



A Tradition of Stewardship  
A Commitment to Service

**FILED**

JAN 27 2011

Clerk of the Napa Superior Court  
By: C. Kraemer  
Deputy

Board of Supervisors

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**Bill Dodd**  
Chair

January 11, 2011

The Honorable Steven T. Kroyer  
Presiding Judge  
County of Napa, Superior Court  
825 Brown Street  
Napa, CA 94559

**SUBJECT:** Response to the Grand Jury 2009-2010 Final Report: American Recovery and Reinvestment Act of 2009 Funds Awarded to Napa County-Update Request.

Dear Judge Kroyer:

The Board of Supervisors has reviewed the findings in the 2009-2010 Grand Jury Final Report: American Recovery and Reinvestment Act of 2009 Funds Awarded to Napa County as requested by the 2010-2011 Grand Jury in a letter received November 23, 2010. As requested, enclosed is a response to the specified findings.

Grand Jury activity takes place over the course of a number of months. As such, their findings and recommendations often address issues which county departments have already identified as problems and to which solutions are in the process of being developed.

The Board acknowledges the members of the 2010-2011 Grand Jury for the time they have devoted.

Sincerely,

Handwritten signature of Bill Dodd in cursive.

Bill Dodd, Chair  
Napa County Board of Supervisors

Received

JAN 24 2011

Enclosure

cc: Foreman, 2010-2011 Grand Jury

**Brad Wagenknecht**  
District 1

**Mark Luce**  
District 2

**Diane Dillon**  
District 3

**Bill Dodd**  
District 4

**Keith Caldwell**  
District 5

**Napa County  
Responses to Grand Jury Report  
Recovery and Reinvestment Act of 2009  
Fiscal Year 2009-2010**

**Finding #1.** Napa County was awarded \$10,628,707 in ARRA grants.

***Response, Board of Supervisors.*** The Board of Supervisors agrees with this finding for the amount at the time of the original report. For additional clarification, of this total, \$7,852,950 represented grant awards and \$2,775,757 represented the amount of allocations and enhanced Federal Medical Assistance Percentage for certain programs that county staff estimated would be received over the term of ARRA. As of 9/30/10, the County has been awarded \$8,739,543 in ARRA grants and expects to receive approximately \$3,741,038 from the aforementioned allocations and enhancements due to ARRA. Please see the full ARRA report on the County's website for more information.

**Finding #4.** Napa County department representatives attended training workshops pertaining to fraud and misuse of funds and/or materials.

***Response, County Executive Officer and Community and Intergovernmental Affairs Manager.*** The County Executive Officer and Community and Intergovernmental Affairs Manager agree with this finding. Training sessions were held in spring 2010 and attended by county managers and key staff.

**Finding #5.** Departments involved in fraud or misuse are subject to a review by County Counsel.

***Response, County Executive Officer and Community and Intergovernmental Affairs Manager.*** The County Executive Officer and Community and Intergovernmental Affairs Manager agree with this finding. County policy requires a review by County Counsel whenever fraud or misuse is alleged.

**Finding #8.** Napa County employees keep current with changing State guidelines.

***Response, County Executive Officer and Community and Intergovernmental Affairs Manager.*** The County Executive Officer and Community and Intergovernmental Affairs Manager agree with this finding. Napa County employees monitor and keep current with changes in State guidelines.

**Finding #9.** Napa County employees have expressed concern about receiving vague information from the State and difficulty receiving written information.

***Response, County Executive Officer and Community and Intergovernmental Affairs Manager.*** The County Executive Officer and Community and Intergovernmental Affairs

Manager agree with this finding. Obtaining written documentation from the State has been and can be difficult. It has been the informal policy of the County Executive Office to not accept certain funds when there is ambiguity or difficulty understanding guidelines and the State is unable or unwilling to provide written documentation. This has not been the experience with ARRA funds.

**Finding #10.** ARRA grant information is posted on the County website ([www.countyofnapa.org](http://www.countyofnapa.org)).

***Response, County Executive Officer and Community and Intergovernmental Affairs Manager.*** The County Executive Officer and Community and Intergovernmental Affairs Manager agree with this finding.

**Finding #11.** ARRA updates and information will be presented for the first time to the BOS beginning in April 2010 and continue quarterly thereafter.

***Response, County Executive Officer and Community and Intergovernmental Affairs Manager.*** The County Executive Officer and Community and Intergovernmental Affairs Manager agree with this finding.

**Finding #12.** All departments awarded ARRA funds are required to file reports with the Auditor-Controller before being submitted to the State.

***Response, County Executive Officer and Community and Intergovernmental Affairs Manager.*** The County Executive Officer and Community and Intergovernmental Affairs Manager agree with this finding.

**Finding #13.** County Policies and Procedures specific to ARRA have not been written.

***Response, County Executive Officer and Community and Intergovernmental Affairs Manager.*** The County Executive Officer and Community and Intergovernmental Affairs Manager disagree in part with this finding. While no formal amendments to county policies and procedures have been brought to the Board of Supervisors for approval, the Auditor Controller has issued guidelines to the departments regarding procedures that departments are to follow.