



March 23, 2017

RE: Vendor Independent Audit and Review Report Requirements

Dear Service Provider:

Welfare and Institutions Code section 4652.5 details the requirement for service providers to obtain either an independent audit or review report of its financial statements. The purpose of this letter is to inform you of recent changes to the requirement and to let you know that Harbor Regional Center (HRC) was recently notified by the Department of Developmental Services (DDS) that your organization met the criteria based on the amount received from the regional center(s) in the State's Fiscal Year 2015-16.

The amended requirements became effective June 9, 2016. If your fiscal year ended prior to the effective date, the original requirements apply. If your fiscal year ended on or after the effective date, the amendment requirements apply. Please find attached for your reference:

- HRC Vendor Independent Audit/Review Report Requirements Summary
- Original and amended versions of WIC section 4652.5
- DDS letter dated March 25, 2016 (see page 10)

If your organization has any outstanding independent review reports and/or independent audits as required under the original requirement, we expect to receive them within the next thirty (30) days. If you are uncertain whether you have submitted the required documents, please resend. Under the amended requirement, service providers must submit their independent review reports or independent audits within nine (9) months of the end of the service provider's fiscal year. Please ensure that your independent review or audit is submitted in a timely manner. Please mail or email your completed independent review reports and independent audits to:

Ashley Ayala, Fiscal Monitor
Harbor Regional Center
21231 Hawthorne Blvd.
Torrance, CA 90503
ashley.ayala@harborrc.org

If you have any questions about this requirement, please contact Ashley at (310) 543-0668.

Thank you.

Sincerely,

Judy Wada
Chief Financial Officer

Colleen Mock
Director of Community Services