

**To:** EERMC Executive Committee  
**From:** Becca Trietch  
**Date:** January 30, 2019  
**Subject:** EERMC Client Fund: Reconciliation Status Summary

---

By conducting an internal audit of the EERMC client fund, the RI Office of Energy Resources discovered that the attached 2019 budget document underestimated the client fund total by \$116,233.80.

**Therefore, there is \$153,117.44 dollars in unallocated funds still available to the EERMC in 2019.**

Through the audit process, it was discovered that a combination of at least two errors resulted in an underestimation of the client fund balance:

1. An incorrect rollover amount was used in the 2017 to 2018 EERMC budget spreadsheet. The spreadsheet showed a client fund balance of \$244,172.00 which was substantially lower than the actual client fund balance. This appears to have been a human error in transitioning from one spreadsheet to the next.
2. Budgeted values rather than actual, contracted amounts were also used in some cases in the calculation of the remaining 2017 and 2018 client fund balances. This resulted in balance values that differed from the actual client fund account.

The investigation into the errors resulting in the wrong client fund balance being reported is still ongoing. However, the RI Office of Energy Resources is confident in the remaining, available funds shown here. The RI Office of Energy Resources will continue to review the client fund management process and will bring recommended changes to the full EERMC as soon as possible.

**EERMC 2019 Budget - DRAFT**

Last Updated 1/14/2019

Income		
Expected Client Fund: Total Available in 2019 (includes 2018 Carry Over)	\$	287,973
SBC - Electric (2019)	\$	783,600
SBC - Gas (2019)	\$	235,500
<b>TOTAL INCOME</b>	<b>\$</b>	<b>1,307,073</b>

Expenses to Main Account	Budget	
	CY 2019	
Consultant Services	\$	876,260.00
Legal Counsel	\$	30,000.00
Annual Report Printing	\$	1,000.00
Council Travel	\$	500.00
Potential Study A (A+B Sum to \$250,000)	\$	111,340.00
<b>Subtotal</b>	<b>\$</b>	<b>1,019,100.00</b>
<b>Unallocated in Main Account</b>	<b>\$</b>	<b>-</b>

Expenses to Client Fund	Budget	
	CY 2019	
2018 Energy Expo	\$	40,000.00
Public Education	\$	70,000.00
EERMC Retreat	\$	2,000.00
EERMC Website	\$	429.00
Potential Study B (A+B sum to \$250,000)	\$	138,660.00
<b>Subtotal</b>	<b>\$</b>	<b>251,089.00</b>
<b>Unallocated in Client Fund</b>	<b>\$</b>	<b>36,883.64</b>

<b>TOTAL Expenses</b>	<b>\$</b>	<b>1,270,189.00</b>
<b>TOTAL Unallocated</b>	<b>\$</b>	<b>36,883.64</b>

**EERMC 2018 Budget**

Income		
Client Fund: Total Available in 2018 (includes 2017 Carry Over)	\$	244,172
SBC - Electric (2018)	\$	686,100
SBC - Gas (2018)	\$	279,800
<b>TOTAL INCOME</b>	<b>\$</b>	<b>1,210,072</b>

Expenses to Main Account	Budget	
	CY 2018	
Consultant Services	\$	864,935.00
Core Allocation	\$	614,935.00
As-needed Expert Services	\$	250,000.00
Legal Counsel	\$	39,000.00
Annual Report	\$	2,000.00
Council Travel	\$	500.00
<b>Subtotal</b>	<b>\$</b>	<b>906,435.00</b>
<b>Unallocated in Main Account</b>	<b>\$</b>	<b>59,465.00</b>

Expenses to Client Fund	Budget	
	CY 2018	
Potential Study - data collection	\$	71,000.00
2018 Energy Expo	\$	40,000.00
Public Education	\$	100,000.00
EERMC Retreat	\$	2,500.00
<b>Subtotal</b>	<b>\$</b>	<b>213,500.00</b>
<b>Unallocated in Client Fund</b>	<b>\$</b>	<b>30,671.50</b>

<b>TOTAL Expenses</b>	<b>\$</b>	<b>1,119,935.00</b>
<b>TOTAL Unallocated</b>	<b>\$</b>	<b>90,136.50</b>

**EERMC 2018 Expenditures/Commitments**

2018 EOY Expenditures/Commitments	Notes
CY 2018	
\$ 748,201.45	Expected to be higher in 2019 due to additional items in SOW
\$ 614,935.00	
\$ 133,266.45	
\$ 33,065.90	Expected to be somewhat lower in 2019
\$ 903.00	2018 printing costs
\$ 1,303.35	
\$ 290.00	Website cost (was not originally budgeted for). Is included in 2019 Budget
\$ 783,763.70	
\$ 182,136.30	

Expected 2018 EOY Expenditures/Commitments	Notes
CY 2018	
\$ -	Data collection costs are being covered by NGrid's EM&V budget
\$ 40,000.00	Expecting the same sponsorship amount in 2019
\$ 99,414.95	
\$ -	C-Team incorporated costs into Consultant Services category above
\$ (1,079.79)	Reimbursement from VEIC
\$ 138,335.16	
\$ 105,836.34	

\$ 922,098.86	
\$ 287,972.64	This amount equals the expected Client Fund amount in 2019