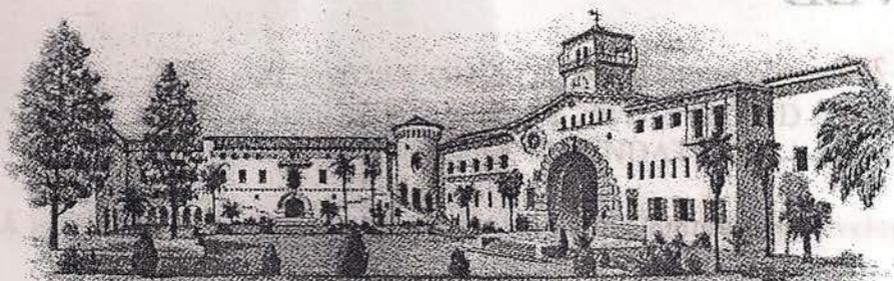


# COUNTY OF SANTA BARBARA

ROBERT W. GEIS, C.P.A.  
Auditor-Controller

THEO FALLATI, C.P.A.  
Assistant Auditor-Controller



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BY: \_\_\_\_\_  
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## OFFICE OF THE AUDITOR-CONTROLLER

July 19, 2012

The Honorable Judge Brian Hill  
Presiding Judge of the Santa Barbara County Superior Court  
1100 Anacapa St.  
Santa Barbara, California 93121-1107

Santa Barbara County Grand Jury  
Attention: Foreperson  
1100 Anacapa Street  
Santa Barbara, CA 93101

**Auditor-Controller's Response to the 2011-12 Grand Jury Report on:  
Santa Barbara County Grand Jury Report  
"A Failure of Oversight  
- Lompoc Housing and Community Development Corporation"**

Dear Judge Hill:

Attached is the Auditor-Controller response to the current Grand Jury Report entitled A Failure of Oversight- Lompoc Housing and Community Development Corporation. The Grand Jury requested that the Auditor-Controller respond to Finding 1 and Recommendations 2a. The Auditor-Controller thanks the Grand Jury for its efforts at improving County government over the past year and commends the efforts of its members.

Sincerely,

Robert W. Geis, C.P.A.  
Auditor-Controller

Cc: Ted Sten, Grand Jury Foreperson 2011-12  
Chandra Wallar, County Executive Officer

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AUDITOR-CONTROLLER'S RESPONSE  
SANTA BARBARA COUNTY 2011-12 GRAND JURY  
FINDINGS AND RECOMMENDATIONS

JUL 8 4 50S

BY: \_\_\_\_\_

**A Failure of Oversight- Lompoc Housing and Community Development Corporation**

**RESPONSES FINDINGS AND RECOMMENDATIONS**

**Finding 1:**

Lompoc Housing and Community Development Corporation loan agreements gave Santa Barbara County as the lead entity in the HUD HOME Consortium, authority to require audits and inspect the organization's records.

Agree: Language in the contracts is intended to provide access to the organizations records.

**Recommendation 2a:**

That the Santa Barbara County Auditor-Controller report the results of these audits annually to the Board of Supervisors prior to County budget approval.

The Auditor-Controller agrees with this recommendation. The results of all audits performed by the Auditor-Controller's Office, are, and will continue to be, regularly reported to the Board of Supervisors.