

Attachment A

COUNTY OF SANTA BARBARA, CALIFORNIA

SINGLE AUDIT REPORTS

**FOR THE YEAR ENDED
JUNE 30, 2025**

**COUNTY OF SANTA BARBARA, CALIFORNIA
SINGLE AUDIT REPORTS
FOR THE YEAR ENDED JUNE 30, 2025**

TABLE OF CONTENTS

	<u>Page</u>
 <u>Reports</u>	
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 <i>Government Auditing Standards</i>	1
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	3
 <u>Financial Statements</u>	
Schedule of Expenditures of Federal Awards	6
Notes to Schedule of Expenditures of Federal Awards	11
 <u>Findings and Questioned Costs</u>	
Schedule of Findings and Questioned Costs	12
Status of Prior Year Findings and Questioned Costs	14

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, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated October 13, 2025.

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

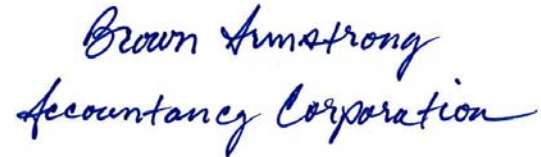
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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
October 13, 2025

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL 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, 2025. 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, 2025.

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, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated October 13, 2025, 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, 2026

FINANCIAL STATEMENTS

**COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

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	20-LE-11051360-039 A Mod5	\$ 8,094	\$ -
Subtotal for 10.664			<u>8,094</u>	<u>-</u>
School Breakfast Program	10.553	-	46,482	-
National School Lunch Program	10.555	-	<u>74,229</u>	<u>-</u>
Subtotal - Child Nutrition Cluster			<u>120,711</u>	<u>-</u>
Watershed Protection and Flood Prevention	10.904	-	<u>778,625</u>	<u>-</u>
Passed through California Department of Public Health:				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	22-10287	<u>5,233,084</u>	<u>-</u>
Passed through California Department of Social Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Santa Barbara	<u>15,505,400</u>	<u>-</u>
Subtotal - SNAP Cluster			<u>15,505,400</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>21,645,914</u>	<u>-</u>
U.S. DEPARTMENT OF EDUCATION				
Passed through CA Dept of Rehabilitation/Foundation for CA Community Colleges:				
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	H126A220005	<u>183,253</u>	<u>149,384</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>183,253</u>	<u>149,384</u>
U.S. DEPARTMENT OF ENERGY				
Passed through State of California:				
Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	400-09-024	<u>21,928</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF ENERGY			<u>21,928</u>	<u>-</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct Programs:				
Affordable Care Act (ACA) Grants for Capital Development in Health Centers	93.526	C8ECS43754	<u>294,284</u>	<u>-</u>
Affordable Care Act (ACA) Grants for New and Expanded Services under the Health Center Program	93.527	H80CS00046	9,500	-
Affordable Care Act (ACA) Grants for New and Expanded Services under the Health Center Program	93.527	H8LCS51497	18,601	-
Consolidated Health Centers (Community Health Centers, Migrant Housing Primary Care)				
Health Centers, Health Care for the Homeless, and Public Health Centers, Health Care for the Homeless, and Public	93.224 93.224	H80CS00046 H8NCS53985	2,005,766 <u>157,129</u>	- -
Subtotal - Health Center Program Cluster			<u>2,190,996</u>	<u>-</u>
Congressional Directives	93.493	CE2CS49377	<u>710,640</u>	<u>-</u>
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	H76HA00193	<u>327,247</u>	<u>-</u>
Passed through California Department of Child Support Services:				
Child Support Services	93.563	Santa Barbara (County 42)	<u>6,638,609</u>	<u>-</u>
Passed through California Department of Health Care Services:				
Block Grants for Community Mental Health Services	93.958	-	<u>813,758</u>	<u>-</u>
Assisted Outpatient Treatment	93.997		<u>116,407</u>	<u>-</u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Number	Total Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Direct Programs:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959		51,000	-
Passed through California Department of Health Care Services:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	-	257,436	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	12NNA42	2,145,807	296,264
Block Grants for Prevention and Treatment of Substance Abuse	93.959	14-90100	<u>454,063</u>	<u>244,703</u>
Subtotal for 93.959			<u>2,908,306</u>	<u>540,967</u>
Centers for Disease Control and Prevention - Investigations and Technical Assistance				
	93.283	23-30135	<u>25,000</u>	<u>-</u>
Direct Programs:				
Project Grants and Cooperative Agreements for Tuberculosis Control Programs				
	93.116		22,350	
Passed through California Department of Health Services:				
Project Grants and Cooperative Agreements for Tuberculosis Control Programs				
	93.116		<u>80,076</u>	<u>-</u>
Subtotal for 93.116			<u>102,426</u>	<u>-</u>
Passed through California Department of Public Health - Office of AIDS:				
HIV Care Formula Grants	93.917	22-10796	6,114	-
HIV Care Formula Grants	93.917	23-10983	219,096	-
HIV Care Formula Grants	93.917	24-10524	<u>72,576</u>	<u>-</u>
Subtotal for 93.917			<u>297,786</u>	<u>-</u>
Passed through California Department of Public Health:				
Public Health Emergency Preparedness				
	93.069	22-10683	<u>332,736</u>	<u>-</u>
Immunization Cooperative Agreements				
	93.268	22-11056	<u>598,201</u>	<u>-</u>
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)				
	93.323	19ELC42	33,289	-
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)				
	93.323	COVID-19ELC100	<u>1,765,288</u>	<u>-</u>
Subtotal for 93.323			<u>1,798,577</u>	<u>-</u>
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>166,035</u>	<u>-</u>
CDC's Collaboration with Academia to Strengthen Public Health				
	93.967	CASPHI0035	<u>57,878</u>	<u>-</u>
Preventive Health Services - Sexually Transmitted Diseases Control Grants				
	93.977	21-10585 DIS	<u>124,773</u>	<u>-</u>
National Bioterrorism Hospital Preparedness Program				
	93.889	22-10683	<u>259,005</u>	<u>23,450</u>
Preventive Health and Health Services Block Grant				
	93.991	23-10345	<u>621,095</u>	<u>-</u>
Maternal and Child Health Services Block Grant to the States				
	93.994	202442	<u>890,860</u>	<u>-</u>
Passed through California Department of Social Services:				
MaryLee Allen Promoting Safe and Stable Families Program				
	93.556	Santa Barbara	<u>370,970</u>	<u>-</u>
Refugee and Entrant Assistance - State Replacement Designee Administered Programs				
	93.566	Santa Barbara	477	
Refugee and Entrant Assistance - State Administered Programs				
	93.566	Santa Barbara	<u>33,585</u>	<u>-</u>
Subtotal for 93.566			<u>34,062</u>	<u>-</u>
Temporary Assistance for Needy Families				
	93.558	Santa Barbara	<u>23,645,902</u>	<u>-</u>
Adoption and Legal Guardianship Incentive Payments				
	93.603	Santa Barbara	<u>25,684</u>	<u>-</u>
Stephanie Tubbs Jones Child Welfare Services Program				
	93.645	Santa Barbara	<u>259,341</u>	<u>-</u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Number	Total Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed through California Department of Social Services: (Continued)				
Foster Care - Title IV-E	93.658	Santa Barbara	11,517,356	-
Adoption Assistance	93.659	Santa Barbara	8,970,624	-
Social Services Block Grant	93.667	Santa Barbara	551,780	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	Santa Barbara	107,263	-
Elder Abuse Prevention Interventions Program	93.747	Santa Barbara	1,873,297	-
Grants to States for Medicaid	93.778	Santa Barbara	153,026	-
Grants to States for Medicaid	93.778	Santa Barbara	25,250,578	-
Subtotal - Medicaid Cluster			25,403,604	-
Passed through Health Management Associate:				
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	2023-024	85,000	-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			92,119,502	564,417
U.S. DEPARTMENT OF HOMELAND SECURITY				
Direct Programs:				
Hazard Mitigation Grant	97.039	-	4,151,018	-
Passed through CA Governor's Office of Emergency Services:				
Emergency Management Performance Grants	97.042	2024-0050	201,528	-
Passed through CalOES:				
BRIC Building Resilient Infrastructure and Communities	97.047	LPDM23 PJ0009	4,221	-
Passed through CA Governor's Office of Emergency Services:				
Homeland Security Grant Program	97.067	2021-0081	150,709	150,000
Homeland Security Grant Program	97.067	2023-0042	240,985	140,719
Homeland Security Grant Program	97.067	2022-0043	231,569	-
Passed through San Diego Sheriff's Department:				
Homeland Security Grant Program	97.067	(2022OPSG)	718,609	-
Subtotal for 97.067			1,341,872	290,719
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			5,698,639	290,719
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Programs:				
Community Development Block Grants/Entitlement Grants	14.218	B21UC060509	62,149	50,529
Community Development Block Grants/Entitlement Grants	14.218	B22UC060509	495,066	495,066
Community Development Block Grants/Entitlement Grants	14.218	B23UC060509	431,282	431,282
Community Development Block Grants/Entitlement Grants	14.218	B-24-UC-06-0509	236,602	-
Subtotal for CDBG - Entitlement Grants Cluster			1,225,099	976,877
Home Investment Partnerships Program 3rd party loans	14.239	M18-DC060554	145,703	145,703
Home Investment Partnerships Program 3rd party loans	14.239	M19-DC060554	1,009,184	1,009,184
Home Investment Partnerships Program 3rd party loans	14.239	M20-DC060554	1,138,805	1,138,805
Home Investment Partnerships Program 3rd party loans	14.239	M21-DC060554	570,074	570,074
Home Investment Partnerships Program 3rd party loans	14.239	M21-DP060554	878,773	835,652
Home Investment Partnerships Program 3rd party loans	14.239	M22-DC060554	255,593	255,593
Home Investment Partnerships Program 3rd party loans	14.239	M23-DC060554	305,786	305,786
Home Investment Partnerships Program 3rd party loans	14.239	-	1,502,703	1,502,703
Home Investment Partnerships Program	14.239	M24-DC060554	107,986	-
Home Investment Partnerships Program	14.239	-	989,009	989,009
Subtotal for 14.239			6,903,616	6,752,509
Continuum of Care Program	14.267	CA0598L9D032316	169,050	-
Continuum of Care Program	14.267	CA1700L9D032205		
		0L9D032003	9,105	-
Continuum of Care Program	14.267	CA1700L9D032306		
		0L9D032003	75,753	-
Continuum of Care Program	14.267	CA2174L9D032200	4,355	-
Continuum of Care Program	14.267	CA2291L9D032300	13,956	-
Subtotal for 14.267			272,219	-

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2025**

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 (Continued)				
Direct Programs: (Continued)				
Hurricane Sandy Community Development Block Grant Disaster	14.269	20-DRMHP-00002	5,573	-
Subtotal - CDBG Disaster Recovery Cluster			<u>5,573</u>	<u>-</u>
Community Development Block Grants - States program and Non-Entitlement Grants in Hawaii	14.228	17-MITPPS-21021	265,574	-
Youth Homelessness Demonstration Program	14.276	CA2219Y9D032100	190,597	-
Youth Homelessness Demonstration Program	14.276	CA2224Y9D032100	165,018	165,018
Subtotal for 14.276			<u>355,615</u>	<u>165,018</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>9,027,696</u>	<u>7,894,404</u>
U.S. DEPARTMENT OF JUSTICE				
Direct Programs:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-01189-JAGX	31,930	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-02231-JAGX	1,280	-
Subtotal for 16.738			<u>33,210</u>	<u>-</u>
Passed through California Governor's Office of Emergency Services:				
Crime Victim Assistance	16.575	HA23 01 0420	77,272	-
Crime Victim Assistance	16.575	HA24 0328 01	69,728	-
Crime Victim Assistance	16.575	KC23 02 0420	149,126	-
Crime Victim Assistance	16.575	KC24 0328 01	42,595	-
Crime Victim Assistance	16.575	UV23 02 0420	94,206	-
Crime Victim Assistance	16.575	UV24 0328 01	102,694	-
Crime Victim Assistance	16.575	VW23 42 0420	195,539	-
		VW24 032801	514,766	-
Crime Victim Assistance	16.575	XC23 06 0420	115,048	-
Subtotal for 16.575			<u>1,360,974</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>1,394,184</u>	<u>-</u>
U.S. DEPARTMENT OF LABOR				
Passed through California Employment Development Department:				
WIOA Youth Activities	17.259	AA411028	332,880	103,707
WIOA Youth Activities	17.259	AA511028	1,142,576	479,734
WIA/WIOA Adult Program	17.258	AA411028	293,272	-
WIA/WIOA Adult Program	17.258	AA411028	670,086	285,141
WIA/WIOA Adult Program	17.258	AA511028	410,497	243,439
WIA/WIOA Dislocated Worker Formula Grants	17.278	AA411028	534,138	163,799
WIA/WIOA Dislocated Worker Formula Grants	17.278	AA511028	480,776	140,817
Passed through Coastal RPU Entities:				
WIA/WIOA Adult Program	17.258	AA311028	83,955	-
Subtotal for WIA/WIOA Cluster			<u>3,948,180</u>	<u>1,416,637</u>
Passed through United States Department of Labor Employment and Training Administration (DOLETA):				
National Farmworker Jobs Program	17.264	AC000079 01 00	231,288	-
WIOA National Dislocated Worker Grants/WIA National Emergency Grants	17.277	DW370092160A6	976,287	717,434
Passed through Department of Social Services:				
Homeless Veterans Reintegration Project	17.805	Santa Barbara	7,000	-
TOTAL U.S. DEPARTMENT OF LABOR			<u>5,162,755</u>	<u>2,134,071</u>
U.S. DEPARTMENT OF THE INTERIOR				
Direct Programs:				
Recreation Resources Management	15.524	-	333,000	-
TOTAL U.S. DEPARTMENT OF THE INTERIOR			<u>333,000</u>	<u>-</u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Number	Total Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF TRANSPORTATION				
Direct Programs:				
Airport Improvement Program	20.106	-	83,528	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	AL25015	110,300	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	AL24022	34,559	-
Subtotal - 20.608			144,859	-
Passed through CalTrans:				
Highway Planning and Construction	20.205	05-5951/N054	30,701	-
Highway Planning and Construction	20.205	05-5951F15	40,592	-
Highway Planning and Construction	20.205	5951(178)	10,946	-
Highway Planning and Construction	20.205	HSIPL-5951(169)	215,756	-
Highway Planning and Construction	20.205	HSIPL-5951(181)	10,152	-
Highway Planning and Construction	20.205	HSIPL-5951(182)	5,508	-
Highway Planning and Construction	20.205	05-5951(151)	848,603	-
Highway Planning and Construction	20.205	05-5951/M015	96,758	-
Highway Planning and Construction	20.205	05-930143	10,302	-
Highway Planning and Construction	20.205	05-NBIL(526)	4,484,022	-
Highway Planning and Construction	20.205	BRLO-NBIL(512)	10,145	-
Highway Planning and Construction	20.205	HBIL 5951(548)	27,184	-
Highway Planning and Construction	20.205	HBIL 5951(550)	5,302	-
Subtotal - 20.205			5,795,971	-
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			6,024,358	-
TOTAL EXPENDITURES OF FEDERAL AWARDS (EXCLUDING LOANS CARRIED FORWARD FROM PRIOR YEAR)			\$ 141,611,229	\$ 11,032,995
<i>Federal Loan Balances Carried Forward From Prior Year with a Continuing Compliance Requirement</i>				
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Home Investment Partnerships Program	14.239	M19-DC060554	\$ 31,460,765	\$ -
Federal Loan Balances Carried Forward From Prior Year with a Continuing Compliance Requirement			31,460,765	-
TOTAL EXPENDITURES OF FEDERAL AWARDS, INCLUDING FEDERAL LOAN BALANCES CARRIED FORWARD FROM PRIOR YEAR			\$ 173,071,994	\$ 11,032,995

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF SANTA BARBARA, CALIFORNIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

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 ANNUAL COMPREHENSIVE 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 – LOANS OUTSTANDING

The following programs had federally funded loans outstanding on June 30, 2025 and 2024:

Assistance Listing No.	Program Title	Amount Outstanding			
		June 30, 2024	Additions	Loan Payments	June 30, 2025
14.239	HOME Investment Partnerships Program	\$ 31,807,063	\$ 5,806,621	\$ (346,298)	\$ 37,267,386

FINDINGS AND QUESTIONED COSTS

**COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025**

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, under 2 CFR
§200.516(a)? ___ 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 Nutrition Assistance Program (SNAP Cluster)
14.239	Home Investment Partnerships Program
20.205	Highway Planning and Construction
93.658	Foster Care - Title IV-E
97.039	Hazard Mitigation Grant (HMGP)

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? X Yes ___ No

**COUNTY OF SANTA BARBARA, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
FOR THE YEAR ENDED JUNE 30, 2025**

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, 2025**

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

2024-01

Condition

During our search for unrecorded liabilities, we identified approximately \$2.6 million of unrecorded accruals in the Self-Insurance Fund as of June 30, 2024. These consisted of approximately \$1.6 million payment due to Public Risk Innovation, Solutions, and Management (PRISM) and \$1.0 million in litigation claims that met the criteria of probable and estimable. These items were subsequently corrected by management.

Criteria

Accounting principles generally accepted in the United States of America require liabilities to be recorded when probable and estimable. Expenditures and the related liabilities should be recognized in the accounting period in which the liability is incurred.

Cause of Condition

The condition occurred due to staff turnover near fiscal year-end. Specifically, the employee responsible for posting year-end accruals departed the County of Santa Barbara (the County), and adequate cross-training or transition procedures were not in place to ensure continuity of this critical year-end process.

Potential Effect of Condition

Without proper controls over year-end accruals, liabilities could be understated, leading to misstatement of the financial statements. In this case, liabilities were initially understated by approximately \$2.6 million before the correction was made.

Recommendation

We recommend the County implement cross-training protocols to ensure multiple staff members are familiar with the accrual process. Additionally, we suggest creating a detailed checklist of recurring accruals that require review at year-end. Furthermore, it would be beneficial to consider implementing additional review procedures when staff turnover occurs near critical reporting deadlines.

Management's Response

We agree with the findings. To ensure this does not happen in subsequent fiscal years, Risk Management has already identified and implemented appropriate cross-training protocols to ensure that multiple staff members are familiar with the accrual process.

We have established a regular meeting schedule to review fiscal standing on a biweekly basis to avoid future recurrences of this and make sure all appropriate personnel are aware of all claims and if we need to accrue any into the next year and a checklist for premium accruals has been created.

Current Year Status

Implemented.

Findings and Recommendations Relating to Federal Awards

None.