

Attachment

COUNTY OF SANTA BARBARA, CALIFORNIA
SINGLE AUDIT REPORTS
FOR THE YEAR ENDED JUNE 30, 2022

**COUNTY OF SANTA BARBARA, CALIFORNIA
SINGLE AUDIT REPORTS
FOR THE YEAR ENDED JUNE 30, 2022**

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REPORTS

**INDEPENDENT AUDITOR'S 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**

The Honorable Board of Supervisors
of the County of Santa Barbara, California

We have audited, in accordance with the 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, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Santa Barbara, California (the County), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 2, 2022.

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 County'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

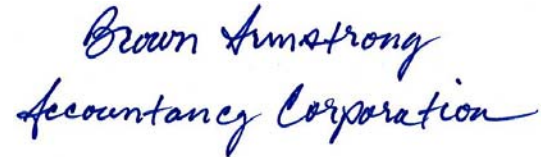
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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*.

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 results 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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive, flowing style.

Bakersfield, California
December 2, 2022

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

The Honorable Board of Supervisors
of the County of Santa Barbara, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of Santa Barbara, California's (the County) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (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, 2022. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of 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, 2022.

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; 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 Auditor's 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.

Auditor's 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 auditing standards generally accepted in the United States of America, *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 auditing standards generally accepted in the United States of America, *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 Auditor's 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.

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, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 2, 2022, which contained unmodified opinions on those financial statements. Our audit was performed 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 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.

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.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

*Brown Armstrong
Accountancy Corporation*

Bakersfield, California
March 30, 2023

FINANCIAL STATEMENTS

**COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Number	Total Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF AGRICULTURE				
Direct Programs:				
Cooperative Forestry Assistance	10.664	15-LE-11051360-039 A	\$ 14,517	\$ -
Cooperative Forestry Assistance	10.664	15-LE-11051360-039 B Mod5	4,771	-
Subtotal			<u>19,288</u>	<u>-</u>
School Breakfast Program	10.553	-	23,411	-
National School Lunch Program	10.555	-	34,543	-
Subtotal - Child Nutrition Cluster			<u>57,954</u>	<u>-</u>
Watershed Protection and Flood Prevention	10.904	-	137,962	-
Passed through California Department of Public Health: Special Supplemental Nutrition Program for Women, Infants, and Children				
	10.557	19-10186	3,859,082	-
Passed through California Department of Social Services: State Administrative Matching Grants for the Supplemental Food Program				
	10.561	Santa Barbara	9,559,983	-
Subtotal - SNAP Cluster			<u>9,559,983</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>13,634,269</u>	<u>-</u>
U.S. DEPARTMENT OF EDUCATION				
Passed through California Department of Rehabilitation/Foundation for California Community Colleges:				
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	H126A220005	131,229	93,419
Passed through California Department of Rehabilitation: Rehabilitation Services - Vocational Rehabilitation Grants to States				
	84.126	-	337,115	-
Subtotal			<u>468,344</u>	<u>93,419</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>468,344</u>	<u>93,419</u>
U.S. DEPARTMENT OF ENERGY				
Passed through State of California: Energy Efficiency and Conservation Block Grant Program (EECBG)				
	81.128	400-09-024	337,835	-
TOTAL U.S. DEPARTMENT OF ENERGY			<u>337,835</u>	<u>-</u>

See accompanying notes to the schedule of expenditures of federal awards and
the independent auditor's report on compliance for each major program and on
internal control over compliance required by the Uniform Guidance.

**COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2022**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Number</u>	<u>Total Expenditures</u>	<u>Passed Through to Subrecipients</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct Programs:				
Affordable Care Act (ACA) Grants for New and Expanded Services under the Health Center Program	93.527	H80CS00046	1,745,594	-
Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224	H8FCS41679	1,633,226	-
Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224	H80CS00046	<u>345,276</u>	-
Subtotal - Health Center Program Cluster			<u>3,724,096</u>	-
Grants to Provide Outpatient Early Invention Services with Respect to HIV Disease	93.918	H76HA00193	<u>255,041</u>	-
Passed through California Department of Health Services: Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	2042BASE00	<u>66,465</u>	-
Passed through California Department of Health Care Services: Projects for Assistance in Transition from Homelessness (PATH)	93.150	-	<u>59,186</u>	-
Passed through California Department of Health and Human Services: Block Grants for Community Mental Health Services	93.958	-	<u>558,421</u>	-
Passed through California Department of Public Health: Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	CERI-21-23-35	<u>105,051</u>	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	19ELC42	1,337,878	24,102
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	COVID-19ELC100	3,544,296	-
Passed through Heluna Health: Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	6NU50CK000539-01-08 DHHS-CDC	<u>74,876</u>	-
Subtotal			<u>4,957,050</u>	<u>24,102</u>
Passed through California Department of Public Health: Immunization Cooperative Agreements	93.268	17-10348	<u>1,681,960</u>	<u>28,919</u>
Maternal and Child Health Services Block Grant to the States	93.994	202242	<u>932,467</u>	-
Preventive Health and Health Services Block Grant	93.991	19-10332	<u>641,838</u>	-
National Bioterrorism Hospital Preparedness Program	93.889	17-10193	<u>131,096</u>	<u>38,790</u>
Public Health Emergency Preparedness	93.069	17-10193	<u>282,278</u>	-

See accompanying notes to the schedule of expenditures of federal awards and the independent auditor's report on compliance for each major program and on internal control over compliance required by the Uniform Guidance.

COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2022

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Number</u>	<u>Total Expenditures</u>	<u>Passed Through to Subrecipients</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed through California Department of Health Care Services:				
Centers for Disease Control and Prevention - Investigation and Technical Assistance	93.283	21-10287	25,000	-
Passed through California Department of Public Health - Office of AIDS:				
HIV Care Formula Grants	93.917	15-10930	107,051	37,774
HIV Care Formula Grants	93.917	15-11075	228,249	-
Subtotal			335,300	37,774
Passed through California Department of Social Services:				
Adoption and Legal Guardianship Incentive Payments	93.603	Santa Barbara	13,838	-
Adoption Assistance	93.659	Santa Barbara	8,076,561	-
Chafee Foster Care Independence Program	93.674	Santa Barbara	98,393	-
Elder Abuse Prevention Interventions Program	93.747	Santa Barbara	144,330	-
Foster Care - Title IV-E	93.658	Santa Barbara	9,968,638	-
Guardianship Assistance	93.090	Santa Barbara	281,860	-
Promoting Safe and Stable Families	93.556	Santa Barbara	318,136	-
Refugee and Entrant Assistance - State Administered Programs	93.566	Santa Barbara	4,700	-
Social Services Block Grant	93.667	Santa Barbara	551,780	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Santa Barbara	277,071	-
Temporary Assistance for Needy Families	93.558	Santa Barbara	20,482,198	-
Passed through California Department of Child Support Services:				
Child Support Enforcement	93.563	Santa Barbara (County 42)	5,965,156	-
Passed through California Governor's Office of Emergency Services:				
Child Welfare Research Training or Demonstration	93.648	ES20 03 0420	137,651	-
Passed through U.S. Department of Health Care Services:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	-	182,563	145,573
Block Grants for Prevention and Treatment of Substance Abuse	93.959	12NNA42	454,063	128,127
Block Grants for Prevention and Treatment of Substance Abuse	93.959	14-90100	1,882,770	523,187
Subtotal			2,519,396	796,887

See accompanying notes to the schedule of expenditures of federal awards and
the independent auditor's report on compliance for each major program and on
internal control over compliance required by the Uniform Guidance.

COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2022

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Number</u>	<u>Total Expenditures</u>	<u>Passed Through to Subrecipients</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Direct Programs:				
Opioid STR	93.788	-	413,754	-
Passed through California Department of Health Care Services:				
Medical Assistance Program	93.778	-	1,136,191	-
Medical Assistance Program	93.778	42	6,737,846	-
Passed through California Department of Social Services:				
Medical Assistance Program	93.778	Santa Barbara	198,381	-
Passed through California Department of Social Services:				
Medical Assistance Program	93.778	Santa Barbara	22,530,646	-
Subtotal - Medicaid Cluster			<u>30,603,064</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>93,611,775</u>	<u>926,472</u>
U.S. DEPARTMENT OF HOMELAND SECURITY				
Direct Programs:				
Assistance to Firefighters Grant	97.044	EMW-2019-FG-02457	11,668	-
Hazard Mitigation Grant	97.039	-	5,760,385	-
Disaster Grants - Public Assistance	97.036	-	174,321	-
Passed through United States Department of Homeland Security:				
Disaster Grants - Public Assistance	97.036	FEMA-4482-DR-CA	4,276,582	-
Subtotal			<u>4,450,903</u>	<u>-</u>
Passed through Governor's Office of Emergency Services:				
Emergency Management Performance Grants	97.042	2021-0014	63,404	-
Emergency Management Performance Grants	97.042	2021-0015	216,241	-
Subtotal			<u>279,645</u>	<u>-</u>
Homeland Security Grant Program	97.067	2021-0081	264,376	-
Homeland Security Grant Program	97.067	2020-0095	163,206	-
Homeland Security Grant Program	97.067	2019-0035	311,187	-
Passed through San Diego Sheriff's Department:				
Homeland Security Grant Program	97.067	(2019OPSG)556046	47,686	-
Homeland Security Grant Program	97.067	(2020OPSG)566229	18,280	-
Subtotal			<u>804,735</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>11,307,336</u>	<u>-</u>

See accompanying notes to the schedule of expenditures of federal awards and the independent auditor's report on compliance for each major program and on internal control over compliance required by the Uniform Guidance.

**COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Number	Total Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Programs:				
Community Development Block Grants/Entitlement Grants	14.218	-	173,431	-
Community Development Block Grants/Entitlement Grants	14.218	B19UC060509	25,107	25,107
Community Development Block Grants/Entitlement Grants	14.218	B20UC060509	522,073	363,705
Community Development Block Grants/Entitlement Grants	14.218	B20UW060509	778,152	661,616
Community Development Block Grants/Entitlement Grants	14.218	B21UC060509	358,715	91,483
Subtotal - CDBG - Entitlement Grants Cluster			<u>1,857,478</u>	<u>1,141,911</u>
Direct Programs:				
Supportive Housing Program	14.235	CA0598L9D032013	169,050	-
Supportive Housing Program	14.235	CA1700L9D031902	26,530	26,530
Supportive Housing Program	14.235	CA1700L9D032003	130,675	-
Supportive Housing Program	14.235	CA1825H9D031800	9,360	-
Supportive Housing Program	14.235	CA1891L9D031900	5,496	-
Supportive Housing Program	14.235	CA1949L9D032000	58,676	-
Subtotal			<u>399,787</u>	<u>26,530</u>
HOME Investment Partnerships Program	14.239	M16-DC060554	27,747	27,747
HOME Investment Partnerships Program	14.239	M18-DC060554	74,172	74,172
HOME Investment Partnerships Program	14.239	M21-DC060554	128,232	-
HOME Investment Partnerships Program	14.239	M21-DP060554	20,418	-
Subtotal			<u>250,569</u>	<u>101,919</u>
Continuum of Care Program	14.267	-	115,315	-
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.269	20-DRMHP-00002	8,599	-
Subtotal - CDBG - Disaster Recovery Grants – Pub. L. No. 113-2 Cluster			<u>8,599</u>	<u>-</u>
Passed through California Department of Housing and Community Development:				
Emergency Solution Grants Program	14.231	16-ESG-11121	75,991	75,991
Emergency Solution Grants Program	14.231	17-ESG-11851	242,779	233,997
Emergency Solution Grants Program	14.231	17-ESG-11851	6,378,046	5,386,991
Passed through Department of Health Care Services (DHCS):				
Emergency Solution Grants Program	14.231	-	756,163	-
Subtotal			<u>7,452,979</u>	<u>5,696,979</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>10,084,727</u>	<u>6,967,339</u>

See accompanying notes to the schedule of expenditures of federal awards and the independent auditor's report on compliance for each major program and on internal control over compliance required by the Uniform Guidance.

**COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Number	Total Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF JUSTICE				
Direct Programs:				
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-21-GG-02136- SLEM	2,785	-
Crime Victim Assistance	16.575	XE20 03 0420	45,478	-
Crime Victim Assistance	16.575	XE21 04 0420	61,190	-
Passed through California Governor's Office of Emergency Services:				
Crime Victim Assistance	16.575	HA20 03 0420	73,927	-
Crime Victim Assistance	16.575	HA21 04 0420	70,372	-
Crime Victim Assistance	16.575	KC20 04 0420	153,356	-
Crime Victim Assistance	16.575	KC21 05 0420	54,669	-
Crime Victim Assistance	16.575	UV20 05 0420	116,855	-
Crime Victim Assistance	16.575	UV21 06 0420	101,134	-
Crime Victim Assistance	16.575	XC20 03 0420	131,667	-
Crime Victim Assistance	16.575	XC21 04 0420	118,421	-
Crime Victim Assistance	16.575	VW20 39 0420	181,734	-
Crime Victim Assistance	16.575	VW21 40 0420	537,423	-
Subtotal			1,646,226	-
Direct Programs:				
Services for Trafficking Victims	16.320	2019-VT-BX-K005	266,808	-
Services for Trafficking Victims	16.320	2019-VT-BX-K040	195,886	-
Subtotal			462,694	-
Passed through California Board of State and Community Corrections (BSCC):				
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	2018-43	246,192	-
Direct Programs:				
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	-	175,144	-
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2017 DJ-BX-0999	54,669	-
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2018 DJ-BX-0116	347	-
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2019 DJ-BX-0535	9,224	-
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2020 DJ-BX-0741	58,972	-
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2021-42	4,174	-
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2022-42	1,108	-
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	BSCC 640-19	579,393	-
Subtotal			883,031	-
TOTAL U.S. DEPARTMENT OF JUSTICE			3,240,928	-

See accompanying notes to the schedule of expenditures of federal awards and
the independent auditor's report on compliance for each major program and on
internal control over compliance required by the Uniform Guidance.

**COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Number	Total Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF LABOR				
Passed through California Employment Development Department:				
WIA Youth Activities	17.259	AA111028	541,129	301,506
WIA Youth Activities	17.259	AA211028	714,238	366,253
WIA/WIOA Adult Program	17.258	AA011028	213,071	190,428
WIA/WIOA Adult Program	17.258	AA111028	501,796	232,005
WIA/WIOA Adult Program	17.258	AA211028	544,303	283,360
WIA/WIOA Dislocated Worker Formula Grants	17.278	AA011028	142,026	128,934
WIA/WIOA Dislocated Worker Formula Grants	17.278	AA111028	666,708	348,986
WIA/WIOA Dislocated Worker Formula Grants	17.278	AA211028	484,278	129,668
WIA/WIOA Dislocated Worker Formula Grants	17.278	K9110048	12,069	12,069
Passed through Coastal RPU Entities:				
WIA/WIOA Adult Program	17.258	AA111028	94,088	70,428
Subtotal - WIA/WIOA Cluster			<u>3,913,706</u>	<u>2,063,637</u>
Passed through California Employment Development Department:				
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277	AA011028	216,564	72,480
Passed through United States Department of Labor Employment and Training Administration (DOLETA):				
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277	DW370092160A6	161,575	446
Subtotal			<u>378,139</u>	<u>72,926</u>
Reintegration of Ex-Offenders	17.270	PE 36546 21 60 A 6	53,669	14,826
Passed through Department of Social Services:				
Homeless Veterans Reintegration Project	17.805	Santa Barbara	7,000	-
TOTAL U.S. DEPARTMENT OF LABOR			<u>4,352,514</u>	<u>2,151,389</u>
U.S. DEPARTMENT OF THE INTERIOR				
Direct Programs:				
Recreation Resources Management	15.524	-	192,354	-
TOTAL U.S. DEPARTMENT OF THE INTERIOR			<u>192,354</u>	<u>-</u>
U.S. DEPARTMENT OF TREASURY				
Direct Programs:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	-	4,712,493	-
Emergency Rental Assistance Program	21.023	ERA0404	8,141,461	8,141,461
Emergency Rental Assistance Program	21.023	ERAE0101	9,040,833	9,040,833
Subtotal			<u>17,182,294</u>	<u>17,182,294</u>
TOTAL U.S. DEPARTMENT OF TREASURY			<u>21,894,787</u>	<u>17,182,294</u>

See accompanying notes to the schedule of expenditures of federal awards and
the independent auditor's report on compliance for each major program and on
internal control over compliance required by the Uniform Guidance.

**COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2022**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Number</u>	<u>Total Expenditures</u>	<u>Passed Through to Subrecipients</u>
U.S. DEPARTMENT OF TRANSPORTATION				
Direct Programs:				
Airport Improvement Program	20.106	-	777,108	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	AL21020	18,848	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	AL22021	134,318	-
Subtotal			153,166	-
Passed through State of California Office of Traffic Safety:				
State and Community Highway Safety	20.600	PT20165, 21139	24,199	-
State and Community Highway Safety	20.600	PT22131	42,694	-
Subtotal			66,893	-
Passed through Caltrans:				
Highway Planning and Construction	20.205	05-5951/N054	72,384	-
Highway Planning and Construction	20.205	FERPL18-5951(176)	6,219	-
Highway Planning and Construction	20.205	HPLUL-5951(166)	80	-
Highway Planning and Construction	20.205	HSIPL-5951(168)	102,505	-
Highway Planning and Construction	20.205	HSIPL-5951(170)	25,990	-
Highway Planning and Construction	20.205	05-5951(151)	290,319	-
Highway Planning and Construction	20.205	05-5951/M015	7,919,551	-
Highway Planning and Construction	20.205	05-930143	3,147,180	-
Highway Planning and Construction	20.205	BRLO-NBIL(512)	2,954,457	-
Passed through FHWA:				
Highway Planning and Construction	20.205	ER38M0(001)	399,179	-
Highway Planning and Construction	20.205	ER38M0(005)	(13,360)	-
Subtotal - Highway Planning and Construction Cluster			14,904,504	-
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			15,901,671	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 175,026,540	\$ 27,320,913

See accompanying notes to the schedule of expenditures of federal awards and the independent auditor's report on compliance for each major program and on internal control over compliance required by the Uniform Guidance.

**COUNTY OF SANTA BARBARA, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 1 – GENERAL

The accompanying Schedule of Expenditures of Federal Awards (SEFA) presents the activity of all federal financial assistance programs of the County of Santa Barbara, California (the County). The County's reporting entity is defined in Note 1 of the notes to the County's basic financial statements. All financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies to the County are included in the accompanying schedule.

NOTE 2 – BASIS OF ACCOUNTING

The accompanying SEFA is presented using the modified accrual basis of accounting for governmental funds and the accrual basis of accounting for proprietary funds, which is described in Note 1 of the notes to the County's basic financial statements.

NOTE 3 – RELATIONSHIP TO COMPREHENSIVE ANNUAL FINANCIAL REPORT

Amounts reported in the accompanying SEFA agree, in all material respects, to amounts reported within the County's Annual Comprehensive Financial Report.

NOTE 4 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying SEFA agree, in all material respects, with the amounts reported in related federal financial reports.

NOTE 5 – INDIRECT COST RATE

The County has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 6 – FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) PROGRAM

The County included fiscal years 2020 and 2021 expenditures of \$4,276,582 in the SEFA dated June 30, 2022, for Disaster Grants – Public Assistance (Presidentially Declared Disasters), Assistance Listing Number 97.036.

FINDINGS AND QUESTIONED COSTS

**COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

SECTION 1

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

1. Type of auditor's report issued: Unmodified
2. Internal control over financial reporting:
- a. Material weakness identified? ___ Yes X No
- b. Significant deficiencies identified
not considered to be material weaknesses? ___ Yes X No
3. Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

1. Internal control over major federal programs:
- a. Material weakness identified? ___ Yes X No
- b. Significant deficiencies identified
not considered to be material weaknesses? ___ Yes X No
2. Type of auditor's 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>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.561	State Administrative Matching Grants for the Supplemental Food Program (SNAP Cluster)
93.778	Medical Assistance Program (Medicaid Cluster)
21.023	Emergency Rental Assistance Program
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds (ARPA)
97.036	Disaster Grants - Public Assistance
97.039	Hazard Mitigation Grant (HMGP)
93.658	Foster Care - Title IV-E
14.231	Emergency Shelter Grants Program
20.205	Highway Planning and Construction

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? ___ Yes X No

**COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2022**

SECTION 2

Findings Relating to Financial Statements Reported in Accordance with *Government Auditing Standards*

None.

SECTION 3

Findings and Recommendations Relating to Federal Awards

None.

**COUNTY OF SANTA BARBARA, CALIFORNIA
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

Findings Relating to Financial Statements Reported in Accordance with *Government Auditing Standards*

None identified.

Findings and Recommendations Relating to Federal Awards

2021-001

Program: COVID-19 Coronavirus Relief Fund

Assistance Listing Number: 21.019

Federal Agency: U.S. Department of Treasury

Passed-Through: State of California

Award Number: 21.019-Coronavirus Relief Fund

Award Year: 2020

Compliance Requirement: Activities Allowed or Unallowed, Allowable Costs/Cost Principles

Questioned Costs: \$403,950

Criteria:

2 CFR 200.403, Factors Affecting Allowability of Costs, states that, except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under federal awards: not be included as a cost or used to meet cost sharing or matching requirements of any other federally financed program in either the current or a prior period.

Condition Found:

During our testing of the County of Santa Barbara's (the County) compliance with the Activities Allowed or Unallowed, and Allowable Costs/Costs Principles, compliance requirements, we noted that 2 out of 60 non-payroll program expenditure samples selected were also reported for reimbursement through other grants.

Additionally, during our testing of the County's compliance with the Activities Allowed or Unallowed, and Costs/Costs Principles, compliance requirements, we noted the County Coronavirus Relief Fund program expenditures included \$28,355,334 for salaries and employee benefits for presumptively substantially dedicated employees. Based on inquiry and review of the expenditure detail, we noted that 60 expenditures were also reported for reimbursement through other grants.

In applying the criteria above, as the expenditures were already claimed through other grants, they would not be eligible to be covered under the Coronavirus Relief Fund.

Effect:

Failure to follow the Activities Allowed or Unallowed, and Allowable Costs/Cost Principles, compliance requirements results in noncompliance with federal regulations, and the control environment over the claiming process is weakened.

Cause:

The condition was caused by the County Executive Office not verifying with the departments that expenditures claimed under the Coronavirus Relief Fund had not been claimed for reimbursement under other grants.

Repeat Finding:

No.

Recommendation:

We recommend that the County modify and strengthen its current policies and procedures to ensure that program expenditures are not claimed for reimbursement under multiple programs.

Views of Responsible Officials and Planned Corrective Actions:

Management agrees. See separately issued Corrective Action Plan.

Current Year Status:

Implemented. This issue has been corrected and a revised final recap of the eligible expenses has been filed with the State Department of Finance. Additionally, in order to prevent similar instances from occurring, the County Executive Office (CEO) has implemented additional internal reporting and certification procedures for the American Rescue Plan Act (ARPA) distributions to mitigate the risks of ARPA reported expenditures being claimed for reimbursement by another funding source. The departments utilizing the ARPA distributions will certify on a quarterly basis that project expenditures reported to the Treasury are not being reimbursed by another funding source. The CEO ARPA team has emailed additional information to each department implementing an ARPA funded project regarding duplication of benefits. This information outlines that eligible expenditures can only be reimbursed by one funding source so that benefits are not duplicated.

2021-002

Program: COVID-19 Coronavirus Relief Fund

Assistance Listing Number: 21.019

Federal Agency: U.S. Department of Treasury

Passed-Through: State of California

Award Number: 21.019-Coronavirus Relief Fund

Award Year: 2020

Compliance Requirement: Activities Allowed or Unallowed, Allowable Costs/Cost Principles

Questioned Costs: None.

Criteria:

2 CFR 200.430(i), Standards for Documentation of Personnel Expenses, states that charges to federal awards for salaries and wages must be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated.

Condition:

During our testing of the County's compliance with the Activities Allowed or Unallowed, and Allowable Costs/Costs Principles, compliance requirements, we noted that in 1 of 60 payroll program expenditures selected, the employee's timecard was not approved by a supervisor.

Effect:

Lack of review for personnel hours could lead to unallowable activities and costs to be charged to the Federal program.

Cause:

The County's procedures did not consistently ensure that the review of timecards was documented.

Repeat Finding:

No.

Recommendation:

We recommend that the County modify and strengthen its current policies and procedures to ensure that all timecards consistently document evidence of supervisor approval. The procedures should also address the compensating controls for circumstances where obtaining a supervisor's approval is not possible.

Views of Responsible Officials:

Management agrees. See separately issued Corrective Action Plan.

Current Year Status:

The County is in the process of implementing a new Enterprise Resource Planning (ERP) system which will encompass employee time coding. This new system will include a compensating control for circumstances where obtaining the supervisor's approval is not possible. The current Timesheet Instructions include nonprimary supervisor timesheet approval procedures as well as procedures on obtaining subsequent approval.

2021-003

Program: Block Grants for Prevention and Treatment of Substance Abuse

Assistance Listing Number: 93.959

Federal Agency: U.S. Department of Health and Human Services

Passed-Through: California Department of Health Care Services

Award Number: 12NNA42 and 14-90100

Award Year: 2020

Compliance Requirement: Subrecipient Monitoring

Questioned Costs: None.

Criteria:

2 CFR 200.332(a), Requirements for Pass-Through Entities, states that all pass-through entities must ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the information at 2 CFR 200.332(a) at the time of the subaward and if any of those data elements change, include the changes in subsequent subaward modification.

Condition:

During our testing of the County (Behavioral Wellness Department) policies and procedures over subrecipient monitoring, 1 out of 6 of the agreements with a subrecipient did not clearly identify the following information at the time of subaward:

- o Assistance Listing Number and name
- o Subrecipient's unique entity identifier
- o Federal Award Identification Number (FAIN)
- o Federal award date

Effect:

The Behavioral Wellness Department did not identify the required elements of the subaward to the subrecipient at the time of subaward, increasing the risk of noncompliance.

Cause:

The condition was caused by certain policies and procedures not being aligned with the requirements applicable to subrecipients in 2 CFR 200.332.

Repeat Finding:

Yes.

Recommendation:

We recommend that the County modify and/or strengthen its policies and procedures to ensure that all required award information is clearly communicated to subrecipients at the time of subaward in accordance with 2 CFR 200.332(a).

Views of Responsible Officials:

Management agrees. See separately issued Corrective Action Plan.

Current Year Status:

The County classified these providers as subrecipients in the FY 2021/22 Schedule of Expenditures of Federal Awards and disclosed the pass-through amounts. Federal award tables for FY 2021/22 were added to the agreements to 'clearly identify' the SAPT subaward as well as the elements required by 2 CFR 200.332 (a) (1) through (6). Disclosure of federal grant terms will continue to be incorporated into the contracts as the information is received from State and Federal granting agencies. To ensure compliance with 2 CFR 200.332(f), the County has instituted a procedure to formally document the County's collection of Single Audit reports and review of subrecipient compliance with this section. Providers will also be required to sign a certification form asserting compliance with 2 CFR 200.332(f).



Office of the Auditor-Controller

County of Santa Barbara

One Office. One County. One Future.

Betsy M. Schaffer, CPA
Auditor-Controller

C. Edwin Price, Jr., CPA
Assistant Auditor-Controller

**COUNTY OF SANTA BARBARA,
CALIFORNIA**

**CORRECTIVE ACTION PLAN
AND
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

FOR THE YEAR ENDED JUNE 30, 2022

Compiled by:
Juan Izquierdo, CPA
Financial Reporting, Budget, and Cost Division Chief

COUNTY OF SANTA BARBARA, CALIFORNIA

CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED JUNE 30, 2022

I. FINANCIAL STATEMENT FINDINGS

None identified.

II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2021-001

Program: COVID-19 Coronavirus Relief Fund

CFDA No.: 21.019

Federal Grantor: U.S. Department of the Treasury

Passed-through: State of California

Award No. and Year: 2020

Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles

Type of Finding: Material Weakness in Internal Control and Instance of Non-Compliance

Questioned Costs: For the 2 out of 60 non-payroll program expenditures claimed under both the Coronavirus Relief Fund and other grants, the known questioned costs totaled \$357,423.

For the 60 payroll program expenditures claimed under both the Coronavirus Relief Fund and other grants, the known questioned costs totaled \$46,527.

Management's or Department's Response:

This issue has been corrected and a revised final recap of the eligible expenses has been filed with the State Department of Finance. Additionally, in order to prevent similar instances from occurring, the County Executive Office (CEO) has implemented additional internal reporting and certification procedures for the American Rescue Plan Act (ARPA) distributions to mitigate the risks of ARPA reported expenditures being claimed for reimbursement by another funding source. The departments utilizing the ARPA distributions will certify on a quarterly basis that project expenditures reported to the Treasury are not being reimbursed by another funding source. The CEO ARPA team has emailed additional information to each department implementing an ARPA funded project regarding duplication of benefits. This information outlines that eligible expenditures can only be reimbursed by one funding source so that benefits are not duplicated.

Contact Information of Responsible Official:

Nancy Anderson
Chief Assistant County Executive Officer
County of Santa Barbara Executive Office
805-568-3407

Office of the Auditor-Controller
County of Santa Barbara, California

COUNTY OF SANTA BARBARA, CALIFORNIA

CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED JUNE 30, 2022

Finding 2021-002

Program: COVID-19 Coronavirus Relief Fund

CFDA No.: 21.019

Federal Grantor: U.S. Department of the Treasury

Passed-through: State of California

Award No. and Year: 2020

Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles

Type of Finding: Significant Deficiency in Internal Control

Questioned Costs: \$0

Management's or Department's Response:

The County is in the process of implementing a new Enterprise Resource Planning (ERP) system which will encompass employee time coding. This new system will include a compensating control for circumstances where obtaining the supervisor's approval is not possible. The current Timesheet Instructions include nonprimary supervisor timesheet approval procedures as well as procedures on obtaining subsequent approval.

Contact Information of Responsible Official:

Nancy Anderson
Chief Assistant County Executive Officer
County of Santa Barbara Executive Office
805-568-3407

COUNTY OF SANTA BARBARA, CALIFORNIA

CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED JUNE 30, 2022

Finding 2021-003

Program: Block Grants for Prevention and Treatment of Substance Abuse

CFDA No.: 93.959

Federal Agency: United States Department of Health and Human Services

Passed-Through: California Department of Health Care Services

Award Number: 12NNA42 and 14-90100

Award Year: 2020

Compliance Requirement: Subrecipient Monitoring

Questioned Costs: \$0

Management's or Department's Response:

The County classified these providers as subrecipients in the FY 2021/22 Schedule of Expenditures of Federal Awards and disclosed the pass-through amounts. Federal award tables for FY 2021/22 were added to the agreements to 'clearly identify' the SAPT subaward as well as the elements required by 2 CFR 200.332 (a) (1) through (6). Disclosure of federal grant terms will continue to be incorporated into the contracts as the information is received from State and Federal granting agencies.

To ensure compliance with 2 CFR 200.332(f), the County has instituted a procedure to formally document the County's collection of Single Audit reports and review of subrecipient compliance with this section. Providers will also be required to sign a certification form asserting compliance with 2 CFR 200.332(f).

Contact Information of Responsible Official:

Chris Ribeiro
Chief Financial Officer
Santa Barbara County Department of Behavioral Wellness
805-884-1694