



Auditor-Controller's Office
COUNTY OF HUMBOLDT

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The County of Humboldt respectfully submits the following corrective action plan for the year ended June 30, 2024.

Audit period: July 1, 2023 – June 30, 2024

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

2024-001 Material Weakness: Discretely Presented Component Unit

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

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Enhanced communication between the district's staff and auditors and the county. The district and its auditors were notified on August 22, 2025 of the due date for inclusion in the county's 2024-2025 audited financial statements.

Name(s) of the contact person(s) responsible for corrective action: Mychal Evenson

Planned completion date for corrective action plan: Fiscal Year ended June 30, 2025

2024-002 Material Weakness: Year-end Receivables

Recommendation: We recommend that the County develop formal procedures related to accounts receivable accruals. These procedures should include a review of existing accruals prior to recording new accruals to prevent duplication. Additionally, training should be provided to departments to ensure consistent understanding and application of the updated accrual process.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Additional enhancements to year-end receivables review to improve tracking previously reported receivables detected in subsequent events review.

Improved documentation is a longer-term goal, but one the Auditor-Controller is actively working toward.

Name(s) of the contact person(s) responsible for corrective action: Mychal Evenson

Planned completion date for corrective action plan: Fiscal Year ended June 30, 2025

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CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2024**

2024-003 Material Weakness: Unavailable Revenue

Recommendation: We recommend the County implement a formal review process for unavailable revenue balances during the financial statement closing process. Additionally, we recommend the County provide staff training on revenue recognition principles specific to accrual-based funds.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Train Auditor-Controller staff on fund types and accrual basis.

Name(s) of the contact person(s) responsible for corrective action: Mychal Evenson

Planned completion date for corrective action plan: Fiscal Year ended June 30, 2025

2024-004 Significant Deficiency: Accounts Payable

Recommendation: We recommend the County enhance its year-end closing procedures to ensure all liabilities incurred during the fiscal year are properly identified and accrued. This should include a thorough review of outstanding invoices and purchase orders near year-end.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Improve monitoring and reconciliation of subsequent events.

Name(s) of the contact person(s) responsible for corrective action: Mychal Evenson

Planned completion date for corrective action plan: Fiscal Year ended June 30, 2025

2024-005 Material Weakness: Year-end Receivables

Recommendation: We recommends that the County require departments to maintain documentation supporting the existence and collectability of all Accounts Receivable accruals.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding:

Name(s) of the contact person(s) responsible for corrective action: Mychal Evenson

Planned completion date for corrective action plan: Fiscal Year ended June 30, 2026

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YEAR ENDED JUNE 30, 2024**

FINDINGS—MAJOR FEDERAL PROGRAMS

2024-006 Condition: During our testing, we noted that for each of the County's seven Airport Improvement Program grants, only Form SF-271 was submitted for the audit period, despite requirements to submit five distinct report types per grant.

Recommendation: CLA recommends that the County provide staff with training related to identifying and complying with grant requirements. Additionally, CLA recommends that the County implement tracking procedures, such as a monitoring checklist, to ensure all required reports are submitted in a timely manner.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned in response to finding: Department is working with the FAA to complete past-due reports and has improved tracking of required reports and deadlines.

Name(s) of the contact person(s) responsible for corrective action: Aviation Director

Planned completion date for corrective action plan: Fiscal year ended June 30, 2026

2024-007 Condition: During the review of 60 sampled cases, 2 cases were found where redeterminations were performed outside the required 12-month window, indicating non-compliance with federal renewal timing requirements. And one of the two cases were deemed ineligible during the re-evaluation.

Recommendation: CLA recommends that the County implement or reinforce tracking procedures, such as a monitoring checklist, to ensure lead and supervisor reviews are completed and accountability is maintained. Additionally, CLA recommends that the County conduct targeted refresher training for staff and supervisors on renewal timelines and review protocols to strengthen procedural compliance and minimize errors.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned in response to finding: Retrain supervisory staff and line-staff regarding the importance of timely redetermination. Increase reporting, especially exceptions reporting, on the status of outstanding redeterminations. Commitment to continued periodic trainings.

Name(s) of the contact person(s) responsible for corrective action: Connie Beck

Planned completion date for corrective action plan: Fiscal year ended June 30, 2026


Mychal Evenson

Interim Auditor-Controller