



**SAN BENITO COUNTY  
AGENDA ITEM  
TRANSMITTAL FORM**

Dom Zanger  
District No. 1  
Vice-Chair

Kollin Kosmicki  
District No. 2  
Chair

Mindy Sotelo  
District No. 3

Angela Curro  
District No. 4

Ignacio Velazquez  
District No. 5

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**Item Number: 3.b**

**MEETING DATE:** 08/26/2025

**DEPARTMENT:** AUDITOR/CONTROLLER

**AGENDA ITEM PREPARER:** Leann Godinez

**DEPT HEAD/DIRECTOR:** Joe Paul Gonzalez

**SUBJECT:**

**AUDITOR-CONTROLLER - J.P. GONZALEZ**

Discuss revision of FY 23/24, 22/23, 21/22 Single Audit Presentation by Eide Bailly as requested by state auditors

**AGENDA SECTION:**

REGULAR AGENDA

**BACKGROUND/SUMMARY:**

The State of California Department Services and Development audit of the Single Audit for FY2021/22, FY2022/23, and FY2023/24 uncovered errors in the reporting of contract numbers, expenditure reporting amounts associated with incorrect contract numbers, and mislabeling or omission of supplemental schedules.

The CSD auditor provided notice of disallowed costs totaling \$183,109, as a consequence of these Single Audit reporting errors. In order to avoid reversion of these funds, the errors must be corrected with corrected Single Audit Reports in each of the fiscal years by the former external auditor, EideBailly CPAs. The errors are provided in more detail below:

1. FY 21/22 Single Audit SEFA schedule (page 13 of doc, page 15 of pdf) contract number should be 21Z-9566; 2022 Single Audit report with notes attached.
2. FY 22/23 Single Audit SEFA schedule (page 13 of doc, page 15 of pdf) separate into two lines for a CSBG grant. Contract 22F-5034 should have \$31,000 in expenditures and contract 23F-4034 should have \$7,031 in expenditures; 2023 Single Audit report with notes attached.

Correct Total Budget amount from \$28,250 to \$31,000 for Contract 22F-5034 (page 24 of doc, page 26 of pdf); 2023 Single Audit report with notes attached.

3. The County inadvertently missed including a supplemental schedule for a LIHEAP contract # 22B-4029 in FY23/24; excel workbook yellow tab attached.
4. The Supplemental Schedule on the FY23/24 Single Audit was mislabeled for the 22F-5034 Discretionary(page 21), I corrected it and colored the tab green.

Since July 21, 2025, the Auditor-Controller's Office has been working with Eide Bailly CPA Partner Nathan Edelman to enter into agreement to perform the additional work needed for the restatement of the respective Single Audit reports. Mr. Edelman initial response was to state that the policy of the firm is not to perform additional work until all billing has been paid by the County. Recall that the County was in dispute with EideBailly CPAs for billed single audit services outside of the 5-year audit contract terms, in the amount of \$19,217. After a short negotiation, Mr. Edelman agreed to perform the correction work required for the amount he considered still unpaid. Since accurate preparation of the Schedule of Federal Awards (SEFA) is the responsibility of each County department receiving and administering the grant, HHS Director Tracey Belton agreed that payment for the additional work would be paid from her department funds. A request for a 30 day extension of the corrective action response was submitted and approved by CSD with the expiration date of August 29, 2025. The draft contract is with EideBailly for final approval.

**ATTACHMENTS:**

[CDSS audit of the Single Audit for FY2022-2024.docx](#)

[Request for extension.pdf](#)

[San Benito TR 24-035 \(FYE 6-30-2024\) Findings - No Cognizant \(3\).pdf](#)