



**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

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We have performed the procedures enumerated below, which were agreed to by the University of California, Irvine ("UCI") and the Children and Families Commission of Orange County (the "Commission") (the Specified Parties), solely to assist you in evaluating UCI's contract fiscal compliance with the following contractual agreement:

Fabio
Vasco
CPA

Agreement No.: FCI-PHS-01
Program name: Early Developmental Services Program
For OC Kids Program
Period to be tested: July 1, 2012 through June 30, 2013
Budget amount: \$1,560,000; **See Attachment I**

Manny
Gleicher
CPA
(Retired)

Agreement No.: FCI-PHS-01
Program name: Early Developmental Services Program
CUIDAR and Help Me Grow Programs
Period to be tested: July 1, 2012 through June 30, 2013
Budget amount: \$608,408; **See Attachment II**

UCI's management is responsible for its contract compliance with the terms and conditions of the above mentioned agreement. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The following enumerates the agreed-upon procedures performed, findings (if any) and recommendations.

1. We obtained and became familiar with the above mentioned contract agreement, applicable amendments and contract provisions, for the period above mentioned.

2. We obtained copies of all quarterly invoices submitted to the Commission for the subject contract period.
3. We hereby indicate that we are independent as it relates to UCI.
4. We hereby indicate that a duly authorized representative read the applicable contract, amendments and exhibits.
5. For the contract mentioned above, we selected and traced the quarterly invoice for the period ended December 31, 2012 and the quarterly invoice for the period ended June 30, 2013, for detail testing. Each selected invoice was traced to the appropriate monthly supporting documentation to determine if the claims submitted were for costs: a) actually incurred (direct labor, direct costs, subcontracted services); b) reasonable in order to perform the work required under the terms of the contract; and c) consistent with the approved budget (within the proper budgeted line item). No exceptions were noted.
6. No indirect or overhead cost rate was applied and no indirect or overhead cost rate was claimed for the quarters selected for testing or during the contract period. No indirect or overhead cost rate was budgeted during the contract period.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records of UCI. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of UCI and the Children and Families Commission of Orange County and is not intended to be and should not be used by anyone other than those specified parties.

GTL, LLP

Los Angeles, California
December 13, 2013

UNIVERSITY OF CALIFORNIA, IRVINE
 Children and Families Commission of Orange County
 FCI-PHS-01
 Early Developmental Services Program
 (OCKDS)
 July 1, 2012 - June 30, 2013
 Attachment I

Annual Budget 07/01/12- 06/30/13	Qtr. 1; 07/01/12- 09/30/12 Invoice #6464	Qtr. 2; 10/01/12- 12/31/12 Invoice #6678	Qtr. 3; 01/01/13- 03/31/13 Invoice #7042	Qtr. 4; 04/01/13- 06/30/13 Invoice #7516	Qtr. 4; 04/01/13- 06/30/13 Invoice #7650	Total Costs Invoiced	Budget Variance Favorable (Unfavorable)	Reconciliation of retention due to UCI
Salaries	\$ 1,172,597.00	\$ 275,341.50	\$ 300,354.47	\$ 309,432.21	\$ 287,467.96	\$ 1,172,596.14	\$ 0.86	
Direct Expenses	378,003.00	66,075.53	76,472.65	88,750.84	125,704.84	367,503.86	10,499.14	
Subcontracts	9,400.00	-	2,100.00	318.75	6,981.25	9,400.00	-	
Subtotal	1,560,000.00	341,417.03	378,927.12	398,501.80	420,154.05	1,549,500.00	10,500.00	
Less retention	-	(34,141.70)	(37,892.71)	(39,850.18)	(42,015.41)	(154,950.00)	-	\$ (154,950.00)
Total, net	\$ 1,560,000.00	\$ 307,275.33	\$ 341,034.41	\$ 358,651.62	\$ 378,138.64	\$ 1,394,550.00	\$ 10,500.00	\$ (154,950.00)

UNIVERSITY OF CALIFORNIA, IRVINE
 Children and Families Commission of Orange County
 FCI-PHS-01
 Early Developmental Services Program
 (EDAC)

July 1, 2012 - June 30, 2013
 Attachment II

	Annual Budget 07/01/12- 06/30/13	Qtr. 1; 07/01/12- 09/30/12 Invoice #6412	Qtr. 2; 10/01/12- 12/31/12 Invoice #6681	Qtr. 3; 01/01/13- 03/31/13 Invoice #7043	Qtr. 4; 04/01/13- 06/30/13 Invoice #7515	Total Costs Invoiced	Budget Variance Favorable (Unfavorable)	Reconciliation of retention due to UCI
Salaries	\$ 299,004.00	\$ 72,771.79	\$ 76,841.73	\$ 72,295.23	\$ 77,094.35	\$ 299,003.10	\$ 0.90	
Direct Expenses	137,235.00	31,691.58	28,436.26	32,553.44	44,554.12	137,235.40	(0.40)	
Subcontracts	172,169.00	22,458.23	56,206.97	45,534.14	47,968.68	172,168.02	0.98	
Subtotal	608,408.00	126,921.60	161,484.96	150,382.81	169,617.15	608,406.52	1.48	
Less retention	-	(12,692.16)	(16,148.50)	(15,038.28)	(16,961.72)	(60,840.66)	-	\$ (60,840.66)
Total, net	\$ 608,408.00	\$ 114,229.44	\$ 145,336.46	\$ 135,344.53	\$ 152,655.43	\$ 547,565.86	\$ 1.48	\$ (60,840.66)