COUNTY OF COLUSA, CALIFORNIA

SINGLE AUDIT REPORT

YEAR ENDED JUNE 30, 2024

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

Honorable Board of Supervisors
County of Colusa, California
Colusa, 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, each major fund, and the aggregate remaining fund information of the County of Colusa, California (the County), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 14, 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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Honorable Board of Supervisors
County of Colusa, California

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Roseville, California
March 14, 2025

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

Honorable Board of Supervisors
County of Colusa, California
Colusa, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of Colusa, California's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2024. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

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Auditors' Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We have issued our report thereon dated March 14, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Roseville, California
March 14, 2025

COUNTY OF COLUSA, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture				
Passed Through State Department of Food and Agriculture:				
Plant and Animal Disease, Pest Control, and Animal Care	10.025	21-0294-003-SF	$ 5,730	$ -
Plant and Animal Disease, Pest Control, and Animal Care	10.025	21-0517-022-SF	6,165	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	21-0597-005-SF	31,143	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	21-0595-004-SF	7,567	-
Subtotal Assistance Listing Number 10.025			50,605	-
Passed Through the State Department of Social Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		872,418	-
Subtotal SNAP Cluster			872,418	-
Total U.S. Department of Agriculture			923,023	-
U.S. Department of Housing and Urban Development				
Passed Through State Department of Housing and Community Development:				
Community Development Block Grants/Entitlement Grants:				
Outstanding Loans	14.228		102,309	-
Emergency Solutions Grant	14.231		15,123	-
Home Investment Partnership Program:				
Outstanding Loans	14.239		8,865	-
Total U.S. Department of Housing and Urban Development			126,297	-
U.S. Department of the Interior				
Direct Programs:				
Payments in Lieu of Taxes	15.226		292,192	-
Total U.S. Department of the Interior			292,192	-
U.S. Department of Justice				
Direct Programs:				
Drug Court Discretionary Grant Program	16.585	2023-10	7,314	-
Drug Court Discretionary Grant Program	16.585	2024-9	2,301	
Subtotal Assistance Listing Number 16.585			9,615	
Bureau of Justice Assistance	16.607		8,165	-
Passed Through the Governor's Office of Emergency Services:				
Crime Victim Assistance	16.575	VW21260060	152,105	-
Total U.S. Department of Justice			169,885	-
U.S. Department of Transportation				
Passed Through the State Department of Transportation:				
Airport Improvement Program	20.106	AIP#019	29,351	-
Airport Improvement Program	20.106	AIP#024	313,191	-
Airport Improvement Program	20.106	AIP#025	242,581	-
COVID-19 Airport Improvement Program	20.106	AIP#019	3,261	-
Subtotal Assistance Listing Number 20.106			588,384	-
Highway Planning and Construction	20.205	BRLO-5915(055)	6,045	-
Subtotal Assistance Listing Number 20.205			6,045	-
Total U.S. Department of Transportation			594,429	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF COLUSA, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Treasury				
Direct Programs:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		$ 813,324	$ -
Total U.S. Department of Treasury			813,324	-
U.S. Department of Health and Human Services				
Passed Through the State Department of Aging and CSU, Chico Research Foundation/Area Agency on Aging:				
Special Program for the Aging - Title III Part B - Grants for Supportive Services and Senior Centers	93.045	IIIB1-2	25,466	-
Special Program for the Aging - Title III Part C - Nutrition Services	93.045	IIIC1-2	30,522	-
Nutrition Services Incentive Program	93.053	USDA-NSIP	7,689	-
Subtotal Aging Cluster			63,677	
Passed Through the State Department of Social Services:				
Promoting Safe and Stable Families	93.556		30,773	-
Social Services Block Grant	93.667		33,116	-
Chafee Foster Care Independence Program	93.674		20,000	-
Temporary Assistance for Needy Families	93.558	800-06-2023	1,059,738	-
Temporary Assistance for Needy Families	93.558	800-06-2023	789,852	-
Subtotal Assistance Listing Number 93.558			1,849,590	-
Passed Through the State Department of Social Services (continued):				
Foster Care - Title IV-E	93.658	CEC-06-2023	12,136	-
Foster Care - Title IV-E	93.658	800-06-2023	477,074	-
Subtotal Assistance Listing Number 93.658			489,210	-
Adoption Assistance	93.659	CEC-06-2023	6,094	-
Adoption Assistance	93.659	800-06-2023	1,172,201	-
Subtotal Assistance Listing Number 93.659			1,178,295	-
Passed Through the State Department of Alcohol and Drug Programs:				
Block Grants for Community Mental Health Services	93.958	SAMSHA	154,330	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	SAPT	9,000	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	SAPT	434,691	-
Subtotal Assistance Listing Number 93.959			443,691	
Passed Through the State Department of Health Care Services:				
Public Health Emergency Preparedness	93.069	COLUSA PHEP	95,538	-
Immunization Cooperative Agreements	93.268	17-10312	198,714	-
California Equitable Recovery Initiative	93.391	CERI	47,323	-
National Bioterrorism Hospital Preparedness Program	93.889		112,833	-
Elder Abuse Prevention Interventions Program	93.747	APS/ARPA	1,639	-
Medical Assistance Program	93.778		731,082	-
Medical Assistance Program	93.778	HCPCFC	16,761	-
Medical Assistance Program	93.778	HCPCFC	7,699	-
Medical Assistance Program	93.778	PMM&O	8,264	-
Medical Assistance Program	93.778	MCHPXIX	17,137	-
Medical Assistance Program	93.778	CHDP	61,206	-
Medical Assistance Program	93.778	CCS	121,831	-
Medical Assistance Program	93.778	IHSS	100,410	-
Medical Assistance Program	93.778	IHSS-Adm	267,829	-
Medical Assistance Program	93.778		305	
Subtotal - Medicaid Cluster			1,332,524	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF COLUSA, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Health and Human Services (Continued)				
Passed Through the State Department of Health Care Services (Continued):				
Maternal and Child Health Services Block Grant to the States	93.994	MCH	$ 76,594	$ -
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977		103,802	-
Passed Through State Department of Public Health:				
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases	93.323		377,887	-
Total U.S. Department of Health and Human Services			6,609,536	-
U.S. Department of Homeland Security				
Passed Through the State Governor's Office of Emergency Services:				
Emergency Management Performance Grants	97.042	2022-0005 Cal OES#011	10,453	-
Emergency Management Performance Grants	97.042	2023-0006 Cal OES#011	244,552	-
Subtotal Assistance Listing Number 97.042			255,005	-
Homeland Security Grant Program	97.067	2021-0081 CALOES#011	82,892	-
Homeland Security Grant Program	97.067	2022-0043 CALOES#011	22,696	-
Subtotal Assistance Listing Number 97.067			105,588	-
Total U.S. Department of Homeland Security			360,593	-
Total Expenditures of Federal Awards			$ 9,889,279	$ -

See accompanying Notes to Schedule of Expenditures of Federal Awards.

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards programs of the County of Colusa, California for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 ASSISTANCE LISTING NUMBERS

The program titles and assistance listing numbers were obtained from the federal or pass-through grantor. When no assistance listing number had been assigned to a program, the two-digit federal agency identifier and the federal contract number were used.

NOTE 4 INDIRECT COST RATE

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

NOTE 5 LOANS WITH CONTINUING COMPLIANCE REQUIREMENTS

Outstanding federally-funded program loans, with a continuing compliance requirement, carried balances as of June 30, 2024 as follows:

Assistance Listing Number	Federal Program	Outstanding Loans June 30, 2024	Loans July 1, 2023	New Loans	Federal Awards Expended June 30, 2024
14.228	Community Development Block Grant/ States Program	$ 102,309	$ 104,380	$ 799	$ 102,309
14.239	Home Investment Partnership Program	8,865	9,910	-	8,865

NOTE 6 PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

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

NOTE 7 CALIFORNIA DEPARTMENT OF AGING

The terms and conditions of contracts with the California Department of Aging require agencies to display state-funded expenditures discretely along with the related federal expenditures. The following schedule is presented to comply with these requirements.

Assistance Listing Number	Federal Expenditures	State Expenditures	Total
93.045	$ 55,988	$ -	$ 55,988
93.053	7,689	-	7,689
Total	$ 63,677	$ -	$ 63,677

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified

2. Internal control over financial reporting:

   - Material weakness(es) identified? ______ yes __x__ no

   - Significant deficiency(ies) identified? ______ yes __x__ none reported

3. Noncompliance material to financial statements noted? ______ yes __x__ no

Federal Awards

1. Internal control over major federal programs:

   - Material weakness(es) identified? __x__ yes ______ no

   - Significant deficiency(ies) identified? ______ yes __x__ none reported

2. Type of auditors' report issued on compliance for major federal programs: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? __x__ yes ______ no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds (ARPA)
10.561	Supplemental Nutrition Assistance Program
20.106	Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000

Auditee qualified as low-risk auditee? __x__ yes ______ no

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

2024 – 001 – Suspension and Debarment

Federal Agency: U.S. Department of Agriculture

Federal Program Title: Supplemental Nutrition Assistance Program (SNAP)

Assistance Listing Number: 10.561

Pass-Through Agency: California State Department of Social Services

Award Period: July 1, 2023 – June 30, 2024

Type of Finding:

- Material Weakness in Internal Control over Compliance

Criteria: Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. Before entering into a covered transaction the entity must verify that the contractor is not suspended, debarred, or otherwise excluded from participating in the transaction.

Condition: During the course of the audit, it was observed that suspension and debarment checks were not conducted for three vendors. This oversight was identified through a comprehensive review of the vendor management process and related documentation.

Questioned Costs: None noted.

Context: CLA found the following: Suspension and debarment procedures were not perfomed for three out of five vendors prior to entering into the transaction.

Cause: The County does not have standard procedures in place for ensuring that vendors are not suspended or debarred.

Effect: Without checking debarment before engaging services, the County could have entered into an agreement with a vendor that was disbarred from receiving federal funding.

Repeat Finding: Not a repeat finding.

Recommendation: CLA recommends the County implement procedures to ensure that federal guidance is followed relating to suspension and disbarment and provide training on these procedures.

Views of responsible officials: There is no disagreement with the audit finding.

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