

HEBER PUBLIC UTILITY DISTRICT REPORT TO THE BOARD OF DIRECTORS

MEETING DATE: March 20, 2014

FROM: Laura Fischer, General Manager
Prepared by: Graciela López, Finance Manager

SUBJECT: Approve the Amendment to the Single Audit Report for FY2012-2013 Schedule of Federal Awards as Requested by the State Controller's Office.

ISSUE:

Shall the Heber Public Utility Board of Directors approve the amendment to the Single Audit Report Schedule of Federal Awards for FY 2012-2013 to amend the amount from: \$4,825,058 to \$5,187,709?

GENERAL MANAGER RECOMMENDATION:

Approve the amendment to the Single Audit Report for FY2012-2013 Schedule of Federal Awards as requested by the State Controller's Office.

FISCAL IMPACT:

No Fiscal Impact derived from this amendment.

DISCUSSION:

The State Controllers' Office requested that HPUD amend the Single Audit Report for FY 2012-2013, to amend the amount in the Schedule of Federal Awards Schedule from \$4,825,058 to \$5,187,709.

The difference of \$362,651, represents the Federal share of payment request number 9 for expenditures occurred during May of 2012. HPUD issued a request for reimbursement to the State Revolving Fund and the funds were received in Fiscal Year 2013. The Federal Awards Schedule for HPUD's Single Audit Report must include these funds requested in previous fiscal year, but received and disbursed in FY2012-2013.

The Financial Statements do not required an amendment since the expenditures were properly recorded. The federal monies were in transit and received by July 11, 2012.

CONCLUSION:

To comply with the funding agencies and the covenant that federal award monies must be included in the Schedule of Federal Awards of the Single Audit Reports in the Fiscal Year when the disbursement occurs and funds have been expended, HPUD must modify our FY 2012-13 Single Audit Report.

Staff recommends approval of modifications to the Single Audit Report Schedule of Federal Awards FY 2012-2013 to amend the amount in the schedule from: \$4,825,058 to \$5,187,709.

ALTERNATIVES:

- a) Not approve the amendment of the FY2012-2013 Single Audit Schedule of Federal Awards. This action will result in a non-compliance with the State Controllers' Office and the California State Water Resources Control Board as the funding agency.

Respectfully Submitted,

Laura Fischer, General Manager

Attachments:

HPUD Financial Statements for the Year Ended June 30, 2013, with the amended Schedule of Expenditures of the Single Audit Report for FY2012-2013.