

**COUNTY OF HUMBOLDT
SINGLE AUDIT REPORT
YEAR ENDED JUNE 30, 2023**



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Supervisors
County of Humboldt
Eureka, California

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Humboldt (the County), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated February 14, 2025. Our report included an adverse opinion for the omission of the discretely presented component unit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified.

We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2023-001 and 2023-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The County of Humboldt’s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County’s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the County’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Roseville, California
February 14, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE,
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Board of Supervisors
County of Humboldt
Eureka, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of Humboldt's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2023. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended June 30, 2023, and have issued our report thereon dated February 14, 2025, which contained an adverse opinion for the omission of the discretely presented component unit. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Roseville, California
February 14, 2025

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COUNTY OF HUMBOLDT
SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Disbursements/ Expenditures	Passed-Through to Subrecipients
<u>U.S. Department of Agriculture</u>				
Passed-through State Department of Food & Agriculture:				
Phytophthora Ramorum	10.025	6570000016/017	\$ 2,953	\$ -
Phytophthora Ramorum	10.025	6570000016/017	17,610	-
PDCP/GWSS/Bio Control	10.025	9990000K01	8,869	-
PDCP/GWSS/Bio Control	10.025	9990000K04	3,165	-
Asian Defoliating Moth Survey	10.025	6570000385	8,499	-
Subtotal Federal Assistance Listing Number 10.025			41,096	-
Passed-through State Department of Public Health:				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.578	19-10150 A02	1,021,897	-
Supplemental Nutrition Assistance Program (SNAP)	10.551	19-10355	248,215	-
Passed-through State Department of Social Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		8,425,339	-
Subtotal SNAP Cluster			8,673,554	-
Passed-through State Department of Education:				
National School Lunch Program	10.555		20,640	-
Subtotal Child Nutrition Cluster			20,640	-
Passed-through CA Fire Safe Council:				
FLASH USDA Clearinghouse Grant	10.664	21 SFA 356365	60,987	-
Passed-through United States Endowment for Forestry and Communities:				
Innovative Finance for National Forests	10.682		84,981	-
Direct Programs:				
Secure Rural Schools Title III	10.665		418,075	-
Subtotal Schools and Roads Cluster			418,075	-
Total U.S. Department of Agriculture			\$ 10,321,230	\$ -
<u>U.S. Department of Commerce</u>				
Passed-through National Oceanic and Atmospheric Administration:				
Intertidal Coastal Marsh Restoration and Transportation Corridor Protection in Humboldt Bay	11.473		\$ 3,320	\$ -
<u>U.S. Department of Housing and Urban Development</u>				
Passed-through the State Department of Housing and Community Development:				
CDBG Microenterprise Program	14.228	16-CDBG-12992	\$ 127,219	\$ 127,219
CDBG Microenterprise Program	14.228	16-CDBG-12992	2,867	-
CDBG Microenterprise Program	14.228	16-CDBG-12992	783	-
CDBG Redwood Rural Hospital Roads (COVID)	14.228	20-CDBG-CV1-00029	3,976	-
CDBG Redwood Rural Hospital Roads (COVID)	14.228	20-CDBG-CV1-00029	500	-
CDBG Redwood Rural Hospital Sidewalks (COVID)	14.228	20-CDBG-CV2-3-00317	7,484	-
CDBG Redwood Rural Hospital Sidewalks (COVID)	14.228	20-CDBG-CV2-3-00317	361,694	361,694
CDBG Redwood Rural Hospital Sidewalks (COVID)	14.228	20-CDBG-CV2-3-00317	2,528	-
CDBG Boyd Road Homeless Shelter Improvements (COVID)	14.228	20-CDBG-CV1-00097	3,193	-
CDBG Boyd Road Homeless Shelter Improvements (COVID)	14.228	20-CDBG-CV1-00097	64,690	63,779
CDBG Boyd Road Homeless Shelter Improvements (COVID)	14.228	20-CDBG-CV1-00097	1,397	-
CDBG Humboldt Inn - Elevator (COVID)	14.228	20-CDBG-CV2-3-00336	5,702	-
CDBG Humboldt Inn - Elevator (COVID)	14.228	20-CDBG-CV2-3-00336	1,610	-
CDBG - Outstanding Loans	14.228		2,286,967	-
Subtotal Federal Assistance Listing Number 14.228			2,870,610	552,692
HOME Program Income Expenses	14.239		110,843	-
HOME Program - Outstanding Loans	14.239		13,903,453	-
Subtotal Federal Assistance Listing Number 14.239			14,014,296	-
Passed-through State Department of Public Health, Office of AIDS:				
Housing Opportunities for Persons with AIDS (HOPWA)	14.241	19-11126	112,767	-
Continuum of Care Program (HART)	14.267	CA0313L9T221912	71,384	-
Total U.S. Department of Housing and Urban Development			\$ 17,069,057	\$ 552,692

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF HUMBOLDT
SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Disbursements/Expenditures	Passed-Through to Subrecipients
<u>U.S. Department of the Interior</u>				
Direct Program:				
Federal in Lieu - Public Land	15.226		\$ 1,117,142	\$ -
Total U.S. Department of the Interior			<u>\$ 1,117,142</u>	<u>\$ -</u>
<u>U.S. Department of Justice</u>				
Passed-through Governor's Office of Emergency Services:				
Victim Witness Assistance Program - VW	16.575	VW21390120	52,976	-
Victim Witness Assistance Program - VW	16.575	VW22400120	281,683	-
Underserved Victim Advocacy & Outreach Program - UV	16.575	UV21060120	125,033	-
Child Advocacy Center Program - KC	16.575	KC21050120	99,580	-
Child Advocacy Center Program - KC	16.575	KC22010120	21,101	-
Subtotal Federal Assistance Listing Number 16.575			<u>580,373</u>	<u>-</u>
Promoting Evidence Integration in Sex Offender Management Discretionary Grant Program	16.203		115,602	-
Passed-through Office of Justice Programs:				
Byrne JAG Local Coronavirus Supplemental Grant	16.034		41,997	4,968
Bulletproof Vest Program (BVP)	16.607		6,262	-
Byrne JAG State	16.803		66,163	31,356
Byrne JAG Local Grant 2022	16.804		12,400	-
Passed-through Board of State and Community Corrections:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	BSCC 649-19	2,086	2,086
Passed-through Drug Enforcement Agency:				
Domestic Cannabis Eradication/Suppression Program (DCE/SP) FY:	16.202		88,219	-
Domestic Cannabis Eradication/Suppression Program (DCE/SP) FY:	16.202		19,690	-
Subtotal Federal Assistance Listing Number 16.202			<u>107,909</u>	<u>-</u>
Total U.S. Department of Justice			<u>\$ 932,792</u>	<u>\$ 38,410</u>
<u>U.S. Department of Labor</u>				
Passed-through State Employment Development Division (EDD):				
Workforce Investment and Opportunity Act (WIOA) Adult	17.258	AA211007	\$ 261,222	\$ 232,342
Workforce Investment and Opportunity Act (WIOA) RPI 4.0	17.258	AA111007	241,320	208,637
Workforce Investment and Opportunity Act (WIOA) Adult	17.258	AA311007	70,640	70,003
Subtotal Federal Assistance Listing Number 17.258			<u>573,182</u>	<u>510,982</u>
Workforce Investment and Opportunity Act (WIOA) Youth	17.259	AA211007	280,068	202,797
Workforce Investment and Opportunity Act (WIOA) Youth	17.259	AA311007	34,866	34,209
Subtotal Federal Assistance Listing Number 17.259			<u>314,934</u>	<u>237,006</u>
Workforce Investment and Opportunity Act (WIOA) Rapid Respons	17.278	AA211007	2,021	-
Workforce Investment and Opportunity Act (WIOA) Rapid	17.278	AA211007	2,575	-
Workforce Investment and Opportunity Act (WIOA) Dislocated	17.278	AA211007	188,786	107,971
Workforce Investment and Opportunity Act (WIOA) Rapid	17.278	AA311007	30,957	4,637
Workforce Investment and Opportunity Act (WIOA) Rapid	17.278	AA311007	10,064	1,122
Workforce Investment and Opportunity Act (WIOA) Dislocated	17.278	AA311007	11,117	6,981
Workforce Investment and Opportunity Act (WIOA) Additional Ass	17.278	AA211007	178,432	-
Subtotal Federal Assistance Listing Number 17.278			<u>423,952</u>	<u>120,711</u>
Passed-through State Workforce Development Board:				
Workforce Investment and Opportunity Act (WIOA) RPI 5.0	17.258	AA311007	10,634	-
Subtotal WIOA Cluster			<u>1,322,702</u>	<u>868,699</u>
Workforce Investment and Opportunity Act (WIOA) NDWG	17.277	AA311007	3,781	-
Total U.S. Department of Labor			<u>\$ 1,326,483</u>	<u>\$ 868,699</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF HUMBOLDT
SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Disbursements/ Expenditures	Passed-Through to Subrecipients
<u>U.S. Department of Transportation</u>				
Direct Programs:				
Airport Improvement Program (COVID)	20.106		\$ 1,884,150	\$ -
Airport Improvement Program (COVID)	20.106		1,447,219	-
Airport Improvement Program (COVID)	20.106		4,296,797	-
Airport Improvement Program (COVID)	20.106		2,581,757	-
Airport Improvement Program (COVID)	20.106		298,443	-
Subtotal Federal Assistance Listing Number 20.106			10,508,366	-
Passed-through State Department of Transportation:				
Safe Routes to Schools	20.205		78,863	-
Highway Bridge Replacement & Rehabilitation	20.205		2,177,825	-
Emergency Relief	20.205		3,564,216	-
Highway Safety Improvement Program	20.205		348,071	-
Subtotal Highway Planning and Construction Cluster			6,168,975	-
Total U.S. Department of Transportation			\$ 16,677,341	\$ -
<u>U.S. Department of Treasury</u>				
Direct Programs:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		\$ 11,384,023	\$ -
Local Assistance and Tribal Consistency Fund	21.032		500,000	250,000
Total U.S. Department of Treasury			\$ 11,884,023	\$ 250,000
<u>U.S. Environmental Protection Agency</u>				
Direct Programs:				
Brownfield Grant	66.818	BF-96986701-0	\$ 17,309	\$ -
Brownfield Grant	66.818	BF-96986701-0	442,235	-
Brownfield Grant	66.818	BF-96986701-0	606	-
Total U.S. Environmental Protection Agency			\$ 460,150	\$ -
<u>U.S. Department of Health and Human Services</u>				
Passed-through State Department of Public Health:				
Public Health Emergency Preparedness	93.074	17-10155	\$ 190,959	\$ -
Federal Reimbursement Grant (PHEP Lab)	93.074	17-10155	197,268	-
Hospital Preparedness Program	93.074	17-10155	56,947	-
Pandemic Flu	93.074	17-10155	19,672	-
Subtotal Federal Assistance Listing Number 93.074			464,847	-
LAB Advanced Molecular Detection (AMD)	93.323	AMDPHL02	54,547	-
PHL LRN (COVID)	93.323	17-10155	16,654	-
CDPH Surveillance II	93.323	17-10155	31,569	-
Epidemiology and Laboratory Capacity for Infectious Diseases SHARP	93.323	ELCPHLSHARP-03	10,153	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) Enhancing Detection	93.323		802,144	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) Enhancing Detection Expansion	93.323		824,115	-
Subtotal Federal Assistance Listing Number 93.323			1,739,182	-
WorkForce Development	93.354	17-10155	301,050	-
HIV CARE Program X07	93.917	18-10867	160,400	-
Maternal Child And Adolescent Health	93.994		367,309	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF HUMBOLDT
SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Disbursements/Expenditures	Passed-Through to Subrecipients
U.S. Department of Health and Human Services (Continued)				
Child Health and Disability Prevention	93.778		\$ 171,373	\$ -
California Childrens Services	93.778		259,485	-
Medi-Cal Administrative Activities	93.778		986,359	-
Targeted Case Management	93.778		222,446	-
Passed-through the State Department of Health Care Services:				
CHDP - Health Care Program for Children in Foster Care	93.778		169,908	-
CHDP - HCPCFC Caseload Relief	93.778		67,112	-
CHDP - HCPCFC Foster Care Administration	93.778		15,210	-
CHDP - HCPCFC PMM&O	93.778		11,557	-
Medical Assistance Program (CEC)	93.778		12,186,405	-
Subtotal Medicaid Cluster			<u>14,089,855</u>	-
Passed-through State Department of Social Services:				
Guardianship Assistance (CEC)	93.090		42,716	-
Guardianship Assistance (CA 800)	93.090		932,266	-
Subtotal Federal Assistance Listing Number 93.090			<u>974,982</u>	-
Promoting Safe and Stable Families (CEC)	93.556		214,139	-
Temporary Assistance for Needy Families (CEC)	93.558		14,591,596	-
Temporary Assistance for Needy Families (CA 800)	93.558		5,658,199	-
Subtotal TANF Cluster			<u>20,249,795</u>	-
Refugee and Entrant Assistance State Administered Program	93.566		3,585	-
Adoptions Incentives (CEC)	93.603		81,292	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645		96,191	-
Foster Care Title IV-E (CEC)	93.658		8,535,330	-
Foster Care Title IV-E (CA 800)	93.658		1,863,935	-
Subtotal Federal Assistance Listing Number 93.658			<u>10,399,265</u>	-
Adoption Assistance (CEC)	93.659		443,116	-
Adoption Assistance (CA 800)	93.659		8,477,199	-
Subtotal Federal Assistance Listing Number 93.659			<u>8,920,315</u>	-
Social Services Block Grant (CEC)	93.667		253,484	-
Social Services Block Grant (CA 800)	93.667		567,001	-
Subtotal Federal Assistance Listing Number 93.667			<u>820,485</u>	-
Chafee Foster Care Independence Program	93.674		87,813	-
Elder Abuse Prevention Interventions Program (CEC)	93.747		587,929	-
Passed-through SAMSHA:				
Drug Free Communities	93.276	5H79SP080807-07	151,023	-
Community Mental Health Services Block Grant (MHBG)	93.958		844,241	-
American Rescue Plan Act (ARPA) (MHBG supplemental)	93.958		91,478	-
Subtotal Federal Assistance Listing Number 93.958			<u>935,719</u>	-
COVID-19 - American Rescue Plan Act (ARPA) (SABG Supplemental)	93.959		202,223	-
COVID-19 - Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) (SABG Supplemental)	93.959		135,889	-
Substance Abuse Block Grant (SABG)	93.959		1,075,506	-
American Rescue Plan Act (ARPA) (SABG supplemental)	93.959		118,898	-
Subtotal Federal Assistance Listing Number 93.959			<u>1,532,516</u>	-
Passed-through State Department of Child Support Services:				
Child Support Enforcement	93.563		3,053,619	-
Total U.S. Department of Health and Human Services			<u>\$ 65,231,311</u>	<u>\$ -</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF HUMBOLDT
SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Disbursements/ Expenditures	Passed-Through to Subrecipients
<u>U.S. Department of Homeland Security</u>				
Direct Programs:				
Disaster Grants - Public Assistance	97.036		\$ 6,059,585	\$ -
Passed-through the Governor's Office of Emergency Services:				
FEMA - COVID-19 Assistance project #682852	97.036		104,597	-
FEMA - COVID-19 Assistance project #684355	97.036		68,551	-
FEMA - COVID-19 Assistance project #683948	97.036		723,317	-
FEMA - COVID-19 Assistance project #683942	97.036		504,098	-
Subtotal Federal Assistance Listing Number 97.036			<u>7,460,148</u>	<u>-</u>
Emergency Management Performance Grant FY22	97.042		164,237	-
Emergency Management Performance Grant FY21-ARPA	97.042		18,574	-
Subtotal Federal Assistance Listing Number 97.042			<u>182,811</u>	<u>-</u>
Homeland Security Grant Program FY19	97.067		97,772	80,752
Homeland Security Grant Program FY20	97.067		55,952	-
Subtotal Federal Assistance Listing Number 97.067			<u>153,724</u>	<u>80,752</u>
Passed-through CalTrans:				
Active Transportation Program	97.047		<u>920</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>\$ 7,797,603</u>	<u>\$ 80,752</u>
Total Expenditures of Federal Awards			<u>\$ 132,820,451</u>	<u>\$ 1,790,553</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF HUMBOLDT
NOTES TO SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS
JUNE 30, 2023

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the County of Humboldt under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Humboldt County, it is not intended to and does not present the financial position or changes in net position of the County.

NOTE 2 BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting and the accrual basis of accounting for program expenditures accounted for in governmental funds and proprietary funds, respectively, as described in Note 1 of the County's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

When federal awards were received from a pass-through entity, the Schedule shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the County either determined that no identifying number is assigned for the program or was simply unable to obtain an identifying number from the pass-through entity.

NOTE 4 INDIRECT COST RATE

The County did not elect to use the 10% de minimis indirect cost rate as covered in 2 CFR §200.414.

**COUNTY OF HUMBOLDT
NOTES TO SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS
JUNE 30, 2023**

NOTE 5 LOANS WITH CONTINUING COMPLIANCE REQUIREMENT

Outstanding federally funded program loans, with a continuing compliance requirement, carried balances as of June 30, 2023 as follows:

Federal ALN	Program Title	Loans Outstanding June 30, 2022	New Loans	Loan Payments	Loans Outstanding June 30, 2023
14.228	Community Development Block Grants/States Program	\$ 2,286,967	\$ -	\$ -	\$ 2,286,967
14.239	HOME Investment Partnerships Program	13,903,453	47,093	(221,031)	13,729,515

NOTE 6 OTHER LOANS

Outstanding federally funded program loans, carried balances as of June 30, 2023 as follows:

Federal ALN	Program Title	Outstanding Loans June 30, 2023
66.818	Brownsfield Loans	\$ 2,019,567

**COUNTY OF HUMBOLDT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of Auditors' Report Issued:

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Business-type Activities	Unmodified
Major Funds	Unmodified
Aggregate Remaining Fund Information	Unmodified
Discretely Presented Component Unit	Adverse

2. Internal Control over Financial Reporting:

- Material Weakness(es) Identified? X Yes No
- Significant Deficiency(ies) Identified not Considered to be Material Weakness(es)? Yes X None Reported

3. Noncompliance Matters to Financial Statements Noted?

 Yes X No

Federal Awards

1. Internal Control over Major Programs:

- Material Weakness(es) Identified? Yes X No
- Significant Deficiency(ies) Identified not Considered to be Material Weaknesses? Yes X None Reported

2. Type of Auditors' Report Issued on Compliance for Major Programs:

Unmodified

3. Any Audit Findings Disclosed that are Required to be Reported in Accordance with the Uniform Guidance?

 Yes X No

4. Identification of Major Programs:

<u>Federal Assistance Listing Number(s)</u>	<u>Name of Federal Program</u>
10.551	Supplemental Nutrition Assistance Program (SNAP)
14.228	Community Development Block Grants
14.239	HOME Investment Partnerships Program
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
93.558	Temporary Assistance for Needy Families (TANF)
93.563	Child Support Enforcement
97.036	Disaster Grants - Public Assistance

5. Dollar Threshold used to Distinguish Between Type A and Type B Programs?

\$3,000,000

6. Auditee Qualified as Low-Risk Auditee Under the Uniform Guidance, Section 520?

 Yes X No

**COUNTY OF HUMBOLDT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Section II – Financial Statement Findings

2023 – 001

Type of Finding:

- Material Weakness in Internal Control over Financial Reporting

Condition: The County did not present the discretely presented component unit, Fortuna Fire Protection District (District), in the reporting entity as required because the audited financial statements for the district excluded the Volunteer Fire Department, a blended component unit of the District.

Criteria: Generally Accepted Accounting Principles in the United States of America (GAAP) requires the County's financial statements to present the activities of the County and its component units.

While the governing board of the County appoints all the members of the district's governing board, the district should be discretely presented because its governing board is not substantively the same as the County's.

Context: The District represents the County's only discretely presented component unit.

Effect: Users of the financial statements are not able to completely rely on the District's financial statements since they may not be complete and accurate.

Cause: The District's records were not fully available for the audit.

Repeat Finding: Finding is a repeat finding from the prior year (2022-001).

Recommendation: We recommend the County work closely with the district to report on all component units that make up the district.

Views of Responsible Officials: There is no disagreement with the audit finding.

**COUNTY OF HUMBOLDT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Section II – Financial Statement Findings (Continued)

2023 – 002

Type of Finding:

- Material Weakness in Internal Control over Financial Reporting

Condition: During our audit of year-end receivables, we noted the following misstatements:

During our audit of receivables, we discovered 5 subsequent receipts totaling \$5,301,697 earned during the fiscal year that were not properly accrued, we also identified \$16,785,615 in property tax receivable under the Teeter Plan that were reported as receivables in the custodial funds.

Criteria: Generally Accepted Accounting Principles (GAAP) in the United States of America require that revenues for non-exchange transactions be recognized during the period when all eligibility requirements have been met or when resources are received, whichever is first. When modified accounting is used, resources should also be available.

Context: CLA reviewed 55 receipts received by the County after June 30, 2023. Of those 55, we noted 5 that represented revenues earned in the current year of this report. Additionally, CLA reviewed 100% of the property tax receivable for the County.

Effect: The County materially misstated receivables and revenues in the Road Fund by \$1.6 million, the General Fund by \$2.6 million, and property tax receivables, unavailable revenue and by \$16.8 million and net position by \$13.5 million.

Cause: The County performs a year end closing process that captures most receipts that should be accrued. As part of the process, the County missed these adjustments in the current period.

Repeat Finding: The finding is a repeat finding of 2022-002 from the prior year.

Recommendation: We recommend the County establish procedures to ensure subsequent receipts are reviewed for the correct recognition period.

Views of Responsible Officials: There is no disagreement with the audit finding.

**COUNTY OF HUMBOLDT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Section III – Federal Award Findings and Questioned Costs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



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