

COUNTY OF EL DORADO
CALIFORNIA DEPARTMENT OF
COMMUNITY SERVICES AND DEVELOPMENT
PROGRAM SPECIFIC GRANT AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2016



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COUNTY OF EL DORADO
CALIFORNIA DEPARTMENT OF
COMMUNITY SERVICES AND DEVELOPMENT
PROGRAM SPECIFIC GRANT AUDIT REPORT

For The Year Ended June 30, 2016

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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 to the County of El Dorado (CSD Grant Program) by the State of California, Health and Human Services Agency (HHSA), as of and for the year ended June 30, 2016 (described in the following table), and the related notes to the financial statements, which collectively comprise the CSD Grant Program's financial statements as listed in the table of contents.

Award Number	Program Title	Grant Period
15F-2009	Community Services Block Grant (CSBG)	01/01/2015 - 12/31/2015
16F-5009	Community Services Block Grant (CSBG)	01/01/2016 - 12/31/2016
16F-5531	Community Services Block Grant (CSBG) Discretionary	06/15/2016 - 12/31/2016
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 – 09/30/2016
16B-4007	LIHEAP ECIP A16 HEAP	01/01/2016 – 01/31/2017
15B-3008	LIHEAP Weatherization (WX)	01/01/2015 – 09/30/2016
16B-4007	LIHEAP WX	01/01/2016 – 01/31/2017
15C-1007	Department of Energy (DOE) Weatherization (WX)	09/01/2015 – 06/30/2016

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 and the California Department of Community Services and Development Supplemental Audit Guide; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the 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 and requirements described in the California Department of Community Services and Development Supplemental Audit Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 CSD Grant Program'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 CSD Grant Program'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 CSD Grant Program's revenues and expenditures as of and for the year ended June 30, 2016, in accordance with accounting principles generally accepted in the United States of America and with the requirements of the California Department of Community Services and Development.

Emphasis of Matter

As discussed in Note 1, the financial statements are intended to present only the financial activities of above listed grants and do not purport to, and do not present fairly the financial position of the County of El Dorado as of June 30, 2016, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 3, 2017, on our consideration of the CSD Grant Programs' 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 CSD Grant Programs' internal control over financial reporting and compliance.

Maye & Associates

Pleasant Hill, California
April 4, 2017

**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
REVENUE					
Grant Revenue	\$ 133,560	\$ 134,614	\$ 268,174		\$ 268,174
TOTAL REVENUE	\$ 133,560	\$ 134,614	\$ 268,174		\$ 268,174
EXPENDITURES					
Administrative Costs					
Salaries and Wages	\$ 33,613	\$ 46,517	\$ 80,130	\$ 80,130	\$ 72,846
Fringe Benefits	15,376	20,725	36,101	36,101	41,380
Operating Expenses	5,110	2,782	7,892	7,892	8,500
Other Costs	79,461	64,590	144,051	144,051	145,448
Total Administrative Costs	133,560	134,614	268,174	268,174	268,174
TOTAL COSTS	\$ 133,560	\$ 134,614	\$ 268,174	\$ 268,174	\$ 268,174

See accompanying Notes to Supplemental Statement of Revenue and Expenditures.

**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 16F-5009

\$284,569

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

	January 1, 2016 through June 30, 2016	July 1, 2016 through Dec 31, 2016	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>					
Grant Revenue	\$ 137,551	\$ -	\$ 137,551		\$ 284,569
TOTAL REVENUE	\$ 137,551	\$ -	\$ 137,551		\$ 284,569
<u>EXPENDITURES</u>					
Administrative Costs					
Salaries and Wages	\$ 46,957	\$ -	\$ 46,957	\$ 46,957	\$ 97,446
Fringe Benefits	25,347	-	25,347	25,347	56,073
Operating Expenses	3,200	-	3,200	3,200	6,850
Other Costs	62,047	-	62,047	62,047	124,200
Total Administrative Costs	137,551	-	137,551	137,551	284,569
TOTAL COSTS	\$ 137,551	\$ -	\$ 137,551	\$ 137,551	\$ 284,569

See accompanying Notes to Supplemental Statement of Revenue and Expenditures.

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

Supplemental Statement of Revenue and Expenditures
Community Services Block Grant (CSBG) Discretionary
CSD Contract Number 16F-5531
\$17,000

For the Period June 15, 2016 through December 31, 2016

	June 15, 2016 through June 30, 2016	July 1, 2016 through Dec 31, 2016	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>					
Grant Revenue	\$ 287	\$ -	\$ 287		\$ 17,000
TOTAL REVENUE	\$ 287	\$ -	\$ 287		\$ 17,000
<u>EXPENDITURES</u>					
Administrative Costs					
Salaries and Wages	\$ 147	\$ -	\$ 147	\$ 147	\$ 8,990
Fringe Benefits	87	-	87	87	5,216
Other Costs	53	-	53	53	2,794
Total Administrative Costs	287	-	287	287	17,000
TOTAL COSTS	\$ 287	\$ -	\$ 287	\$ 287	\$ 17,000

See accompanying Notes to Supplemental Statement of Revenue and Expenditures.

**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

	(per July 2016 Revision) January 1, 2014 through January 31, 2015	Adjustment	Total Costs	Restated Total Reported Expenditures	Total Budget
REVENUE					
* Grant Revenue	\$ 697,706	\$ (53,478)	\$ 644,228		\$ 1,086,243
** County General Fund Contribution	3,604	2,694	6,298		
TOTAL REVENUE	\$ 701,310	\$ (50,784)	\$ 650,526		\$ 1,086,243
EXPENDITURES					
Assurance 16 Activities	\$ 40,748	\$ -	\$ 40,748	\$ 40,748	\$ 121,791
** Administrative Costs	57,417	-	57,417	57,417	85,983
Intake	45,348	-	45,348	45,348	126,764
Outreach ECIP and HEAP	43,301	-	43,301	43,301	79,227
Training and Technical Assistance	8,283	-	8,283	8,283	31,692
Subtotal	195,097	-	195,097	195,097	445,457
ECIP/HEAP Costs:					
ECIP EHCS Diagnostics	\$ 1,215	\$ -	\$ 1,215	\$ 1,215	\$ 3,283
ECIP EHCS Cooling Service Repair/Replacement	17,552	-	17,552	17,552	22,500
ECIP EHCS Heating Service Repair/Replacement	24,392	-	24,392	24,392	31,000
ECIP EHCS Water Heater Repair/Replacement	-	-	-	-	13,500
Severe Weather Energy Assistance and Transportation Services (SWEATS)	2,760	-	2,760	2,760	-
HEAP Wood, Propane, and Oil	361,571	-	361,571	361,571	570,503
Liability Insurance	3,147	-	3,147	3,147	-
Workers' Compensation	1,854	-	1,854	1,854	-
General Operating Expenditures	25,365	-	25,365	25,365	-
Automation Supplemental	17,573	-	17,573	17,573	-
Subtotal	455,429	-	455,429	455,429	640,786
TOTAL COSTS	\$ 650,526	\$ -	\$ 650,526	\$ 650,526	\$ 1,086,243
** Disallowed Administration Costs	(3,604)	(2,694)	(6,298)	(6,298)	
*** TOTAL COSTS - FEDERAL	\$ 646,922	\$ (2,694)	\$ 644,228	\$ 644,228	

* Of the \$701,310 total reimbursement received from the State, \$57,082 (= \$3,604 + \$53,478) was due back to State, including overpayment of \$50,784 (due to originally overstated expenditures) and disallowed Administrative Costs of \$6,298. Adjusted Grant Revenue is \$644,228.

** Of the \$57,417 reported Administrative Costs, State disallowed \$6,298 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.

*** Accumulative federal costs of \$644,228 have been reported to the Federal Audit Clearinghouse and to California Department of Community Services and Development (CA CSD) as follows -

	Federal Audit Clearinghouse	CA CSD	
Fiscal Year 13/14 SEFA	\$ 229,903	\$ 229,903	
Fiscal Year 14/15 SEFA (Original)	452,349	-	
Fiscal Year 14/15 SEFA (Revised in July 2016)	-	417,019	
Fiscal Year 15/16 SEFA	(38,024)	(2,694)	FY 15/16 CSD Report (see "Adjustment" above)
	\$ 644,228	\$ 644,228	

See accompanying Notes to Supplemental Statement of Revenue and Expenditures.

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

\$1,034,008

For the Period January 1, 2015 through September 30, 2016

	January 1, 2015 through June 30, 2015	July 1, 2015 through June 30, 2016	July 1, 2016 through Sept 30, 2016	Total Costs	Total Reported Expenditures	Total Budget
REVENUE						
Grant Revenue	\$ 406,902	\$ 525,124	\$ --	\$ 932,026		\$ 1,034,008
TOTAL REVENUE	\$ 406,902	\$ 525,124	\$ --	\$ 932,026		\$ 1,034,008
EXPENDITURES						
Assurance 16 Activities	\$ 25,180	\$ 68,530	\$ --	\$ 93,710	\$ 93,699	\$ 113,750
Administrative Costs	62,340	50,684	--	113,024	113,035	121,805
Intake	32,400	58,990	--	91,390	91,390	109,000
Outreach ECIP and HEAP	29,346	45,263	--	74,609	74,609	74,609
Training and Technical Assistance	1,495	8,132	--	9,627	9,627	14,844
Subtotal	150,761	231,599	--	382,360	382,360	434,008
ECIP/HEAP Costs:						
ECIP EHCS Diagnostics	\$ 403	\$ 286	\$ --	\$ 689	\$ 689	\$ 1,000
ECIP EHCS Cooling Service Repair / Replacement	--	10,260	--	10,260	10,260	12,000
ECIP EHCS Heating Service Repair / Replacement	2,906	15,576	--	18,482	18,482	20,000
ECIP EHCS Water Heater Repair / Replacement	--	9,023	--	9,023	9,023	10,000
ECIP EHCS Other Program Costs	728	1,487	--	2,215	2,215	--
SWEATS Drought 2015	--	--	--	--	--	2,500
HEAP Wood, Propane, and Oil	227,796	226,517	--	454,313	454,313	492,300
Liability Insurance	1,329	754	--	2,083	2,083	2,000
Minor Vehicle and Equipment	--	1,227	--	1,227	1,227	5,000
Workers' Compensation	714	695	--	1,409	1,409	1,500
General Operating Expenditures	19,541	20,896	--	40,437	40,437	48,000
Automation Supplemental	--	9,528	--	9,528	9,528	5,700
Subtotal	253,417	296,249	--	549,666	549,666	600,000
TOTAL COSTS	\$ 404,178	\$ 527,848	\$ --	\$ 932,026	\$ 932,026	\$ 1,034,008

See accompanying Notes to Supplemental Statement of Revenue and Expenditures.

**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 16B-4007
\$1,053,989
For the Period January 1, 2016 through January 31, 2017

	January 1, 2016 through June 30, 2016	July 1, 2016 through January 31, 2017	Total Costs	Total Reported Expenditures	Total Budget
REVENUE					
Grant Revenue	\$ 486,457	\$ --	\$ 486,457		\$ 1,053,989
TOTAL REVENUE	\$ 486,457	\$ --	\$ 486,457		\$ 1,053,989
EXPENDITURES					
Assurance 16 Activities	\$ 34,540	\$ --	\$ 34,540	\$ 34,540	\$ 116,357
Administrative Costs	54,992	--	54,992	54,992	116,217
Subtotal	89,532	--	89,532	89,532	232,574
Program Support Costs:					
Intake	\$ 53,572	\$ --	\$ 53,572	\$ 53,572	\$ 97,000
Outreach	60,837	--	60,837	60,837	69,611
Training and Technical Assistance	2,174	--	2,174	2,174	3,706
Out of State Travel	--	--	--	--	10,000
Minor Vehicle and Equipment	--	--	--	--	5,000
General Overhead Costs	6,074	--	6,074	6,074	50,000
Automation Supplemental	768	--	768	768	12,600
Subtotal	123,425	--	123,425	123,425	247,917
Program Service Costs:					
ECIP Emergency Heating & Cooling Services	\$ --	\$ --	\$ --	\$ --	\$ 38,000
SWEATS	--	--	--	--	5,000
Wood, Propane, and Oil	273,500	--	273,500	273,500	530,498
Subtotal	273,500	--	273,500	273,500	573,498
TOTAL COSTS	\$ 486,457	\$ --	\$ 486,457	\$ 486,457	\$ 1,053,989

See accompanying Notes to Supplemental Statement of Revenue and Expenditures.

**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 September 30, 2016

	January 1, 2015 through June 30, 2015	July 1, 2015 through June 30, 2016	July 1, 2016 through Sept 30, 2016	Total Costs	Total Reported Expenditures	Total Budget
REVENUE						
Grant Revenue	\$ 179,384	\$ 427,167	\$ --	\$ 606,551		\$ 607,549
TOTAL REVENUE	\$ 179,384	\$ 427,167	\$ --	\$ 606,551		\$ 607,549
EXPENDITURES						
Weatherization Program Costs:						
Intake	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 48,604
Outreach	--	--	--	--	--	30,377
Training and Technical Assistance	4,829	13,296	--	18,125	18,125	30,377
Direct Program Activities	161,026	393,398	--	554,424	554,424	457,570
Liability Insurance	1,356	1,113	--	2,469	2,469	2,900
Minor Vehicle and Field Equipment	--	801	--	801	801	--
Workers' Compensation	729	1,028	--	1,757	1,757	1,900
General Operating Expenditures	11,444	17,531	--	28,975	28,975	35,821
Total Program Costs	179,384	427,167	--	606,551	606,551	607,549
TOTAL COSTS	\$ 179,384	\$ 427,167	\$ --	\$ 606,551	\$ 606,551	\$ 607,549

See accompanying Notes to Supplemental Statement of Revenue and Expenditures.

**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 16B-4007
\$579,946
For the Period January 1, 2016 through January 31, 2017

	January 1, 2016 through June 30, 2016	July 1, 2016 through January 31, 2017	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>					
Grant Revenue	\$ 207,088	\$ -	\$ 207,088		\$ 579,946
TOTAL REVENUE	\$ 207,088	\$ -	\$ 207,088		\$ 579,946
<u>EXPENDITURES</u>					
Weatherization Program Support Costs:					
Training and Technical Assistance	\$ 4,348	\$ -	\$ 4,348	\$ 4,348	\$ 12,000
Out of State Travel	5,567	-	5,567	5,567	10,000
Minor Vehicle and Field Equipment	7,360	-	7,360	7,360	10,000
General Overhead Costs	89,968	-	89,968	89,968	265,000
Total Program Support Costs	107,243	-	107,243	107,243	297,000
Weatherization Direct Program Costs	99,845	-	99,845	99,845	282,946
TOTAL COSTS	\$ 207,088	\$ -	\$ 207,088	\$ 207,088	\$ 579,946

See accompanying Notes to Supplemental Statement of Revenue and Expenditures.

**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 15C-1007
\$58,210

For the Period September 1, 2015 through June 30, 2016

	September 1, 2015 through June 30, 2016	Total Costs	Total Reported Expenditures	Total Budget
<u>REVENUE</u>				
Grant Revenue	\$ 53,952	\$ 53,952		\$ 58,210
TOTAL REVENUE	\$ 53,952	\$ 53,952		\$ 58,210
<u>EXPENDITURES</u>				
Administrative Costs	\$ 3,248	\$ 3,248	\$ 3,248	\$ 3,504
Program Costs:				
Training and Technical Assistance	\$ --	\$ --	\$ --	\$ 3,536
Liability Insurance	--	--	--	150
Workers' Compensation	--	--	--	120
Minor Vehicle and Field Equipment	7,461	7,461	7,461	--
General/Operating Expenses	401	401	401	2,000
Direct Program Activities	37,555	37,555	37,555	40,397
Health & Safety	5,287	5,287	5,287	8,503
Total Program Costs	50,704	50,704	50,704	54,706
TOTAL COSTS	\$ 53,952	\$ 53,952	\$ 53,952	\$ 58,210

See accompanying Notes to Supplemental Statement of Revenue and Expenditures.

**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, 2016

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, 2015 through June 30, 2016 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, 2016

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

Contract/Description	Total Costs	Adjustment	Total Reported Expenditures
15F-2009 (CSBG)			
Jan 1, 2015-June 30, 2015	\$ 133,560	\$ -	\$ 133,560
July 1, 2015-Dec 31, 2015	134,614	-	134,614
Total Costs	<u>\$ 268,174</u>	<u>\$ -</u>	<u>\$ 268,174</u>
16F-5009 (CSBG)			
Jan 1, 2016-June 30, 2016	\$ 137,551	\$ -	\$ 137,551
Total Costs	<u>\$ 137,551</u>	<u>\$ -</u>	<u>\$ 137,551</u>
16F-5531 (CSBG)			
June 15, 2016-June 30, 2016	\$ 287	\$ -	\$ 287
Total Costs	<u>\$ 287</u>	<u>\$ -</u>	<u>\$ 287</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	(12,359)	408,264 a
Disallowed Adm Costs (previously reported)	(3,604)	-	(3,604)
Additional Disallowed Adm Costs	(2,694)	-	(2,694)
Total Costs	<u>\$ 644,228</u>	<u>\$ -</u>	<u>\$ 644,228</u>
15B-3008 (LIHEAP/ECIP/A16/HEAP)			
Jan 1, 2015-June 30, 2015	\$ 404,178	\$ 2,724 b	\$ 406,902
July 1, 2015-June 30, 2016	527,848	(2,724) b	525,124
Total Costs	<u>\$ 932,026</u>	<u>\$ -</u>	<u>\$ 932,026</u>
16B-4007 (LIHEAP/ECIP/A16/HEAP)			
Jan 1, 2016-June 30, 2016	\$ 486,457	\$ -	\$ 486,457
Total Costs	<u>\$ 486,457</u>	<u>\$ -</u>	<u>\$ 486,457</u>
15B-3008 (LIHEAP/WX)			
Jan 1, 2015-June 30, 2015	\$ 179,384	\$ -	\$ 179,384
July 1, 2015-June 30, 2016	427,167	-	427,167
Total Costs	<u>\$ 606,551</u>	<u>\$ -</u>	<u>\$ 606,551</u>
16B-4007 (LIHEAP/WX)			
Jan 1, 2016-June 30, 2016	\$ 207,088	\$ -	\$ 207,088
Total Costs	<u>\$ 207,088</u>	<u>\$ -</u>	<u>\$ 207,088</u>
15C-1007 (DOE/WX)			
Sep 1, 2015-June 30, 2016	\$ 53,952	\$ -	\$ 53,952
Total Costs	<u>\$ 53,952</u>	<u>\$ -</u>	<u>\$ 53,952</u>

a) Restated; see Supplemental Statement of Revenue and Expenditures.

b) Excess Revenue Earned/(Used) to be reported at the time of close out; see Note 5.

**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, 2016

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 (per July 2016 revision)	\$	50,784
Interest		--
Funds paid back to CA CSD		(50,784)
Available Funds		<u> --</u>
Program Expenditures		
Other Program Costs		--
Total Program Expenditures		<u> --</u>
Ending Balance (Close Out 14B)	\$	<u><u> --</u></u>

	<u>Cumulative through 6/30/15</u>	<u>For the Period Ended 6/30/16</u>	<u>Cumulative through 6/30/16</u>
Open contracts			
Excess Revenue Earned (Used)			
15B-3008 (LIHEAP/ECIP)	\$ 2,724	\$ (2,724)	\$ --
Total	<u>\$ 2,724</u>	<u>\$ (2,724)</u>	<u>\$ --</u>

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**INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING,
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 SUPPLEMENTAL AUDIT GUIDE**

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

We have audited, in accordance with the 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, 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 to the County of El Dorado (CSD Grant Program) by the State of California, Health and Human Services Agency (HHSA), as of and for the year ended June 30, 2016, and the related notes to the financial statements, and have issued our report thereon dated April 3, 2017.

Internal Control Over Financial Reporting and Compliance

In planning and performing our audit of the financial statements, we considered the CSD Grant Program's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CSD Grant Program's internal control. Accordingly, we do not express an opinion on the effectiveness of the CSD Grant Program's internal control.

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 CSD Grant Program's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CSD Grant Program's financial statements are free from 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. Our procedures included the applicable audit procedures contained in the California Department of Community Services and Development Supplemental Audit Guide and tests of compliance with the applicable provisions of the Supplemental Audit Guide. 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*.

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 result of that testing, and not to provide an opinion on the effectiveness of the CSD Grant Program'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 CSD Grant Program's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the California Department of Community Services and Development, management, Board of Supervisors, others within the County, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Pleasant Hill, California
April 4, 2017

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

Schedule of Findings
For the Year Ended June 30, 2016

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, 2016

None reported.