  
Donald G. Brunette, County Manager

In reference to Finding 2010-11

Corrective Action:

In response to this finding, the Federal Financial Report (SF425) and Federal Financial Report Attachment (SF425A) forms appear to be completed correctly. The SF425A provides the cumulative totals for the grants while the SF425 provides the quarterly amounts. The total on the final line of the SF425A is auto calculated based on the cumulative totals provided for the Grants and generates a quarterly disbursement amount which must correspond to line 10b on the SF425, which is auto populated. Since the SF425 auto populates with quarterly amounts and the SF425A provides the cumulative totals, we do not see any other way to accurately complete the forms.

Please do not hesitate to contact our office if you have questions related to this correspondence.

Tim Burch  
Interim Director

A handwritten signature in black ink, appearing to be 'Tim Burch', written over a horizontal line. The signature is stylized with a large, sweeping initial 'T' and 'B'.

**CLARK COUNTY, NEVADA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2010**

**DEPARTMENT OF HOMELAND SECURITY**  
**PASSED THROUGH NEVADA DEPARTMENT OF PUBLIC SAFETY**

**Questioned  
Costs**

2010-12      Emergency Management Performance Grant – CFDA No. 97.042; all grant numbers and grant periods reported for this CFDA on the schedule of expenditures of federal awards.

*Condition:* During 2010, documentation is poor and internal controls are weak in relation to the activities, allowable costs, matching criteria, period of availability, cash management, and reporting requirements for this grant. Grant personnel could not specifically identify how employee time spent and charged to the grant related to the EMPG work plans (as required by the grant). Additionally, for those employees working on activities other than those supported by the Emergency Management Performance Grant, there were no personnel activity reports to support salaries and wages charged to the grants (both the federal and matching portions). For those employees working solely on the Emergency Management Performance Grant, the required semi-annual certifications from employees or their direct supervisors indicating that 100% of the time was spent on the Emergency Management Performance Grant were not completed. Also, the quarterly financial reports submitted were not supported by a general ledger. The County had a similar finding over compliance with this program during the fiscal year 2009 audit.

Subsequent to June 30, 2010, the County established procedures to obtain semi-annual certifications of employees charged 100% to the grant and established a certification for employees not charged 100% to the grant. Also, management established procedures to gather payroll cost by employee from the County's SAP system. Also, management has established review and approval procedures over the quarterly financial reporting.

*Criteria:* The County should have controls in place to provide reasonable assurance that Federal awards are expended only for allowable activities and that the costs of goods and services charged to Federal awards are allowable and in accordance with the applicable costs principles.

OMB Circular A-133 establishes certain requirements for non-Federal entities that expend Federal awards. For example, the County is required to "maintain internal control over Federal programs that provides reasonable assurance that the [County] is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs". Additionally, the County should "identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received," and the County should "comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs."

OMB Circular A-87 requires semi-annual certifications (at a minimum) where employees are expected to work solely on a single Federal award or cost objective and personnel activity reports (or equivalent documentation) where employees work on multiple activities or cost objectives.

**CLARK COUNTY, NEVADA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2010**

*Effect:* We are questioning all costs charged to this grant program for the year in the amount of \$516,516. \$ 516,516

*Cause:* During 2010, there was ineffective management oversight over the Emergency Management Performance Grant, and it appears that no written policies and procedures have been established to ensure that this grant is administered in accordance with Federal requirements.

*Recommendation:* Subsequent to June 30, 2010, the County established internal controls over the employee certifications and over the quarterly financial reporting requirements. Also, monitoring procedures have been enhanced as they related to reviewing and approving updates to quarterly financial reports. The County's SAP system is used to obtain the payroll cost for the grant.

The County should strengthen management oversight of the Emergency Management Performance grant and establish policies and procedures for properly administering the grant. Specifically, these procedures should include utilizing the County's SAP system to properly track all grant expenditures as well as establishing personnel activity reports to document actual time spent toward achievement of the workplan objectives of the grant. Management oversight procedures also need to be strengthened, such as monitoring progress of the workplan objectives and reviewing and approving updates to the annual workplans as well as the personnel activity reports.

*Views of responsible officials and planned corrective actions:* See pages 195-198.

**CLARK COUNTY, NEVADA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2010**

**DEPARTMENT OF HOMELAND SECURITY**  
**PASSED THROUGH NEVADA DEPARTMENT OF PUBLIC SAFETY**

**Questioned  
Costs**

2010-13      Homeland Security Cluster – CFDA No. 97.067; Grant Nos. 97067CL6, 97067CL8, 97067CL9, 97067U06, 97067U07, 97067U08, 97067U09, 97067HL6, 97067HL8, and 1155507

*Condition:* The County paid \$1,784,991 to its 4 subrecipients under the Homeland Security Cluster during the year. We noted that the County did not perform some of the required compliance and monitoring procedures for these subrecipients under this federal grant. Specifically, during the current year, the County did not monitor its subrecipients' compliance with the Federal procurement requirements regarding not doing business with suspended and debarred parties. Also, we tested 1 of the 4 subrecipients for compliance with obtaining subrecipient audit reports and taking corrective action and noted that current audit reports were not obtained. Additionally, assets purchased by subrecipients were not monitored to ensure required physical inventories were being performed or, in the case of asset dispositions, that the equipment was disposed of in accordance with Federal requirements. The County had a similar finding over subrecipient monitoring compliance during the fiscal year 2009 audit.

*Criteria:* The County is required to identify to its subrecipients the applicable Federal award information and compliance requirements. Additionally, the County must monitor subrecipient activities, determine that subrecipient audit findings are resolved, and evaluate the impact on the County of any subrecipient noncompliance.

*Effect:* Without effective monitoring procedures in place, the County increases its risk of noncompliance with Federal compliance requirements.

*Cause:* It appears that there was ineffective management oversight over the subrecipient monitoring compliance requirement for the Homeland Security Cluster.

*Recommendation:* The County should establish written policies and procedures for monitoring subrecipients of the Homeland Security Cluster. Specifically, these written procedures should incorporate monitoring for suspension and debarment, obtaining annual audit reports and developing responses to findings noted as well as proper follow-up procedures, and monitoring all equipment purchased with Federal funds for proper inventorying and disposition.

*Views of responsible officials and planned corrective actions:* See pages 195-198.



## Clark County Local Emergency Planning Committee

March 03, 2011

Kafoury, Armstrong & Co.  
8329 West Sunset Road, Suite 210  
Las Vegas, NV 89113

Dear Sir or Madam:

Our office has reviewed the findings from the year ending June 30, 2010 Emergency Management Performance Grant and Homeland Security Grant Program Cluster audit. Below are the responses to the two audit findings:

In reference to Finding 2010-12

Conditions: **Documentation is poor and internal controls are weak in relation to the activities, allowable costs, matching criteria, and reporting requirements for this grant. Grant personnel could not specifically identify how employee time spent and charged to the grant related to the EMPG work plans (as required by the grant). Additionally, for those employees working on activities other than those supported by the Emergency Management Performance Grant, there were no personnel activity reports to support salaries and wages charged to the grants (both the federal and matching portions). For those employees working solely on the Emergency Management Performance Grant, the required semi-annual certifications from employees or their direct supervisors indicating that 100% of the time was spent on the Emergency Management Performance Grant were not**

**completed. Also, the quarterly financial reports submitted were not supported by a general ledger. The County had a similar finding over compliance with this program during the fiscal year 2009 audit.**

**Subsequent to June 30, 2010, the County established procedures to obtain semi annual certifications of employees charged 100% to the grant and established a certification for employees not charged 100% to the grant. Also, management established procedures to gather payroll cost by employee from the County's SAP system. Also, management has established review and approval procedures over the quarterly financial reporting.**

Corrective Action: The Clark County Office of Emergency Management and Homeland Security (CCOEMHS) recognizes there are two different funding sources available for reimbursement of personnel and operation expenses. Homeland Security is a function of Emergency Management and all work performed is Emergency Management based. The CCOEMHS conducted a Time Analysis of each FTE position funded under the EMPG grant in order to directly link each function performed and time allocated under the grant. This "timesheet" is given to our payroll department in order to ensure all FTE grant paid employees are paid in accordance to the grant cluster they worked on.

The CCOEMHS has engaged both the Budget and Comptrollers offices in an effort to produce reports and documentation that support the Quarterly Financial Report. Files are maintained which include each years EMPG Guidance, for grant administration, allowable costs and levels of approval for all expenditures under the grant. Also included within this file are the Semi-Annual Payroll Certification Forms, signed by each of the FTE's paid at 100% by the EMPG grant in order to comply with federal requirements OMB Circular A-87.

Approved work plans will be reviewed quarterly to ensure each staff member is working within the plan as outlined in the annual application.

#### Finding 2010-13

##### Conditions:

**The County paid \$1,784,991 to its four (4) sub recipient's under the Homeland Security Grant Program Cluster during the year. We noted that the County did not perform some of the required compliance and**

**monitoring procedures for these sub recipients under this federal grant. Specifically, during the current year, the County did not monitor its sub recipients compliance with the Federal procurement requirements regarding not doing business with suspended and debarred parties. Also, we tested 1 of the 4 sub recipients for compliance with obtaining sub recipients audit reports and taking corrective action and noted that current audit reports were not obtained. Additionally, assets purchased by sub recipients were not monitored to ensure required physical inventories were being performed or, in the case of asset dispositions that the equipment was disposed of in accordance with Federal requirements. The County had a similar finding over sub recipient monitoring compliance during the fiscal year 2009 audit.**

Corrective Actions: As stated in all Interlocal Agreements, which are distributed upon approval to each sub recipient, under Federal Certification Item 2 Titled DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS, each sub recipient is advised of the requirements relative to Debarment and Suspension as required by Executive Order 12549 and implemented at 28 CFR Part 67 section 67.510.

In 2008, our office instituted corrective actions to sub recipients requesting audit findings and equipment inventory to remain in compliance with OMB circular A-133. However, it is entirely up to the sub recipient to provide to our office the requested information. Sub recipients agree to these terms by signing the interlocal contract thereby, authorizing them to purchase only grant approved equipment. Clark County itself is a sub recipient of subject funds. These funds are primarily administered at the State level. The County's sub recipients are reminded to submit equipment inventory sheets as well as any audit reports through quarterly report reminders. Although this information is requested quarterly as well as required in the signed interlocal agreement, information is often submitted intermittently. Any purchase requests made through our office requires verification of the receipt of goods prior to paying the invoice. Purchased equipment, \$5000.00 and over, is tagged and inventoried by the sub recipient. Reimbursements are issued to sub recipients only on grant-authorized equipment from the

Department of Homeland Security Authorized Equipment  
List (AEL).

Should you have any questions, please feel free to contact our office at (702) 455-5710.

Sincerely,

A handwritten signature in black ink, appearing to read "Irene Navis". The signature is written in a cursive style with a large initial "I".

Irene Navis  
Division Manager

**CLARK COUNTY, NEVADA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
JUNE 30, 2010**

**DEPARTMENT OF TRANSPORTATION  
PASSED THROUGH NEVADA DEPARTMENT OF TRANSPORTATION**

**Questioned  
Costs**

2010-14 Highway Planning and Construction Cluster – CFDA No. 20.205; Grant No. PR185-08-083

*Condition:* The County did not obtain required payroll certifications per OMB A-87 for employees who charged their salaries and wages to the grant during the year.

In addition, our testing revealed that indirect payroll rates were charged to the grant over and above the actual employee hourly rate. Indirect costs are not an allowed cost under the grant.

*Criteria:* For employees who work on multiple activities or cost objectives, OMB A-87 requires a “distribution of their salaries or wages supported by personnel activity reports or equivalent documentation which must a) reflect an after-the-fact distribution of the actual activity of each employee, b) account for the total activity for which each employee is compensated, c) be prepared at least monthly and coincide with one or more pay periods, and d) they must be signed by the employee”.

In addition, OMB Circular A-133 establishes certain requirements for non-Federal entities that expend Federal awards. For example, the County is required to “maintain internal control over Federal programs that provides reasonable assurance that the [County] is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs”.

Additionally, per review of the grant agreement, indirect costs are not an allowed cost under the grant.

*Effect:* The County is not in compliance with Federal requirements for supporting salaries and wages charged to the grant. During the year, ended June 30, 2010, the County charged approximately \$47,200 of unallowable indirect payroll costs to the grant. \$ 47,200

*Cause:* It appears that there was ineffective management oversight over the allowable costs/cost principles requirement.

*Recommendation:* The County should establish written policies and procedures for obtaining the required payroll certifications under OMB A-87. In addition, the County should strengthen controls over the payroll reporting process under the grant to include timely review and approval of payroll charges. Also, if the County believes that an indirect cost charge for payroll is appropriate, they must submit the indirect cost rate to the grantor for prior approval.

*Views of responsible officials and planned corrective actions:* See page 201.

**CLARK COUNTY, NEVADA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2010**

**DEPARTMENT OF TRANSPORTATION**  
**PASSED THROUGH NEVADA DEPARTMENT OF TRANSPORTATION**

**Questioned  
Costs**

2010-15 Highway Planning and Construction Cluster – CFDA No. 20.205; Grant Nos. PR185-08-083; P211-09-063

*Condition:* We tested ten reimbursement requests submitted by the County during the year and our tests disclosed that four of the reimbursement requests included construction retention amounts totaling \$90,216 which were not yet paid by the County. Since the County is paid under these grant contracts on a reimbursement basis, the retention was not yet eligible for reimbursement.

*Criteria:* OMB Circular A-133 establishes certain requirements for non-Federal entities that expend Federal awards. For example, the County is required to “maintain internal control over Federal programs that provides reasonable assurance that the [County] is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs”.

*Effect:* Although subsequently corrected, improper reimbursement requests were submitted to the pass-through entity for reimbursement.

*Cause:* It appears that existing controls are not properly designed to ensure that all reimbursement requests are prepared on the reimbursement basis and in compliance with cash management requirements under the grant.

*Recommendation:* The County should strengthen its controls over the review and approval of the preparation of the reimbursement requests.

*Views of responsible officials and planned corrective actions:* See pages 202.



# Department of Public Works

500 S Grand Central Pky • Box 554000 • Las Vegas NV 89155-4000  
(702) 455-6000 • Fax (702) 455-6040

Denis Cederburg, P.E., Director • E-Mail: [dlc@ClarkCountyNV.gov](mailto:dlc@ClarkCountyNV.gov)

March 31, 2011

Kafoury, Armstrong & Co.  
8329 W. Sunset Road, Suite 210  
Las Vegas, NV 89113

## HIGHWAY PLANNING AND CONSTRUCTION CLUSTER – CFDA No 20.205

Our office has reviewed Finding No. 2010-14, concerning Grant No. PR185-08-083 from the year ending June 30, 2010, and provides the following response.

**Condition:** The County did not obtain required payroll certifications per OMB A-87 for employees who charged their salaries and wages to the grant during the year.

In addition, our testing revealed that indirect payroll rates were charged to the grant over and above the actual employee hourly rate. Indirect costs are not an allowed cost under the grant.

**Response:** The Department will review its existing practices and establish written policies and procedures that meet the required payroll certification requirement under OMB A-87. It is the goal of the Department to continue using its existing internal time entry system to capture hours worked for a given project, and consider options and/or enhancements that will fully comply with the payroll certification requirement.

The Department is in agreement that it did not obtain prior approval from the federal agency to incur and seek reimbursement for indirect costs related to this project. Corrective action will be taken to ensure current and future awards are in full compliance with the requirement to prepare and submit an indirect cost rate proposal to the federal agency when deemed appropriate for the project.

Kafoury, Armstrong & Co.

**HIGHWAY PLANNING AND CONSTRUCTION CLUSTER – CFDA No 20.205**

March 31, 2011

Page 2

Our office has reviewed Finding No. 2010-15, concerning Grant No. PR185-08-083 and P211-09-063 from the year ending June 30, 2010, and provides the following response.

Condition: We tested ten reimbursement requests submitted by the County during the year and our tests disclosed that four of the reimbursement requests included construction retention amounts totaling \$90,216.00 which were not yet paid by the County. Since the County is paid under these grant contracts on a reimbursement basis, the retention was not yet eligible for reimbursement.

Response: The Department has strengthened its controls and has taken corrective action, whereby invoices submitted to the federal agency for reimbursement are based on actual payments made to the vendor, and will not include funds held in retention.

Should you have any questions, please feel free to contact Scott Trierweiler at (702) 455-6019.

Sincerely,



Denis Cederburg  
Director of Public Works

DLC:ST:iam

cc: Becky Deuel, Finance Department – Support Services  
Scott Trierweiler, Finance Department – Support Services

**CLARK COUNTY, NEVADA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2010**

See pages 204-219.



# Department of Finance Purchasing and Contracts

500 S Grand Central Pky 4th Fl • Box 551217 • Las Vegas NV 89155-1217  
(702) 455-2897 • Fax (702) 386-4914

George W. Stevens, Chief Financial Officer • Yolanda T. King, Director of Budget & Financial Planning  
Yolanda C. Jones, C.P.M., CPPO, Purchasing Manager

March 9, 2011

Kafoury Armstrong & Co.  
8329 West Sunset Road, Suite 210  
Las Vegas, NV 89113

RE: Finding 2009-1 Corrective Actions Taken

Per your request, the following are the corrective actions that were taken relative to this finding.

#### *Condition*

Specifically, in 4 of the 5 programs, the required verification regarding suspended and debarred parties was not performed.

#### *Corrective Action*

Purchasing practice and policy is to verify that the contractors/suppliers have not been disbarred when Federal funding is applicable. Revision to the process will be to actually print the verification from the website and file a copy in the bid binder to show that this action was taken.

#### *Action Taken*

Policies and procedures were formalized in writing on April 1, 2010, to allow for review for the suspension and debarment verification for all suppliers when Federal procurement requirements exist, which includes the actual verification placed in the file.

#### *Condition*

A fifth program (CDBG-CFDA No. 14.218) did perform verification; however, one debarred party was identified during our testing. The contract was awarded to the debarred party in the amount of \$1,155,685, and the total payments were \$306,950.

#### *Corrective Action*

Revision to the process will be made to require purchasing analysts to search the database via multiple ways, as well as with the DUNS number. Bid form will need to be revised to require the contractor's/suppliers' DUNS number for Federal programs to be provided. In addition,

Purchasing will also use the Debarment Affidavit Form to be completed by contractors when submitting their bid.

*Action Taken*

Policies and procedures were formalized in writing on April 1, 2010, to allow for review for the suspension and debarment verification for all suppliers when Federal procurement requirements exist, which includes the actual verification placed in the file.

Two boilerplates have been established and used for Federal grant or financial assistance agreement procurement requirements, which provides for the request of the DUNS number and Debarment Affidavit Form. In addition, the boilerplates include the procurement flow down clauses, which also includes the Buy American requirements.

*Condition*

Additionally, one program (SNPLMA – CFDA No. 15.235) did not comply with the Buy American Act.

*Corrective Action*

Written grant flow down clauses (or a copy of the grant) will be required to be provided to purchasing when departments administering the grants are requesting the procurements to ensure all are covered, to include debarment and Buy American requirements.

*Action Taken*

Two boilerplates have been established and used for Federal grant or financial assistance agreement procurement requirements, which provides for the request of the DUNS number and Debarment Affidavit Form. In addition, the boilerplates include the procurement flow down clauses, which also includes the Buy American requirement. In addition, effective 01/07/2011, Fiscal Directive No. 6, Section III.F was revised to include Federal procurement procedures and flow down clauses stated in the grant or Federal assistance agreement.

Sincerely,

  
Yolanda C. Jones, C.P.M., CPPO  
Purchasing Manager

cc: Mark Gammet  
Elizabeth Vorce  
George Stevens  
Yolanda King



# Department of Finance

## Community Resources Management

500 S Grand Central Pky 5th Fl • Box 551212 • Las Vegas NV 89155-1212  
(702) 455-5025 • Fax (702) 455-5038

George W. Stevens, Chief Financial Officer • Yolanda King, Director of Budget and Financial Planning  
Michael J. Pawlak, Manager

March 8, 2011

Kafoury, Armstrong & Co.  
8329 West Sunset Road, Suite 210  
Las Vegas, NV 89113

Dear Auditors:

The purpose of this letter is to respond to the findings 2009-1 and 2009-2 identified by the County's external auditors, Kafoury, Armstrong & Co., related to their review of the FY 2008 Community Development Block Grant Program.

### 2009-1

#### **Condition:**

Community Development Block Grant (CDBG-CFDA No. 14.218). The County's Community Resources Management Division performed the required verification of ARS Construction and did not find the company listed on the Excluded Parties List (aka debarred list). ARS did receive a federally funded construction contract in the amount of \$1,155,685. During the audit testing, ARS Construction was found to be on the Excluded Parties List.

#### **Corrective Action:**

1. Alert all County parties administering federally funded contracts of the inadequacies of the Excluded Parties List search capabilities.
2. Implement a redundant process to search the EPLS once after bid opening by the Purchasing Department and again by Community Resources Management Division after contract award.
3. Require contractor to complete a notarized affidavit of non-debarment and include it in the submitted bid documents. A similar document will be required of all subcontractors.
4. In future searches of EPLS we will include and document additional search criteria, including but not limited to, search by DUNS number and Principals.

#### **Background:**

Prior to a contractor's performance of any construction work performed under a federal contract using Community Development Block Grant funding, Community Resources Management (CRM) staff performs a search of the federal database, the Excluded Parties List (EPLS), to ensure that the contractor(s) have not been suspended, debarred or otherwise excluded. With respect to ARS, on January 23, 2009, we received a signed HUD form 4010 from the contractor. This form includes language that the contractor is certifying that no member of its firm is ineligible to be awarded a federally funded contract. On March 26, 2009, CRM staff conducted a search on the EPLS for ARS

Construction Company, the name of the contractor as identified on the Nevada State Contractor's license. The EPLS indicated that the search produced no results, meaning that the contractor was not on the list. County staff documented the search result in the project file.

During the audit a search of the EPLS for ARS Construction Company returned a positive result, indicating that the contractor was debarred. In its review of this item, CRM staff determined that the two searches were not identical. CRM's search used the firm name as identified on the contractor's license which included spacing between the letters, ARS; the auditors spelled ARS without spaces between the letters. A Government Accounting Office report (GAO-09-174) issued in February 2009 identifies numerous inadequacies in the EPLS system, including the type of search errors that occurred in this particular case. CRM staff discussed this issue with the local HUD representative, Roy Porter. He reviewed the information on how we conducted our due diligence and concluded that we had followed appropriate procedures. He concluded that this was an isolated case relative to the volume of contracts managed by CRM and that it was not a systemic problem. Additionally, in that the contractor had performed in accordance with the contract, he did not have further concerns. Mr. Porter recommended that we add additional criteria to our EPLS search protocol, which we have subsequently done.

## **2009-2**

### **Condition:**

In the Schedule of Findings and Questioned Costs for the Year Ended June 30, 2009, the auditors noted that Clark County is required to submit several financial and performance reports for the CDBG grants, including, 1)quarterly cash transaction report; 2)activity summary report; 3)financial summary report; and, 4)performance report. The auditors reported testing each of the reports and noted errors with two of the reports, the financial summary report and the performance report. The financial summary report incorrectly reported the beginning and end of year unexpended balances. The performance report did not capture all of the required contracts to be reported; one contract in the amount of \$526,484 was excluded.

### **Corrective Action:**

1. As a result of HUD's adjustment to its Integrated Disbursement and Information System, the CDBG Financial Summary Report has been corrected.
2. The Section 3 Summary Report has been corrected to include the contract for the Mesquite Senior Center Expansion project, in the amount of \$526,484. The corrected report has since been sent to HUD. Additionally, prior to submission of future reports, our Section 3 compliance staff person will be required to have the report reviewed by our Principal Planner. The Principal Planner will be able to compare the Section 3 Summary Report to the Consolidated Annual Performance Report to ensure all projects have been accurately reported.

**Background:**

1. The CDBG Financial Summary Report (PR26) is an annual financial summary that is a required submission as part of our HUD Consolidated Annual Performance Report (CAPER). This report is generated via HUD's Integrated Disbursement and Information System (IDIS). The error identified by the auditors is a single line entry on that financial summary report which has no material effect on program performance. That line item is used to indicate the balance of funds remaining on hand at the close of the prior fiscal year. This was not an accounting error. We did not underreport the prior year balance but, rather made an error by not completing that line on the report. In previous years, this number was automatically populated by IDIS. During the time that we were preparing the FY 2008 CAPER, HUD was making major changes to IDIS, moving it to a web-based access system. CRM's Principal Planner, who is responsible for writing and submitting the CAPER, noticed that the line item defaulted to zero but was unable to manually input the correct number. She assumed that HUD was aware of the issue and submitted the report as it was generated by IDIS, with a zero in the line. Our local HUD Community Planning and Development representative, Roy Porter, noted the omission in his review of the CAPER but did not believe that the error had any material importance. He contacted our staff, and then confirmed that the data could not be entered manually through IDIS. HUD has since resolved this technical problem so that we can now populate that field in the report ourselves.
2. The auditors stated that the performance report did not capture all of the required contracts to be reported; one contract in the amount of \$526,484 was excluded. We agree that the construction contract for the Mesquite Senior Center Expansion project, in the amount of \$526,484, was omitted from the annual Section 3 Summary Report. However, this report is not the same as, part of or correlated to the CDBG Performance Report. That report is included as Appendix "C" in the CAPER. That report was correct as submitted. The Section 3 Summary Report (form HUD-60002) is a separate report that captures data on economic opportunities for low income persons participating in federally funded construction projects.

I appreciate the effort of the auditors and the thoroughness of their work. HUD programs are notoriously complex with numerous cross-cutting federal requirements. The errors noted and the recommendations provided by the audit team will help strengthen our CDBG program and allow us to continue serving the low and moderate income citizens of Clark County.

Sincerely,



Michael J. Pawlak, Manager  
Community Resources Management

cc: Yolanda King  
Mark Gamett  
Elizabeth Vorce  
Brian Paulson  
Kristin Cooper  
Roy Porter



# Department of Comprehensive Planning

500 S Grand Central Pky • Box 551741 • Las Vegas NV 89155-1741  
(702) 455-4314 • Fax (702) 385-8940

Nancy Lipski, Director

March 8, 2011

Kafoury, Armstrong & Co.  
8329 West Sunset Road, Suite 2010  
Las Vegas, NV 89113

## SUBJECT: DEPARTMENT OF THE INTERIOR – 2009-3 AUDIT FINDING UPDATE

Our office has implemented corrective action on the above noted finding from the year ending June 30, 2009, and provide the following update to you.

**Original Condition:** A random sample of 4 reports from a total of 37 financial status reports filed during the year was selected. Our tests disclosed that while the financial status reports indicated they were being prepared on the cash basis of accounting, the total outlays reported were not consistent with the cash basis.

**Original Response:** The Grantor requires the financial status reports to include the total draw downs completed for a given quarterly reporting period. Due to accounts payable processing deadlines, it is common for payments to process within the current quarter which will not be included in the quarter's draw down. Although we are in compliance with the Grantor's reporting requirements, current procedures will be modified to ensure the cash basis of accounting.

**Corrective Action Taken:** In response to the 2009 audit finding, staff established a specific cut off date to process SNPLMA invoices within each quarter. Now, quarterly draw downs are not done until after these invoices have been processed, and no SNPLMA invoices are allowed to be processed until after the reconciliation for the quarterly draw downs. By doing this, staff can reconcile to the General Ledger and ensure that all invoices are paid prior to being included in the draw downs.

Should you have any questions, please feel free to contact Ron Gregory at (702) 455-3121.

Sincerely,

Bruce Sillitoe  
Planning Manager

cc: David Dobrzynski, Clark County Finance  
Elizabeth Vorce, Clark County Finance  
Becky Deuel, Clark County Public Works  
Patsy Schrader, Clark County Public Works  
Ron Gregory, Clark County Comprehensive Planning

# OFFICE OF THE DISTRICT ATTORNEY



**DAVID ROGER**  
*District Attorney*

**Family Support Division**  
(702) 671-9200 - TDD (702) 385-7486 (for the hearing impaired)

**LEGAL SECTION**  
1900 East Flamingo Road, Suite 100, Las Vegas, Nevada 89119-5168  
Fax: (702) 366-2440

**TERESA M. LOWRY**  
*Assistant District Attorney*

**CHRIS OWENS**  
*Assistant District Attorney*

**MARY-ANNE MILLER**  
*County Counsel*

**JEFFREY J. WITTHUN**  
*Assistant Director*

March 11, 2011

Kafoury, Armstrong & Co.  
Attn: Tami Miramontes  
8329 W. Sunset Road  
Las Vegas, NV 89113

Dear Ms. Miramontes:

Clark County District Attorney, Family Support Division (DAFS) has taken the following actions to implement the corrective action plan for Finding 2009-4 from our 2009 OMB A-133 Single Audit:

A "Super Locate Report" was developed in the last quarter of calendar year 2010 and made available for use on January 20, 2011. One useful benefit of the report is that it identifies cases with active child support orders. The Locate clerks find noncustodial parents (NCPs) with child support orders are more likely to have valid social security numbers which improve their chances of locating the NCPs which increases our establishment and enforcement rates.

The Establishment unit has 3 full-time case managers assigned to work initiating interstate establishment cases. In addition, they have 4 part-time case managers to work initiating interstate establishment backlog. These interstate case managers use the Super Establishment Report to monitor interstate cases and identify next actions that need to be taken since NOMADS cannot currently assign these types of cases to specific workers. There is a NOMADS work item (#1130) being developed that will allow the system to assign specific interstate cases to specialty case managers to assist in monitoring and tracking these case types. In addition, supervisors in the Establishment unit continue to monitor initiating interstate cases using the Super Establishment Report.

In January 2011, initiating interstate case managers were given refresher training on case management practices to ensure better compliance with interstate timeframes and proper follow-up. The 4 part-time case managers mentioned above were hired to assist in the effort to meet interstate timeframes and address existing backlog. Intake procedures have been reinforced through training to ensure that the interstate status of a case is accurately updated in NOMADS. Conversation with the Nevada Central Registry has been begun to avoid incorrect case acceptance for out of state cases from other jurisdictions (i.e., income withholding for unemployment benefits only) and the prevention of auto-initiation of cases by CSNET without having the appropriate paperwork to substantiate the case. Such corrections would reduce the overall number of interstate cases in NOMADS and increase case management effectiveness and compliance with interstate timeframes.

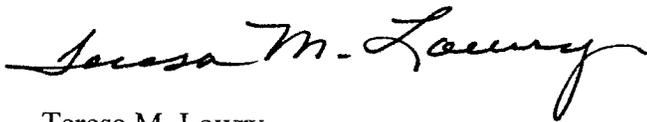
Page 2

Due to staffing limitations, the Enforcement unit was not able to implement an interstate team as indicated in our original corrective action plan dated March 26, 2010. Case managers do, however, continue to work their Super Enforcement Reports which the supervisors monitor to ensure they are being worked.

All case managers were given performance standards that require them to 1) utilize their Super Report (Super Establishment Report for Paternity and Obligation Establishment case managers or Super Enforcement Report for Enforcement case managers) and 2) work their In-baskets every day. There are also timelines for working interstate cases in the performance standards for those case managers assigned to work an interstate caseload. Disciplinary actions have been taken against case managers that are deficient in meeting their performance goals.

Supervisors have also been given performance standards that require them to ensure their staff meets their individual performance standards.

Sincerely,

A handwritten signature in cursive script that reads "Teresa M. Lowry". The signature is written in black ink and is positioned above the typed name and title.

Teresa M. Lowry  
Assistant District Attorney

CC: Jeffrey J. Witthun, Assistant Director – Operations  
Kathi Brunson, Unit Administrator



# Department of Family Services

121 S Martin Luther King Blvd • Las Vegas NV 89106-4309  
(702) 455-7200 • Fax (702) 385-2999 • Hotline (702) 399-0081

Thomas D. Morton, Director • Lisa Ruiz Lee, Assistant Director • Paula Hammack, Assistant Director

March 8, 2011

Kafoury, Armstrong & Co  
1700 West Sunset Road, Suite 210  
Las Vegas, NV 89113

Subject: Title IV-E Foster Care and Adoption Assistance Program – Audit Findings

This letter provides an update regarding the status of Corrective Actions implemented to address the FY 09 Audit Findings for Title IV-E Foster Care and Adoption Assistance Program detailed below during the subject audit ending June 30, 2009.

Finding 2009-5 - The County is required to separately report expenditures of ARRA awards for Title IV-E Foster Care/Adoption Assistance on the SEFA. The SEFA would have underreported for Foster Care and Adoption Assistance Programs by \$624,643.

Corrective Action – Title IV-E funds are passed through from the State of Nevada Division of Child and Family Services (DCFS). Clark County Finance inquired about Federal Reporting requirements for ARRA portion of IVE funds. Department of Family Services fiscal staff followed up with DCFS staff as requested.

DCFS indentified their agency as the responsible entity required to report on the ARRA funds. DFS staff provided Clark County Finance auditors with this information. DFS staff worked with audit staff to correct information for FY 09. DFS fiscal staff now has a better understanding of the reporting requirements for ARRA funding.

Clark IVE claim for December 2009 includes the correct breakdown of ARRA funds to be padded through to Clark County for the funds earned from the State Child Welfare Integration budget (Fund 2370) and funds earned by Clark County (Fund 2300). Adjustments will be made to the financial claim information for September 2009 to correctly reflect ARRA funds in Clark County

FY 10 status – For fiscal year end audit ending June 30, 2010, no findings were cited for ARRA funding. This issue was corrected in FY2010 by adding an internal order number that specifically identifies this revenue in the County's financial system, SAP. In addition, cash receipts are separated for ARRA funding earned. Quarterly reporting information is forwarded to County IT Department for posting on County ARRA website.

If you have any questions concerning this response please contact Julie Mondroski at (702) 455-1720.

Sincerely,

Thomas Morton  
Director  
Department of Family Services

cc: Mark Gammet  
Julie Mondroski



# Department of Family Services

121 S Martin Luther King Blvd • Las Vegas NV 89106-4309  
(702) 455-7200 • Fax (702) 385-2999 • Hotline (702) 399-0081

Thomas D. Morton, Director • Lisa Ruiz Lee, Assistant Director • Paula Hammack, Assistant Director

March 8, 2011

Kafoury, Armstrong & Co  
1700 West Sunset Road, Suite 210  
Las Vegas, NV 89113

Subject: Chafee Foster Care Independence Program – Corrective Action Plan Update

This letter provides an update regarding the status of Corrective Actions implemented to address the FY 09 Audit Findings for the Chafee Foster Care Independence Program detailed below during the subject audit ending June 30, 2009.

Finding 2009-6 – It was reported that adequate controls are not in place to ensure that all data is entered correctly into the Unity System. Twenty-five (25) Chafee cases were sampled for age-eligibility. The sample case files disclosed that the date of birth of one (1) program participant from the sample group was erroneously entered into the unity system. In addition, tests disclosed that there was no birth certificate on file to support the age of the program participants in 1 of the 25 files tested. Auditors questioned whether this participant receiving benefits under the Chafee program was eligible to receive benefits, due to age requirement, as a birth certificate was not in case file.

Corrective Action – Currently caseworkers are required to verify that the child's birth records are correct upon receipt of certified documentation. This procedure has been revised to include verification of accuracy of the data entered by the Medical Case Management unit upon receipt of certified birth certificate. In addition, new procedures for Supervisory oversight include review of case file contents to ensure that all required documents are placed in the file.

FY 10 status – For fiscal year audit ending June 30, 2010, no findings were cited regarding birth certificates, and this information was available for all youth identified in the audit sample. The additional verification processes implemented ensure the age requirement for Chafee recipients is validated, and youth are eligible to receive federal funds.

Finding 2009-7 – The County is in material noncompliance with Federal Requirements for supporting salaries and wages charged to the Chafee Grant. OMB Circular A-87 requires semi-annual certification stating that employees worked solely on the program for the period covered by the certification.

Corrective action – Employees and Supervisors are now required to sign the Semi-Annual payroll Certification form. The policy and procedures for federally funded awards have been revised to include obtaining the semi-annual payroll certifications.

**FY 10 Status** - No findings were cited regarding semi-annual certification documentation, and this information was provided for all staff identified in the audit sample.

If you have any questions concerning this response please contact Julie Mondroski at (702) 455-1720.

Sincerely,



Thomas Morton

Director

Department of Family Services

cc: Mark Gammet  
Julie Mondroski



# Department of Social Service

## Tim Burch, Interim Director

Bobby J. Gordon, Acting Assistant Director • Sandy Jeantete, Assistant Director  
1600 Pinto Lane • Las Vegas NV 89106 • (702) 455-4270 • Fax (702) 455-5950

March 8, 2011

Kafoury, Armstrong & Co.  
8329 West Sunset Road, Suite 210  
Las Vegas, Nevada 89113

To Whom It May Concern:

The following is an update on the actions taken to address the following audit findings for the fiscal ending June 30, 2009. It should be noted that due to the fiscal year for Ryan White services (March through February) and the audited county fiscal year (July to June), and noting the date of the presented findings (Management Letter dated March 24, 2010), many of these actions taken in response to the findings will not be represented in the fiscal audit for County Fiscal Year 2010. Below are the actions taken to address the following audit findings:

- Finding 2009-8: Staff has developed multiple policies and procedures to strengthen the monitoring and compliance activities of program staff in relation to its sub-recipients. Specifically related to the information containing in this finding, policies have been developed to address the suspension and debarment policy, receipt, review, and follow up of provider A-133 audit submissions and on-site provider monitoring. These specific policies are part of a more comprehensive program accountability monitoring program that has been developed to address all federally required activities for the management of this funding stream.
- Finding 2009-9: Staff developed a tracking and reporting protocol, based on HRSA/HAB recommendations for WICY reporting, and implemented said protocol. This protocol utilizes a HRSA/HAB recommendation to develop Unit Cost calculations to determine expenditures for individual client groups. This methodology requires the identification of a cost per unit of service to be developed and used to report program expenditures by individual client populations. Program staff will review and strengthen this methodology as directed in response to audit finding 2010-9.
- Finding 2009-10: Program staff implemented semi-annual payroll certifications based on the federal grant year (retroactive certifications pertaining staff activities are signed in March and August in each year).

#### BOARD OF COUNTY COMMISSIONERS

Susan Brager, Chair • Steve Sisolak, Vice-Chair  
Lawrence L. Brown III • Tom Collins • Chris Giunchigilani • Mary Beth Scow • Lawrence Weekly  
Donald G. Brunette, County Manager

Finding 2009-11: Cash basis reporting of grant disbursement has been implemented and measures are in place to identify cash receipts and expenditures properly.

Please do not hesitate to contact our office if you have any questions related to this correspondence.

Tim Burch  
Interim Director

A handwritten signature in black ink, consisting of a large, stylized capital letter 'B' followed by a horizontal line extending to the right.



## Clark County Local Emergency Planning Committee

March 8, 2011

Kafoury, Armstrong & Co.  
8329 West Sunset Road, Suite 210  
Las Vegas, NV 89113

Dear Sir or Madam:

Our office has reviewed the findings from the year ending June 30, 2009 Emergency Management Performance Grant and Homeland Security Grant Program Cluster audit. Below are the responses to the two audit conditions:

In reference to Finding 2009-12

**Recommendation:** The County should strengthen management oversight of the Emergency Management Performance grant and establish policies and procedures for properly administering the grant. Specifically, these procedures should include utilizing the County's SAP system to properly track all grant expenditures as well as establishing personnel activity reports and employee certifications to document actual time spent toward achievement of the work plan objectives of the grant. Management oversight procedures also need to be strengthened, such as monitoring progress of the work plan objectives and reviewing and approving updates to the annual work plans as well as personnel activity reports and quarterly financial reports.

**Corrective Actions:** The Clark County Office of Emergency Management and Homeland Security (CCOEMHS) recognizes there are two

different funding sources available for reimbursement of personnel and operation expenses. Homeland Security is a function of Emergency Management and all work performed is Emergency Management based. The CCOEMHS conducted a Time Analysis of each FTE position funded under the EMPG grant in order to directly link each function performed and time allocated under the grant. The analysis results were given to our payroll department in order to ensure all FTE grant paid employees are paid in accordance to the grant cluster they worked on.

The CCOEMHS has engaged both the Budget and Comptrollers offices in an effort to produce reports and documentation that support the Quarterly Financial Report. Files are maintained which include each years EMPG Guidance, for grant administration, allowable costs and levels of approval for all expenditures under the grant. Also included within this file are the Semi-Annual Payroll Certification Forms, signed by each of the FTE's paid at 100% by the EMPG grant in order to comply with federal requirements OMB Circular A-87.

Approved work plans will be reviewed quarterly to ensure each staff member is working within the plan as outlined in the annual application.

#### Finding 2009-13

**Recommendation: The County should establish written policies and procedures for monitoring sub recipients of the Homeland Security Grant Program Cluster. Specifically, these written procedures should incorporate monitoring for the suspension and debarment, obtaining annual audit reports and developing response to findings noted as well as proper follow-up procedures, and monitoring all equipment purchased with Federal funds for proper inventorying and disposition.**

**Corrective Actions: As stated in all Interlocal Agreements, which are distributed upon approval to each sub recipient, under Federal Certification Item 2 Titled DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS, each sub recipient is advised of the requirements relative to Debarment and Suspension as required by Executive Order 12549 and implemented at 28 CFR Part 67 section 67.510.**

In 2008, our office instituted corrective actions to sub recipients requesting audit findings and equipment inventory to remain in compliance with OMB circular A-133. However, it is entirely up to the sub recipient to provide to our office the requested information. Sub recipients agree to these terms by signing the interlocal contract thereby, authorizing them to purchase only grant approved equipment. Clark County itself is a sub recipient of subject funds. These funds are primarily administered at the State level. The County's sub recipients are reminded to submit equipment inventory sheets as well as any audit reports through quarterly report reminders. Although this information is requested quarterly as well as required in the signed interlocal agreement, information is often submitted intermittently. Any purchase requests made through our office requires verification of the receipt of goods prior to paying the invoice. Purchased equipment, \$5000.00 and over, is tagged and inventoried by the sub recipient. Reimbursements are issued to sub recipients only on grant-authorized equipment from the Department of Homeland Security Authorized Equipment List (AEL).

Should you have any questions, please feel free to contact our office at (702) 455-5710.

Sincerely,



Irene Navis  
Division Manager

