

COUNTY OF EL DORADO

**CALIFORNIA DEPARTMENT OF
COMMUNITY SERVICES AND DEVELOPMENT**

PROGRAM SPECIFIC GRANT AUDIT REPORT

FOR THE YEAR ENDED JUNE 30, 2013

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

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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying Supplemental Statement of Revenues 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, 2013 (described in the following table), and the related notes to the financial statements, which collectively comprise the grant program's basic financial statements as listed in the table of contents.

<u>Award Number</u>	<u>Program Title</u>	<u>Grant Period</u>
12F-4409	Community Services Block Grants (CSBG)	01/01/2012-12/31/2012
13F-3009	Community Services Block Grants (CSBG)	01/01/2013-12/31/2013
11B-5708	Low Income Home Energy Assistance Program (LIHEAP) Energy Crisis Intervention Program (ECIP) Assurance 16 (A16) Home Energy Assistance Program (HEAP)	01/01/2011-12/31/2012
12B-5807	LIHEAP ECIP A16 HEAP	01/01/2012-06/30/2013
13B-5007	LIHEAP ECIP A16 HEAP	01/01/2013-01/31/2014
11B-5708	Low Income Home Energy Assistance Program (LIHEAP) Weatherization (WX)	01/01/2011-12/31/2012
12B-5807	LIHEAP WX	01/01/2012-06/30/2013
13B-5007	LIHEAP WX	01/01/2013-01/31/2014
11C-1807	Department of Energy (DOE) Weatherization (WX)	12/01/2011-01/31/2014

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 County's California Department of Community Services and Development programs, as of June 30, 2013, in accordance with accounting principles generally accepted in the United States of America.

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

Roseville, California
April 3, 2014

**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 12F-4409
\$248,399

For the Period January 1, 2012 through December 31, 2012

	January 1, 2012 through June 30, 2012	July 1, 2012 through Dec 31, 2012	Total Costs	Total Reported Expenditures	Total Budget
REVENUE					
Grant Revenue	\$ 123,448	\$ 124,951	\$ 248,399		\$ 248,399
County General Fund Contribution	30,168	10,981	41,149		--
TOTAL REVENUE	\$ 153,616	\$ 135,932	\$ 289,548		\$ 248,399
EXPENDITURES					
Administrative Costs					
Salaries and Wages	\$ 77,419	\$ 75,203	\$ 152,622	\$ 152,622 *	\$ 122,832
Fringe Benefits	33,255	32,322	65,577	65,577 *	56,626
Operating Expenses & Equipment	42,942	28,407	71,349	71,349 *	68,941
Total Administrative Costs	153,616	135,932	289,548	289,548 *	248,399
TOTAL COSTS	\$ 153,616	\$ 135,932	\$ 289,548	\$ 289,548 *	\$ 248,399
County General Fund Contribution	(30,168)	(10,981)	(41,149)	(41,149)	
TOTAL COSTS - FEDERAL	\$ 123,448	\$ 124,951	\$ 248,399	\$ 248,399	

* Total Reported Expenditures include General Fund paid portion in the amount of \$41,149, specifically salaries and wages \$26,397, fringe benefits \$8,284, and operating expenses & equipment \$6,468.

See accompanying Notes to Supplemental Statements.

**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 13F-3009
\$262,422

For the Period January 1, 2013 through December 31, 2013

	January 1, 2013 through June 30, 2013	July 1, 2013 through Dec 31, 2013	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>					
Grant Revenue	\$ 131,211	\$ --	\$ 131,211		\$ 262,422
County General Fund Contribution	12,921	--	12,921		--
TOTAL REVENUE	<u>\$ 144,132</u>	<u>\$ --</u>	<u>\$ 144,132</u>		<u>\$ 262,422</u>
<u>EXPENDITURES</u>					
Administrative Costs					
Salaries and Wages	\$ 72,154	\$ --	\$ 72,154	\$ 71,569	\$ 155,040
Fringe Benefits	32,220	--	32,220	30,321	69,373
Operating Expenses & Equipment	39,758	--	39,758	29,321	38,009
Total Administrative Costs	<u>144,132</u>	<u>--</u>	<u>144,132</u>	<u>131,211</u>	<u>262,422</u>
TOTAL COSTS	<u>\$ 144,132</u>	<u>\$ --</u>	<u>\$ 144,132</u>	<u>\$ 131,211</u>	<u>\$ 262,422</u>
County General Fund Contribution	(12,921)	--	(12,921)		
TOTAL COSTS - FEDERAL	<u>\$ 131,211</u>	<u>\$ --</u>	<u>\$ 131,211</u>		

See accompanying Notes to Supplemental Statements.

**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 11B-5708
\$890,895

For the Period January 1, 2011 through December 31, 2012

	January 1, 2011 through June 30, 2012	July 1, 2012 through Dec 31, 2012	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>					
Grant Revenue	\$ 685,525	\$ 46,158	\$ 731,683		\$ 890,895
County General Fund Contribution	--	12,043	12,043		--
TOTAL REVENUE	\$ 685,525	\$ 58,201	\$ 743,726		\$ 890,895
<u>EXPENDITURES</u>					
Assurance 16 Costs	\$ 40,905	\$ 8,478	\$ 49,383	\$ 49,383	\$ 105,562
Administrative Costs EHA 16	45,637	11,776	57,413	66,502	66,502
Intake Costs ECIP and HEAP	34,831	5,407	40,238	27,585	27,585
Outreach Costs ECIP and HEAP	36,445	6,145	42,590	42,590	68,962
Training and Technical Assistance	--	--	--	--	27,585
Subtotal	157,818	31,806	189,624	186,060	296,196
ECIP HEAP Costs:					
Cooling Service Repair/Replacement	\$ 3,230	\$ 1,644	\$ 4,874	\$ 4,874	\$ 17,000
Heating Service Repair/Replacement	7,276	5,150	12,426	12,426	20,000
Water Heater Repair/Replacement	--	4,222	4,222	4,292	10,327
Severe Weather Energy Assistance and Transportation Service	--	--	--	--	11,832
HEAP Wood, Propane and Oil	512,678	14,992	527,670	527,670	535,540
Liability Insurance	2,777	278	3,055	3,055	--
Workers' Compensation	1,746	109	1,855	1,855	--
Subtotal	527,707	26,395	554,102	554,172	594,699
TOTAL COSTS	\$ 685,525	\$ 58,201	\$ 743,726	\$ 740,232	\$ 890,895
County General Fund Contribution	--	(3,564)	(3,564)	--	
Disallowed Administration Costs	--	(8,549)	(8,549)	(8,549)	
TOTAL COSTS - FEDERAL	\$ 685,525	\$ 46,088	\$ 731,613	\$ 731,683	
Excess Revenue Earned / (Used) for 11B LIHEAP/ECIP and 11B LIHEAP/WX was netted to zero and reported at the time of close out (See Notes 4 and 5).			\$ 70		

See accompanying Notes to Supplemental Statements.

**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 12B-5807

\$766,765

For the Period January 1, 2012 through June 30, 2013

	January 1, 2012 through June 30, 2012	July 1, 2012 through June 30, 2013	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>					
Grant Revenue	\$ --	\$ 501,442	\$ 501,442		\$ 766,765
TOTAL REVENUE	\$ --	\$ 501,442	\$ 501,442		\$ 766,765
<u>EXPENDITURES</u>					
Assurance 16 Costs	\$ --	\$ 30,116	\$ 30,116	\$ 30,116	\$ 75,416
Administrative Costs EHA 16	--	38,493	38,493	38,493	52,170
Intake Costs ECIP and HEAP	--	16,606	16,606	16,606	54,935
Outreach Costs ECIP and HEAP	--	26,024	26,024	26,024	54,935
Training and Technical Assistance	--	5,164	5,164	5,164	21,974
Subtotal	--	116,403	116,403	116,403	259,430
ECIP HEAP Costs:					
Cooling Service Repair/Replacement	\$ --	\$ --	\$ --	\$ --	\$ 12,000
Heating Service Repair/Replacement	--	9,628	9,628	9,738	16,587
Water Heater Repair/Replacement	--	2,108	2,108	2,108	8,000
ECIP Other Program Cost	--	--	--	132	--
HEAP Wood, Propane and Oil	--	372,549	372,549	372,549	416,669
Liability Insurance	--	403	403	403	2,650
Workers' Compensation	--	109	109	109	1,429
Automation Supplemental	--	--	--	--	50,000
Subtotal	--	384,797	384,797	385,039	507,335
TOTAL COSTS	\$ --	\$ 501,200	\$ 501,200	\$ 501,442	\$ 766,765

Excess Revenue Earned will be reported at the time of close out
(See Notes 4 and 5). \$ 242

See accompanying Notes to Supplemental Statements.

**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 13B-5007
\$680,031

For the Period January 1, 2013 through January 31, 2014

	January 1, 2013 through June 30, 2013	July 1, 2013 through January 31, 2014	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>					
Grant Revenue	\$ 16,166	\$ --	\$ 16,166		\$ 680,031
TOTAL REVENUE	\$ 16,166	\$ --	\$ 16,166		\$ 680,031
<u>EXPENDITURES</u>					
Assurance 16 Costs	\$ 2,987	\$ --	\$ 2,987	\$ 2,987	\$ 68,932
Administrative Costs EHA 16	310	--	310	310	44,167
Intake Costs ECIP and HEAP	387	--	387	387	74,982
Outreach Costs ECIP and HEAP	3,462	--	3,462	3,462	46,864
Training and Technical Assistance	321	--	321	321	18,745
Subtotal	<u>7,467</u>	<u>--</u>	<u>7,467</u>	<u>7,467</u>	<u>253,690</u>
ECIP HEAP Costs:					
ECIP EHCS Diagnostics	\$ 28	\$ --	\$ 28	\$ 28	\$ 500
Cooling Service Repair/Replacement	2,026	--	2,026	2,026	8,335
Heating Service Repair/Replacement	3,445	--	3,445	3,445	14,000
Water Heater Repair/Replacement	--	--	--	--	6,500
ECIP Other Program Cost	--	--	--	--	500
HEAP Wood, Propane and Oil	3,200	--	3,200	3,200	332,806
Liability Insurance	--	--	--	--	1,200
Workers' Compensation	--	--	--	--	500
General Operating Expenditure	--	--	--	--	12,000
Automation Supplemental	--	--	--	--	50,000
Subtotal	<u>8,699</u>	<u>--</u>	<u>8,699</u>	<u>8,699</u>	<u>426,341</u>
TOTAL COSTS	\$ 16,166	\$ --	\$ 16,166	\$ 16,166	\$ 680,031

See accompanying Notes to Supplemental Statements.

**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 11B-5708
\$537,622

For the Period January 1, 2011 through December 31, 2012

	January 1, 2011 through June 30, 2012	July 1, 2012 through Dec 31, 2012	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>					
Grant Revenue	\$ 503,095	\$ 34,527	\$ 537,622		\$ 537,622
County General Fund Contribution	--	14,283	14,283		--
Other Source	--	51,219	51,219		--
TOTAL REVENUE	<u>\$ 503,095</u>	<u>\$ 100,029</u>	<u>\$ 603,124</u>		<u>\$ 537,622</u>
<u>EXPENDITURES</u>					
Administrative Costs	\$ 48,803	\$ --	\$ 48,803	\$ 42,965	\$ 42,965
Weatherization Program Costs:					
Intake	\$ --	\$ --	\$ --	\$ --	\$ 10,742
Outreach	--	--	--	--	26,855
Training and Technical Assistance	26,855	--	26,855	26,855	26,855
Direct Program Activities	470,869	50,348	521,217	461,483 *	430,205
Liability Insurance	3,896	--	3,896	3,896	--
Workers' Compensation	2,423	--	2,423	2,423	--
Total Program Costs	<u>504,043</u>	<u>50,348</u>	<u>554,391</u>	<u>494,657</u>	<u>494,657</u>
TOTAL COSTS	<u>\$ 552,846</u>	<u>\$ 50,348</u>	<u>\$ 603,194</u>	<u>\$ 537,622</u>	<u>\$ 537,622</u>
County General Fund Contribution	--	(14,283)	(14,283)		
Other Source	--	(51,219)	(51,219)		
TOTAL COSTS - FEDERAL	<u>\$ 552,846</u>	<u>\$ (15,154) **</u>	<u>\$ 537,692</u>		

Excess Revenue Earned / (Used) for 11B LIHEAP/ECIP and 11B LIHEAP/WX \$ (70)
was netted to zero and reported at the time of close out (See Notes 4 and 5).

* Reported Direct Program Activities of \$462,058 was reduced by \$575 (exceeded contract budget)

** Reported \$0.00 on current year 2012/2013 SEFA.

See accompanying Notes to Supplemental Statements.

**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 12B-5807
\$368,696
For the Period January 1, 2012 through June 30, 2013

	January 1, 2012 through June 30, 2012	July 1, 2012 through June 30, 2013	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>					
Grant Revenue	\$ --	\$ 198,816	\$ 198,816		\$ 368,696
County General Fund Contribution	--	35,978	35,978		--
TOTAL REVENUE	\$ --	\$ 234,794	\$ 234,794		\$ 368,696
<u>EXPENDITURES</u>					
Administrative Costs	\$ --	\$ 23,201	\$ 23,201	\$ 23,201	\$ 29,496
Weatherization Program Costs:					
Intake	\$ --	\$ --	\$ --	\$ --	\$ 18,435
Outreach	--	--	--	--	18,435
Training and Technical Assistance	--	17,200	17,200	17,200	18,435
Direct Program Activities	--	192,772	192,772	156,552	278,001
Liability Insurance	--	1,332	1,332	1,332	3,829
Workers' Compensation	--	531	531	531	2,065
Total Program Costs	--	211,835	211,835	175,615	339,200
TOTAL COSTS	\$ --	\$ 235,036	\$ 235,036	\$ 198,816	\$ 368,696
County General Fund Contribution	--	(35,978)	(35,978)		
TOTAL COSTS - FEDERAL	\$ --	\$ 199,058	\$ 199,058		

Excess Revenue Used will be reported at the time of close out. \$ (242)
(See Notes 4 and 5).

See accompanying Notes to Supplemental Statements.

**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 13B-5007
\$360,700
For the Period January 1, 2013 through January 31, 2014

	January 1, 2013 through June 30, 2013	July 1, 2013 through January 31, 2014	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>					
Grant Revenue	\$ 116,166	\$ --	\$ 116,166		\$ 360,700
					--
TOTAL REVENUE	<u>\$ 116,166</u>	<u>\$ --</u>	<u>\$ 116,166</u>		<u>\$ 360,700</u>
<u>EXPENDITURES</u>					
Administrative Costs	\$ 5,453	\$ --	\$ 5,453	\$ 5,453	\$ 28,805
Weatherization Program Costs:					
Intake	\$ --	\$ --	\$ --	\$ --	\$ 28,805
Outreach	--	--	--	--	18,004
Training and Technical Assistance	1,493	--	1,493	1,493	18,004
Direct Program Activities	97,585	--	97,585	97,585	252,322
Liability Insurance	--	--	--	--	2,700
Workers' Compensation	--	--	--	--	1,060
General Operating Expenditures	11,635	--	11,635	11,635	11,000
Total Program Costs	<u>110,713</u>	<u>--</u>	<u>110,713</u>	<u>110,713</u>	<u>331,895</u>
TOTAL COSTS	<u>\$ 116,166</u>	<u>\$ --</u>	<u>\$ 116,166</u>	<u>\$ 116,166</u>	<u>\$ 360,700</u>

See accompanying Notes to Supplemental Statements.

**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 11C-1807
\$53,196

For the Period December 1, 2011 through January 31, 2014

	Dec 1, 2011 through June 30, 2012	July 1, 2012 through June 30, 2013	July 1, 2013 through Jan 31, 2014	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>						
Grant Revenue	\$ 5,994	\$ 35,214	\$ --	\$ 41,208		\$ 53,196
TOTAL REVENUE	<u>\$ 5,994</u>	<u>\$ 35,214</u>	<u>\$ --</u>	<u>\$ 41,208</u>		<u>\$ 53,196</u>
<u>EXPENDITURES</u>						
Administrative Costs	\$ 46	\$ 990	\$ --	\$ 1,036	\$ 1,036	\$ 3,155
Weatherization Program Costs:						
Training and Technical Assistance	\$ 240	\$ 2,743	\$ --	\$ 2,983	\$ 2,983	\$ 3,854
Liability Insurance	--	--	--	--	--	300
Minor Equipment	--	17,639	--	17,639	17,638	--
Workers' Compensation	--	--	--	--	--	150
General/Operating Expenses	--	1,161	--	1,161	1,161	1,000
Health & Safety	2,575	--	--	2,575	4,024	9,177
Direct Program Activities	1,359	11,716	--	13,075	14,366	35,560
Total Program Costs	<u>4,174</u>	<u>33,259</u>	<u>--</u>	<u>37,433</u>	<u>40,172</u>	<u>50,041</u>
TOTAL COSTS	<u>\$ 4,220</u>	<u>\$ 34,249</u>	<u>\$ --</u>	<u>\$ 38,469</u>	<u>\$ 41,208</u>	<u>\$ 53,196</u>

Reported cost exceeded actual cost; to be reported at the time of close out. \$ 2,739
(See Note 4)

See accompanying Notes to Supplemental Statements.

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**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, 2013

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, 2012 through June 30, 2013 and are not intended to present fairly the financial position or changes in financial position of the County of El Dorado 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 REPORTED EXPENDITURES TO TOTAL COSTS

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

Weatherization (WX) 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. If actual costs are less than earned grant measures, the result will be "excess revenue".

**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, 2013

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

<u>Contract/Description</u>	<u>Total Costs</u>	<u>Adjustment</u>	<u>Total Reported Expenditures</u>
12F-4409 (CSBG)			
Jan 1, 2012-June 30, 2012	\$ 153,616	\$ --	\$ 153,616
July 1, 2012-Dec 31, 2012	135,932	--	135,932
General Fund Contribution	(41,149)	--	(41,149)
Total Costs	<u>\$ 248,399</u>	<u>\$ --</u>	<u>\$ 248,399</u>
13F-3009 (CSBG)			
Jan 1, 2013-June 30, 2013	\$ 144,132	\$ (12,921)	\$ 131,211
General Fund Contribution	(12,921)	12,921	--
Total Costs	<u>\$ 131,211</u>	<u>\$ --</u>	<u>\$ 131,211</u>
11B-5708 (LIHEAP/ECIP/A16/HEAP)			
Jan 1, 2011-June 30, 2011	\$ 53,320	\$ --	\$ 53,320
July 1, 2011-June 30, 2012	632,205	--	632,205
July 1, 2012-Dec 31, 2012	58,201	(3,494)	54,707
General Fund Contribution	(3,564)	3,564	--
Disallowed Administrative Cost	(8,549)	--	(8,549)
Total Costs	<u>\$ 731,613</u>	<u>\$ 70</u> d	<u>\$ 731,683</u>
12B-5807 (LIHEAP/ECIP/A16/HEAP)			
Jan 1, 2012-June 30, 2012	\$ --	\$ --	\$ --
July 1, 2012-June 30, 2013	501,200	242	501,442
Total Costs	<u>\$ 501,200</u>	<u>\$ 242</u> b	<u>\$ 501,442</u>
13B-5007 (LIHEAP/ECIP/A16/HEAP)			
Jan 1, 2013-June 30, 2013	\$ 16,166	\$ --	\$ 16,166
Total Costs	<u>\$ 16,166</u>	<u>\$ --</u>	<u>\$ 16,166</u>
11B-5708 (LIHEAP/WX)			
Jan 1, 2011-June 30, 2011	\$ 56,083	\$ 4,725	\$ 60,808
July 1, 2011-June 30, 2012	496,763	(54,476)	442,287
July 1, 2012-Dec 31, 2012	50,348	(15,821)	34,527
General Fund Contribution	(14,283)	14,283	--
Other Source	(51,219)	51,219	--
Total Costs	<u>\$ 537,692</u>	<u>\$ (70)</u> d	<u>\$ 537,622</u>
12B-5807 (LIHEAP/WX)			
Jan 1, 2012-June 30, 2012	\$ --	\$ --	\$ --
July 1, 2012-June 30, 2013	235,036	(36,220)	198,816
General Fund Contribution	(35,978)	35,978	--
Total Costs	<u>\$ 199,058</u>	<u>\$ (242)</u> b	<u>\$ 198,816</u>
13B-5007 (LIHEAP/WX)			
Jan 1, 2013-June 30, 2013	\$ 116,166	\$ --	\$ 116,166
Total Costs	<u>\$ 116,166</u>	<u>\$ --</u>	<u>\$ 116,166</u>

**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, 2013

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

<u>Contract/Description</u>	<u>Total Costs</u>	<u>Adjustment</u>	<u>Total Reported Expenditures</u>
11C-1807 (DOE/WX)			
Dec 1, 2011-June 30, 2012	\$ 4,220	\$ 1,774 c	\$ 5,994
July 1, 2012-June 30, 2013	34,249	965 c	35,214
Total Costs	<u>\$ 38,469</u>	<u>\$ 2,739 c</u>	<u>\$ 41,208</u>

- a) Total actual costs exceeded reported costs by \$65,572, which is covered by a General Fund contribution of \$14,283, Other Source of \$51,219, and Excess Revenue Earned of \$70 in LIHEAP/ECIP 11B.
- b) Excess Revenue Earned / (Used) will be reported at the time of close out.
- c) Reported costs exceeded actual costs. To be reported at the time of close out.
- d) Excess Revenue Earned / (Used) for LIHEAP/ECIP 11B and LIHEAP/WX 11B was netted to zero and 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, 2013

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 contractor'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 a contractor directly generated or earned as a result of unexpended LIHEAP grant funds at the end of a contract term period. The interest earned by a contractor 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		--
Available Funds		<u>--</u>
Program Expenditures		
Client Assistance 11B		--
Total Program Expenditures		<u>--</u>
Ending Balance (Close Out 11B)	\$	<u><u>--</u></u>

	<u>Cumulative through 6/30/12</u>	<u>For the Period Ended 6/30/13</u>	<u>Cumulative through 6/30/13</u>
Open contracts			
Excess Revenue Earned (Used)			
12B-5807 (LIHEAP/WX)	\$ --	\$ (242)	\$ (242)
12B-5807 (LIHEAP/ECIP)	--	242	242
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>



**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**

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, 2013, and have issued our report thereon dated April 3, 2014. 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 *2013 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 County's 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 Standard* or the California Department of Community Services and Development *2013 Supplemental Audit Guide*.

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

This report is intended solely for the information and use of the California Department of Community Services and Development, the County's management, and the County's Board of Supervisors. It is not intended to be, and should not be, used by anyone other than these specified parties.

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

Roseville, California
April 3, 2014



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO THE GRANTS AWARDED
BY THE CALIFORNIA DEPARTMENT OF COMMUNITY
SERVICES AND DEVELOPMENT AND ON
INTERNAL CONTROL OVER COMPLIANCE**

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

Compliance

We have audited the compliance of the County of El Dorado (County) with the types of compliance requirements described in the California Department of Community Services and Development *2013 Supplemental Audit Guide* that are applicable to programs listed in the accompanying Financial Statements of the California Department of Community Services and Development Programs (the "Programs") for the year ended June 30, 2013. Compliance with the requirements of laws, regulations, contracts, and grants applicable to these 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.

We conducted our audit of compliance 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, and the California Department of Community Services and Development *2013 Supplemental Audit Guide*. Those standards 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 the Programs occurred. An audit includes examining, on a test basis, evidence about 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.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to the Programs for the year ended June 30, 2013.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to these programs. In planning and performing our audit, we considered the County's internal control over compliance to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

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 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.

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

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

This report is intended solely for the information and use of the California Department of Community Services and Development, the County's management, and the County's Board of Supervisors. It is not intended to be, and should not be, used by anyone other than these specified parties.

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

Roseville, California
April 3, 2014

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

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

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

Schedule of Findings
For the Year Ended June 30, 2013

None reported.

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

Summary Schedule of Prior Year Findings
For the Year Ended June 30, 2013

None reported.