



Legislation Text

File #: 15-0942, **Version:** 1

Health and Human Services Agency (HHS), Administration and Finance Division, and the Chief Administrative Office (CAO) recommending the Board direct the Auditor-Controller to post the final adjusting journal entry transferring the remaining cash balance and interest earned from the Housing Community Economic Development program originally within HHS that was functionally transferred to the CAO in Fiscal Year 2012/13.

FUNDING: N/A

DEPARTMENT RECOMMENDATION:

Approval of the journal entry will allow for final closing of the Health and Human Services Agency (HHS) index codes related to the Housing Community Economic Development (HCE) program. Additionally, it will transfer applicable cash balances to the new funds established in the Chief Administrative Office (CAO).

DISCUSSION / BACKGROUND:

At the end of FY 12/13, the Chief Administrative Officer reassigned the HCE program from HHS to the CAO, but final journal entries to transfer costs and fund balances were not posted. In FY 13/14, a journal entry to reclassify costs was posted in the County financial system. However, cash balances were not transferred and the cash continued to earn interest into FY 14/15. The journal entry is to distribute interest and cash held in HHS to the CAO and close the associated HHS index codes. HCE accounting structure was included within the Community Services Division sub-fund 11-107-001. HHS prepared a reconciliation that balances the HCE accounts from the month of June 2012 through the transfer of the program to the CAO. Due to the length of time the account has been in FAMIS, it is difficult to provide sufficient evidence of the beginning balances.

Over the past two years HHS, the CAO and the Auditor's Office have attempted to reconcile the account balances. However, as a result of accounting practices relative to the HCE funds from prior years, HHS and the CAO are unable to adequately reconcile the cash differences. Currently, HHS sub-fund 11-107-001 has a fund balance of \$185,261. Of this amount, \$165,672 is to be transferred to the HCE program and \$19,589 to remain in the Community Services Administration account.

ALTERNATIVES:

If this journal entry is not posted, the cash balances will remain in HHS further complicating program reconciliation of funding sources and the budget process.

OTHER DEPARTMENT / AGENCY INVOLVEMENT:

Chief Administrative Office

CAO RECOMMENDATION:

Chief Administrative Office recommending the Board authorize the Auditor-Controller's office to post the final adjusting HCE journal entry.

FINANCIAL IMPACT:

There is no Net County Cost associated with this Agenda item.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT:

Health and Human Services Agency Strategic Plan Goal 2 - Fiscal Responsibility.

CONTACT

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