

February 16, 2010

City of Shafter  
Administrative Services Department  
336 Pacific Avenue  
Shafter, CA 93263

A Single Audit is required under *OMB Circular A-133* when a recipient has expended federal awards of \$500,000 or more during the recipient's fiscal year. *OMB Circular A-133* defines federal awards as "Federal financial assistance and Federal cost-reimbursement contracts that non-federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities." The Finance staff with the City of Shafter provided a Schedule of Federal Expenditures for the fiscal year ending June 30, 2009. We reviewed the provided schedule and determined it was below the required threshold of \$500,000 expended federal awards for a Single Audit under *OMB Circular A-133*. Based on this information, a Single Audit was not required under *OMB Circular A-133* for the fiscal year ending June 30, 2009 for the City of Shafter.

Sincerely,

