

COUNTY OF EL DORADO

**CALIFORNIA DEPARTMENT OF
COMMUNITY SERVICES AND DEVELOPMENT**

PROGRAM SPECIFIC GRANT AUDIT REPORT

FOR THE YEAR ENDED JUNE 30, 2015

REVISED

16-0622 2B 1 of 24

THIS PAGE INTENTIONALLY LEFT BLANK

**COUNTY OF EL DORADO
CALIFORNIA DEPARTMENT OF COMMUNITY SERVICES
AND DEVELOPMENT PROGRAMS**

Table of Contents

Independent Auditor's Report on the Supplemental Statement of Revenue and Expenditures of the California Department of Community Services and Development Programs	1
Supplemental Statement of Revenue and Expenditures.....	3
Notes to Supplemental Statement of Revenue and Expenditures	11
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	15
Schedule of Findings	17
Summary Schedule of Prior Year Findings	18

THIS PAGE INTENTIONALLY LEFT BLANK



INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of Supervisors
 County of El Dorado
 Placerville, California

We have audited the accompanying Supplemental Statement of Revenue and Expenditures of the California Department of Community Services and Development Programs (financial statements) for the grants awarded to the County of El Dorado (County) by the State of California, Health and Human Services Agency (HHS) as of and for the year ended June 30, 2015 (described in the following table), and the related notes to the financial statements, which collectively comprise the grant program's financial statements as listed in the table of contents.

<u>Award Number</u>	<u>Program Title</u>	<u>Grant Period</u>
14F-3009	Community Services Block Grant (CSBG)	01/01/2014-05/31/2015
15F-2009	Community Services Block Grant (CSBG)	01/01/2015-12/31/2015
14B-5007	Low Income Home Energy Assistance Program (LIHEAP) Energy Crisis Intervention Program (ECIP) Assurance 16 (A16) Home Energy Assistance Program (HEAP)	01/01/2014-01/31/2015
15B-3008	LIHEAP ECIP A16 HEAP	01/01/2015-01/31/2016
14B-5007	Low Income Home Energy Assistance Program (LIHEAP) Weatherization (WX)	01/01/2014-01/31/2015
15B-3008	LIHEAP WX	01/01/2015-01/31/2016
14C-1807	Department of Energy (DOE) Weatherization (WX)	08/01/2014-06/30/2015

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

To the Honorable Board of Supervisors
County of El Dorado
Placerville, California

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the California Department of Community Services and Development's revenues and expenditures of the County of El Dorado as of and for the year ended June 30, 2015, in accordance with the requirements of the California Department of Community Services and Development.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the statements referred to previously present only the financial activities of various grants. Accordingly, the accompanying statements do not purport to, and do not, present fairly the changes in financial position of the County in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2016 on our consideration of the Grant's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over compliance.



Roseville, California
March 24, 2016

**COUNTY OF EL DORADO
CALIFORNIA DEPARTMENT OF COMMUNITY SERVICES
AND DEVELOPMENT PROGRAMS**

Supplemental Statement of Revenue and Expenditures
Community Services Block Grant (CSBG)
CSD Contract Number 14F-3009
\$265,790

For the Period January 1, 2014 through May 31, 2015

	January 1, 2014 through June 30, 2014	July 1, 2014 through May 31, 2015	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>					
Grant Revenue	\$ 59,951	\$ 205,839	\$ 265,790		\$ 265,790
TOTAL REVENUE	<u>\$ 59,951</u>	<u>\$ 205,839</u>	<u>\$ 265,790</u>		<u>\$ 265,790</u>
<u>EXPENDITURES</u>					
Administrative Costs					
Salaries and Wages	\$ 10,427	\$ 36,189	\$ 46,616	\$ 53,132	\$ 66,742
Fringe Benefits	5,620	16,330	21,950	25,046	38,937
Operating Expenses & Equipment	24,594	2,371	26,965	17,353	50,000
Other Costs	19,310	150,949	170,259	170,259	110,111
Total Administrative Costs	<u>59,951</u>	<u>205,839</u>	<u>265,790</u>	<u>265,790</u>	<u>265,790</u>
TOTAL COSTS	<u>\$ 59,951</u>	<u>\$ 205,839</u>	<u>\$ 265,790</u>	<u>\$ 265,790</u>	<u>\$ 265,790</u>

**COUNTY OF EL DORADO
CALIFORNIA DEPARTMENT OF COMMUNITY SERVICES
AND DEVELOPMENT PROGRAMS**

Supplemental Statement of Revenue and Expenditures
Community Services Block Grant (CSBG)
CSD Contract Number 15F-2009
\$268,174

For the Period January 1, 2015 through December 31, 2015

	January 1, 2015 through June 30, 2015	July 1, 2015 through Dec 31, 2015	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>					
Grant Revenue	\$ 133,560	\$ --	\$ 133,560		\$ 268,174
TOTAL REVENUE	<u>\$ 133,560</u>	<u>\$ --</u>	<u>\$ 133,560</u>		<u>\$ 268,174</u>
<u>EXPENDITURES</u>					
Administrative Costs					
Salaries and Wages	\$ 33,613	\$ --	\$ 33,613	\$ 33,613	\$ 55,524
Fringe Benefits	15,376	--	15,376	15,376	25,700
Operating Expenses & Equipment	5,110	--	5,110	5,110	26,000
Other Costs	79,461	--	79,461	79,461	160,950
Total Administrative Costs	<u>133,560</u>	<u>--</u>	<u>133,560</u>	<u>133,560</u>	<u>268,174</u>
TOTAL COSTS	<u>\$ 133,560</u>	<u>\$ --</u>	<u>\$ 133,560</u>	<u>\$ 133,560</u>	<u>\$ 268,174</u>

**COUNTY OF EL DORADO
CALIFORNIA DEPARTMENT OF COMMUNITY SERVICES
AND DEVELOPMENT PROGRAMS**

Supplemental Statement of Revenue and Expenditures
Low Income Home Energy Assistance Program (LIHEAP)
Energy Crisis Intervention Program (ECIP) Assurance 16 (A16) Home Energy Assistance Program (HEAP)
CSD Contract Number 14B-5007
\$1,086,243

For the Period January 1, 2014 through January 31, 2015

	January 1, 2014 through June 30, 2014	July 1, 2014 through January 31, 2015	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>					
* Grant Revenue	\$ 242,262	\$ 455,444	\$ 697,706		\$ 1,086,243
** County General Fund Contribution	--	3,604	3,604		
TOTAL REVENUE	\$ 242,262	\$ 459,048	\$ 701,310		\$ 1,086,243
<u>EXPENDITURES</u>					
Assurance 16 Activities	\$ 16,242	\$ 24,506	\$ 40,748	\$ 40,748	\$ 121,791
** Administrative Costs	21,720	35,697	57,417	57,417	85,983
Intake	15,417	29,931	45,348	45,348	126,764
Outreach ECIP and HEAP	16,624	26,677	43,301	43,301	79,227
Training and Technical Assistance	2,913	5,370	8,283	7,242	31,692
Subtotal	72,916	122,181	195,097	194,056	445,457
ECIP/HEAP Costs:					
ECIP EHCS Diagnostics	\$ 183	\$ 1,032	\$ 1,215	\$ 297	\$ 3,283
ECIP EHCS Cooling Service Repair/Replacement	--	17,552	17,552	14,292	22,500
ECIP EHCS Heating Service Repair/Replacement	--	24,392	24,392	20,114	31,000
ECIP EHCS Water Heater Repair/Replacement	--	--	--	--	13,500
Severe Weather Energy Assistance and Transportation Services (SWEATS)	--	2,760	2,760	2,781	--
HEAP Wood, Propane, and Oil	137,446	224,125	361,571	424,116	570,503
Liability Insurance	1,818	1,329	3,147	2,483	--
Workers' Compensation	1,141	713	1,854	1,498	--
General Operating Expenditures	11,717	13,648	25,365	24,100	--
Automation Supplemental	4,682	12,891	17,573	17,573	--
Subtotal	156,987	298,442	455,429	507,254	640,786
TOTAL COSTS	\$ 229,903	\$ 420,623	\$ 650,526	\$ 701,310	\$ 1,086,243
** Disallowed Administration Costs	--	(3,604)	(3,604)	(3,604)	
TOTAL COSTS - FEDERAL	\$ 229,903	\$ 417,019	\$ 646,922	\$ 697,706	

Excess Revenue Earned (See Notes 4 and 5)

\$ 50,784

* Of the \$701,310 in Grant Revenue received from the State, Administrative Costs of \$3,604 were disallowed and paid back to State. Adjusted Grant Revenue is \$697,706.

** Of the \$57,417 reported Administrative Costs, State disallowed \$3,604 because the final reported expenditures were less than the contract amount and the maximum allowable administrative costs were calculated as a factor of the total project spending. The County General Fund paid for the disallowed costs.

**COUNTY OF EL DORADO
CALIFORNIA DEPARTMENT OF COMMUNITY SERVICES
AND DEVELOPMENT PROGRAMS**

Supplemental Statement of Revenue and Expenditures
Low Income Home Energy Assistance Program (LIHEAP)
Energy Crisis Intervention Program (ECIP) Assurance 16 (A16) Home Energy Assistance Program (HEAP)
CSD Contract Number 15B-3008
\$1,115,940

For the Period January 1, 2015 through January 31, 2016

	January 1, 2015 through June 30, 2015	July 1, 2015 through January 31, 2016	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>					
Grant Revenue	\$ 406,902	\$ --	\$ 406,902		\$ 1,115,940
TOTAL REVENUE	<u>\$ 406,902</u>	<u>\$ --</u>	<u>\$ 406,902</u>		<u>\$ 1,115,940</u>
<u>EXPENDITURES</u>					
Assurance 16 Activities	\$ 25,180	\$ --	\$ 25,180	\$ 25,180	\$ 113,750
Administrative Costs	62,340	--	62,340	62,340	121,805
Intake	32,400	--	32,400	32,400	119,374
Outreach ECIP and HEAP	29,346	--	29,346	29,346	74,609
Training and Technical Assistance	1,495	--	1,495	1,495	29,844
Subtotal	<u>150,761</u>	<u>--</u>	<u>150,761</u>	<u>150,761</u>	<u>459,382</u>
ECIP/HEAP Costs:					
ECIP EHCS Diagnostics	\$ 403	\$ --	\$ 403	\$ 204	\$ 4,000
ECIP EHCS Cooling Service Repair/Replacement	--	--	--	--	20,000
ECIP EHCS Heating Service Repair/Replacement	2,906	--	2,906	4,224	27,000
ECIP EHCS Water Heater Repair/Replacement	--	--	--	1,605	15,500
ECIP EHCS Other Program Costs	728	--	728	728	--
SWEATS Drought 2015	--	--	--	--	2,500
HEAP Wood, Propane, and Oil	227,796	--	227,796	227,796	545,102
Liability Insurance	1,329	--	1,329	1,329	2,500
Workers' Compensation	714	--	714	714	1,500
General Operating Expenditures	19,541	--	19,541	19,541	32,756
Automation Supplemental	--	--	--	--	5,700
Subtotal	<u>253,417</u>	<u>--</u>	<u>253,417</u>	<u>256,141</u>	<u>656,558</u>
TOTAL COSTS	<u>\$ 404,178</u>	<u>\$ --</u>	<u>\$ 404,178</u>	<u>\$ 406,902</u>	<u>\$ 1,115,940</u>

Excess Revenue Earned will be reported at the time of close out \$ 2,724
(See Notes 4 and 5).

**COUNTY OF EL DORADO
CALIFORNIA DEPARTMENT OF COMMUNITY SERVICES
AND DEVELOPMENT PROGRAMS**

Supplemental Statement of Revenue and Expenditures
Low Income Home Energy Assistance Program (LIHEAP) Weatherization (WX)
CSD Contract Number 14B-5007
\$697,498
For the Period January 1, 2014 through January 31, 2015

	January 1, 2014 through June 30, 2014	July 1, 2014 through January 31, 2015	Total Costs	Total Reported Expenditures	Total Budget
REVENUE					
* Grant Revenue	\$ 216,902	\$ 310,818	\$ 527,720		\$ 697,498
** County General Fund Contribution	--	13,582	13,582		
TOTAL REVENUE	\$ 216,902	\$ 324,400	\$ 541,302		\$ 697,498
EXPENDITURES					
** Administrative Costs	\$ 25,176	\$ 30,624	\$ 55,800	\$ 55,800	\$ 55,800
Weatherization Program Costs:					
Intake	\$ --	\$ --	\$ --	\$ --	\$ 55,801
Outreach	--	--	--	--	34,877
Training and Technical Assistance	4,281	3,503	7,784	7,784	34,877
Direct Program Activities	162,669	277,453	440,122	440,122	492,843
Liability Insurance	2,319	678	2,997	2,997	1,000
Workers' Compensation	1,455	364	1,819	1,819	300
General Operating Expenditures	21,002	11,778	32,780	32,780	22,000
Total Program Costs	191,726	293,776	485,502	485,502	641,698
TOTAL COSTS	\$ 216,902	\$ 324,400	\$ 541,302	\$ 541,302	\$ 697,498
** Disallowed Administration Costs	--	(13,582)	(13,582)	(13,582)	
TOTAL COSTS - FEDERAL	\$ 216,902	\$ 310,818	\$ 527,720	\$ 527,720	

No Excess Revenue Earned at the time of close out
(See Notes 4 and 5). \$ --

* Of the \$543,085 total reimbursement received from the State, \$15,365 was paid back to State, including initial overpayment of \$1,783 and disallowed Administrative Costs of \$13,582. Adjusted Grant Revenue is \$527,720.

** Of the \$55,800 reported Administrative Costs, State disallowed \$13,582 because the final reported expenditures were less than the contract amount and the maximum allowable administrative costs were calculated as a factor of the total project spending. The County General Fund paid for the disallowed costs.

**COUNTY OF EL DORADO
CALIFORNIA DEPARTMENT OF COMMUNITY SERVICES
AND DEVELOPMENT PROGRAMS**

Supplemental Statement of Revenue and Expenditures
Low Income Home Energy Assistance Program (LIHEAP) Weatherization (WX)
CSD Contract Number 15B-3008
\$607,549
For the Period January 1, 2015 through January 31, 2016

	January 1, 2015 through June 30, 2015	July 1, 2015 through January 31, 2016	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>					
Grant Revenue	\$ 179,384	\$ --	\$ 179,384		\$ 607,549
TOTAL REVENUE	\$ 179,384	\$ --	\$ 179,384		\$ 607,549
<u>EXPENDITURES</u>					
Weatherization Program Costs:					
Intake	\$ --	\$ --	\$ --	\$ --	\$ 48,604
Outreach	--	--	--	--	30,377
Training and Technical Assistance	4,829	--	4,829	4,829	30,377
Direct Program Activities	161,026	--	161,026	161,026	457,570
Liability Insurance	1,356	--	1,356	1,356	2,900
Workers' Compensation	729	--	729	729	1,900
General Operating Expenditures	11,444	--	11,444	11,444	35,821
Total Program Costs	179,384	--	179,384	179,384	607,549
TOTAL COSTS	\$ 179,384	\$ --	\$ 179,384	\$ 179,384	\$ 607,549

**COUNTY OF EL DORADO
CALIFORNIA DEPARTMENT OF COMMUNITY SERVICES
AND DEVELOPMENT PROGRAMS**

Supplemental Statement of Revenue and Expenditures

Department of Energy (DOE) Weatherization (WX)

CSD Contract Number 14C-1807

\$72,644

For the Period August 1, 2014 through June 30, 2015

	August 1, 2014 through June 30, 2015	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>				
Grant Revenue	\$ 52,064	\$ 52,064		\$ 72,644
TOTAL REVENUE	\$ 52,064	\$ 52,064		\$ 72,644
<u>EXPENDITURES</u>				
Administrative Costs	\$ 4,084	\$ 4,084	\$ 4,084	\$ 4,297
Weatherization Program Costs:				
Training and Technical Assistance	\$ 5,332	\$ 5,332	\$ 5,332	\$ 5,332
Workers' Compensation	--	--	--	150
Minor Vehicle and Field Equipment	--	--	--	8,000
General/Operating Expenses	3,354	3,354	3,354	1,500
Direct Program Activities	29,906	29,906	29,906	40,762
Health & Safety	9,388	9,388	9,388	12,603
Total Program Costs	47,980	47,980	47,980	68,347
TOTAL COSTS	\$ 52,064	\$ 52,064	\$ 52,064	\$ 72,644

THIS PAGE INTENTIONALLY LEFT BLANK

**COUNTY OF EL DORADO
CALIFORNIA DEPARTMENT OF COMMUNITY SERVICES
AND DEVELOPMENT PROGRAMS**

Notes to Supplemental Statement of Revenue and Expenditures
For the Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Schedule Presentation

The schedules present only the financial activities of the County of El Dorado's California Department of Community Services and Development (CSD) grants for the period from July 1, 2014 through June 30, 2015 and are not intended to present fairly the financial position or changes in financial position of the County of El Dorado (County) in accordance with accounting principles generally accepted in the United States of America.

Basis of Accounting

The accompanying Financial Statements are prepared in accordance with the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available and expenditures are recognized when the related liability is incurred.

NOTE 2: USE OF ESTIMATES

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of revenues and expenditures. Actual results could differ from these estimates.

NOTE 3: CONTINGENCIES

The grants are awarded by the CSD and are subject to audit by CSD. It is uncertain whether an audit of the grants by CSD could produce deficiencies in costs claimed under the grants and, therefore, could result in funds being returned to CSD.

NOTE 4: RECONCILIATION OF TOTAL REPORTED EXPENDITURES TO TOTAL COSTS

The following reconciliations identify differences between "Total Costs" and "Total Reported Expenditures" columns for the CSD programs.

Low Income Home Energy Assistance Program (LIHEAP) direct program activities are shown at actual costs for the program in the columns up to and including "Total Costs" column. "Total Reported Expenditures" column is based on a combination of reimbursement of actual costs and reported measures. "Excess revenue" is that amount of the County's LIHEAP grant allocation for which the County receives reimbursement in excess of the County's actual cost.

**COUNTY OF EL DORADO
CALIFORNIA DEPARTMENT OF COMMUNITY SERVICES
AND DEVELOPMENT PROGRAMS**

Notes to Supplemental Statement of Revenue and Expenditures
For the Year Ended June 30, 2015

NOTE 4: RECONCILIATION OF TOTAL REPORTED EXPENDITURES TO TOTAL COSTS (continued)

Contract/Description	Total Costs	Adjustment	Total Reported Expenditures
14F-3009 (CSBG)			
Jan 1, 2014-June 30, 2014	\$ 59,951	\$ --	\$ 59,951
July 1, 2014-May 31, 2015	205,839	--	205,839
Total Costs	<u>\$ 265,790</u>	<u>\$ --</u>	<u>\$ 265,790</u>
15F-2009 (CSBG)			
Jan 1, 2015-June 30, 2015	\$ 133,560	\$ --	\$ 133,560
Total Costs	<u>\$ 133,560</u>	<u>\$ --</u>	<u>\$ 133,560</u>
14B-5007 (LIHEAP/ECIP/A16/HEAP)			
Jan 1, 2014-June 30, 2014	\$ 229,903	\$ 12,359	\$ 242,262
July 1, 2014-Jan 31, 2015	420,623	38,425	459,048
Disallowed Administrative Costs	(3,604)	--	(3,604)
Total Costs	<u>\$ 646,922</u>	<u>\$ 50,784</u> a	<u>\$ 697,706</u>
15B-3008 (LIHEAP/ECIP/A16/HEAP)			
Jan 1, 2015-Jun 30, 2015	\$ 404,178	\$ 2,724	\$ 406,902
Total Costs	<u>\$ 404,178</u>	<u>\$ 2,724</u> c	<u>\$ 406,902</u>
14B-5007 (LIHEAP/WX)			
Jan 1, 2014-June 30, 2014	\$ 216,902	\$ --	\$ 216,902
July 1, 2014-Jan 31, 2015	324,400	--	324,400
Disallowed Administrative Costs	(13,582)	--	(13,582)
Total Costs	<u>\$ 527,720</u>	<u>\$ --</u> b	<u>\$ 527,720</u>
15B-3008 (LIHEAP/WX)			
Jan 1, 2015-June 30, 2015	\$ 179,384	\$ --	\$ 179,384
Total Costs	<u>\$ 179,384</u>	<u>\$ --</u>	<u>\$ 179,384</u>
14C-1807 (DOE/WX)			
Aug 1, 2014-June 30, 2015	\$ 52,064	\$ --	\$ 52,064
Total Costs	<u>\$ 52,064</u>	<u>\$ --</u>	<u>\$ 52,064</u>

a) Excess Revenue Earned; see Note 5.

b) No Excess Revenue Earned at the time of close out; see Note 5.

c) Excess Revenue Earned / (Used) will be reported at the time of close out.

**COUNTY OF EL DORADO
CALIFORNIA DEPARTMENT OF COMMUNITY SERVICES
AND DEVELOPMENT PROGRAMS**

Notes to Supplemental Statement of Revenue and Expenditures
For the Year Ended June 30, 2015

NOTE 5: EXCESS REVENUE AND INTEREST INCOME FROM WEATHERIZATION

Excess revenue is defined as the difference between the "Grant Revenue" less "Total Costs". If "Grant Revenue" is equal to or less than "Total Costs", there is no excess revenue. Since excess revenue is the difference between the reimbursement for the installation of measures and the County's actual cost of weatherization measures during the contract term, excess revenues for open contracts, while identified, are not added to the excess revenue balance until the end of the contract.

Interest income is defined as the interest earned by the County directly generated or earned as a result of unexpended LIHEAP grant funds at the end of a contract term period. This type of interest is income generated as a result of depositing federal funds in an interest bearing account. Excess revenue and interest income from the Low Income Home Energy Assistant Program (LIHEAP) is reported as follows:

Beginning Balance	\$	--	
Interest		--	
Excess Revenue 14B-5007 LIHEAP/ECIP		50,784	d
Excess Revenue 14B-5007 LIHEAP/WX		--	
Available Funds		50,784	
 Ending Balance (Close Out 14B)	 \$	 50,784	 d

d) Reported \$0 originally to the State on the 14B Close-Out Reconciliation Report.

	<u>Cumulative through 6/30/14</u>	<u>For the Period Ended 6/30/15</u>	<u>Cumulative through 6/30/15</u>
Open contracts			
Excess Revenue Earned (Used)			
15B-3008 (LIHEAP/ECIP)	\$ --	\$ 2,724	\$ 2,724
 Total	\$ --	\$ 2,724	\$ 2,724

THIS PAGE INTENTIONALLY LEFT BLANK



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS AND THE CALIFORNIA DEPARTMENT
OF COMMUNITY SERVICES AND DEVELOPMENT GUIDELINES**

To the Honorable Board of Supervisors
County of El Dorado
Placerville, California

We have audited the accompanying Supplemental Statement of Revenue and Expenditures of the California Department of Community Services and Development Programs (the "Financial Statements") for the grants awarded by the State of California, Health and Human Services Agency (HHS) to the County of El Dorado (County) as of and for the year ended June 30, 2015, and have issued our report thereon dated March 24, 2016. We conducted our audit in accordance with auditing standards generally accepted in the United State of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the California Department of Community Services and Development *Supplemental Audit Guide*.

Internal Control Over Financial Reporting

In planning and performing our audit we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the Financial Statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Grants' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the California Department of Community Services and Development *Supplemental Audit Guide*.

16-0622 2B 19 of 24

To the Honorable Board of Supervisors
County of El Dorado
Placerville, California

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Gallina LLP".

Roseville, California
March 24, 2016

**COUNTY OF EL DORADO
CALIFORNIA DEPARTMENT OF COMMUNITY SERVICES
AND DEVELOPMENT PROGRAMS**

**SCHEDULE OF FINDINGS
AND
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**

THIS PAGE INTENTIONALLY LEFT BLANK

None reported.

None reported.