

**COUNTY OF TEHAMA,
CALIFORNIA**

**SINGLE AUDIT REPORT
AND SUPPLEMENTAL SCHEDULES**

YEAR ENDED JUNE 30, 2025



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**COUNTY OF TEHAMA
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YEAR ENDED JUNE 30, 2025**

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

Board of Supervisors
County of Tehama
Red Bluff, 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 Tehama (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 February 17, 2026.

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 County of Tehama's internal control. Accordingly, we do not express an opinion on the effectiveness of County of Tehama's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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*.

County of Tehama’s Response to Finding

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

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

Roseville, California
February 17, 2026



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

Board of Supervisors
County of Tehama
Red Bluff, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of Tehama'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, 2025. 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, 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Report on the 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, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We have issued our report thereon dated February 17, 2026, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The Supplementary Schedules of the Department of Community Services and Development and the California Department of Aging, which is the responsibility of management, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Roseville, California
February 25, 2026

**COUNTY OF TEHAMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025**

Federal Program/Pass-Through Grantor/Program 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	AP24PPQFO000C363	\$ 5,961	\$ -
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP24PPQFO000C005	1,796	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP24PPQFO000C363	4,287	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP24PPQFO000C006	6,042	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP25PPQFO000C116	2,383	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP25PPQFO000C001	8,749	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP25PPQFO000C394	1,739	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP24PPQFO000C002	10,919	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP25PPQFO000C011	<u>27,448</u>	<u>-</u>
Subtotal 10.025			69,324	-
Passed through State Department of Education:				
School Breakfast Program	10.553	02951-SN-52-R	34,817	-
National School Lunch Program	10.555	02951-SN-52-R	<u>39,030</u>	<u>-</u>
Total Child Nutrition Cluster			73,847	-
Passed through State Department of Health Services:				
WIC - Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	15-10122 WIC	956,221	-
Passed through State Department of Social Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Admin	1,900,381	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	215-2012 NEOP	<u>188,390</u>	<u>-</u>
Total SNAP Cluster			2,088,771	-
Passed through State Controller's Office:				
Invasive Plant Management (EAB)	10.664	23-0409	9,999	-
Cooperative Forestry Assistance	10.664	7GF22322	<u>20,000</u>	<u>-</u>
Subtotal 10.664			29,999	-
USDA, Forest Srvc Mendocino Natl Forest	10.667	21-LE-11051360-009	27,501	-
USDA, Forest Srvc Lassen Natl Forest	10.667	21-LE-11051360-005	<u>24,000</u>	<u>-</u>
Subtotal 10.667			51,501	-
Emerald Ash Borer Interagency (EAB)	10.680	23-0716	12,631	-
Schools and Roads - Grants to Counties	10.666	10-Unknown	<u>59,615</u>	<u>-</u>
Total Forest Service Schools and Roads Cluster			59,615	-
Total U.S. Department of Agriculture			\$ 3,341,909	\$ -
U.S. Department of the Interior				
Direct Program:				
Payments in Lieu of Taxes	15.226		<u>\$ 940,924</u>	<u>\$ -</u>
Total U.S. Department of the Interior			\$ 940,924	\$ -

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF TEHAMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Program/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Justice				
Direct Program:				
Bulletproof Vest Partnership	16.607		\$ 6,579	\$ -
Passed through Drug Enforcement Administration:				
Domestic Cannabis Eradication/Suppression Program	16.022	2024-45/2025-44	24,083	-
Passed through Board of State and Community Corrections:				
Edward Byrne Memorial Justice Assistance	16.738	BSCC 1222-23	143,419	-
Passed through State Emergency Management Agency:				
Crime Victim Assistance	16.575	VW 228 0520	85,378	-
Crime Victim Assistance	16.575	VW 2402 9101	69,284	-
Crime Victim Assistance	16.575	XC 2301 0520	45,346	-
Crime Victim Assistance	16.575	HA 2402 9101	802	-
Crime Victim Assistance	16.575	HA 2301 0520	85,181	-
Subtotal 16.575			<u>285,991</u>	<u>-</u>
Direct Program:				
Body-Worn Camera Policy and Implementation Program	16.835	46514404	150,000	-
Total U.S. Department of Justice			\$ 610,073	\$ -
U.S. Department of Transportation				
Passed through State Department of Transportation:				
Highway Planning and Construction	20.205	HSIPL-5908 (106)	\$ 105,910	\$ -
Highway Planning and Construction	20.205	RPSTPL-5908 (102)	7,812	-
Highway Planning and Construction	20.205	RPSTPL-5908 (100)	16,166,609	-
Highway Planning and Construction	20.205	HSIPL-5908 (104)	57,317	-
Highway Planning and Construction	20.205	HSIPL-5908(105)	29,769	-
Highway Planning and Construction	20.205	BRLSZD-5908(031)	86,437	-
Highway Planning and Construction	20.205	BRLKS-5908(029)	12,220	-
Highway Planning and Construction	20.205	BRLOZB-5908(025)	8,853,358	-
Highway Planning and Construction	20.205	BRLO-5908(056)	769,678	-
Highway Planning and Construction	20.205	BRLO-5908(057)	496,392	-
Subtotal 20.205			<u>26,585,502</u>	<u>-</u>
Passed through State Department of Transportation:				
COVID-19 CARES Act (Rural Area Formula)	20.509	Unknown	244,954	-
Statewide Rural Public Transit	20.509	Unknown	84,901	-
Subtotal 20.509			<u>329,855</u>	<u>-</u>
Total U.S. Department of Transportation			\$ 26,915,357	\$ -
U.S. Department of the Treasury				
Passed through State Department of Finance:				
LATCF Local Asst and Tribal Consistency Fund	21.032	Unknown	\$ 212,171	\$ 212,171
COVID-19 American Rescue Plan Act	21.027	Unknown	263,758	263,758
Total U.S. Department of the Treasury			\$ 475,928	\$ 475,928
Environmental Protection Agency (EPA)				
Direct Program:				
EPA PM2.5 Monitoring Support funds for CAPCOA	66.305		\$ 12,000	\$ -
Total Environmental Protection Agency (EPA)			\$ 12,000	\$ -

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF TEHAMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Program/Pass-Through Grantor/Program 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				
Passed through State Department of Social Services:				
Guardianship Assistance	93.090	Admin	\$ 7,296	\$ -
Guardianship Assistance	93.090	Assist KinGap	<u>11,317</u>	<u>-</u>
Subtotal 93.090			18,613	-
Promoting Safe and Stable Families	93.556	Admin	55,432	-
Community-Based Child Abuse Prevention Grants	93.590	PSSF CW Admn	16,823	-
Community-Based Child Abuse Prevention Grants	93.590	CBCAP/Co Funds	<u>27,024</u>	<u>-</u>
Subtotal 93.590			43,847	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Admin	41,193	-
Social Services Block Grant Title XX	93.667	Admin	149,424	-
Chafee Foster Care Independence Program	93.674	ILP Admin	48,840	-
Temporary Assistance for Needy Families	93.558	Assistance	4,986,099	-
Temporary Assistance for Needy Families	93.558	Admin	3,135,214	-
Temporary Assistance for Needy Families	93.558	Assistance	<u>1,053,869</u>	<u>-</u>
Subtotal 93.558			9,175,182	-
Title IV-E (Probation)	93.658	Probation Juvenile Admin	15,235	-
Foster Care - Title IV-E	93.658	BH Connect (CFT)	2,084	-
Foster Care - Title IV-E	93.658	Excellence in Family Finding	39,336	-
Foster Care - Title IV-E	93.658	FURS	708	-
Foster Care - Title IV-E	93.658	CWS-IV-E ADMN	1,892,550	-
Foster Care - Title IV-E	93.658	CSEC Fed	5,020	-
Foster Care - Title IV-E	93.658	CCR CWD Fed	122,868	-
Foster Care - Title IV-E	93.658	Emer Child Care Bridge	18,731	-
Foster Care - Title IV-E	93.658	Emergency Asst (EA FC)	222,137	-
Foster Care - Title IV-E	93.658	Assistance	969,373	-
Foster Care - Title IV-E	93.658	FC ADMIN	181,802	-
Foster Care - Title IV-E	93.658	SACWIS	2,610	-
Foster Care - Title IV-E	93.658	NON CWS ALLOC ADMN	<u>38,516</u>	<u>-</u>
Subtotal 93.658			3,510,970	-
Adoption Assistance	93.659	SS Admin	392,749	-
Adoption Assistance	93.659	AAP CCR CWD	254	-
Adoption Assistance	93.659	Eligibility Admin	102,932	-
Adoption Assistance	93.659	FedGAP 4T	56,923	-
Adoption Assistance	93.659	Assistance	<u>4,478,308</u>	<u>-</u>
Subtotal 93.659			5,031,166	-
Passed through State Child Support Department:				
Child Support Enforcement	93.563	Tehama	1,463,875	-
Passed through State Department of Aging:				
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	AP-2223-03	372,922	-
Nutrition Services Incentive Program	93.053	AP-2223-03	<u>16,679</u>	<u>-</u>
Total Aging Cluster			389,601	-
Passed through State Department of Mental Health Services:				
Behavioral Health Court Co-Occurring Drug Court	93.243	Co-Occur	397,548	-
Immunization Cooperative Agreements	93.268	Immunization	179,356	-
Passed through State Department of Community Services and Development:				
Community Services Block Grant	93.569	25F-6049	102,598	-
Community Services Block Grant	93.569	24F-3049	26,000	-
Community Services Block Grant	93.569	24F-3049	<u>156,106</u>	<u>-</u>
Subtotal 93.569			284,704	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF TEHAMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Program/Pass-Through Grantor/Program 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 State Department of Mental Health Services:				
Projects for Assistance in Transition from Homelessness (PATH)	93.150	PATH	\$ 55,213	\$ -
Block Grants for Community Mental Health Services	93.958	MHBG	339,572	-
Passed through Heluna Health:				
Coronavirus Aid, Relief and Economic Security Act (CARES)	93.323	ELC Enh Detection Exp	134,064	-
Coronavirus Aid, Relief and Economic Security Act (CARES)	93.323	ELC Enh Detection	188,107	-
Subtotal 93.323			<u>322,171</u>	<u>-</u>
Passed through State Department of Alcohol and Drug Programs:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	SABG	401,676	-
Passed through State Department of Health Services				
COVID-19 APS/ARPA	93.747	APS/ARPA	36,835	-
Medical Assistance Program DSS	93.778	APS/CSBG	399,752	-
Medical Assistance Program TCHSA	93.778	HCPCFC psych	4,647	-
Medical Assistance Program TCHSA	93.778	HCPCFC	43,319	-
Medical Assistance Program TCHSA	93.778	HCPCFC Admn	3,339	-
Medical Assistance Program DSS	93.778	CWS Title XIX	249,036	-
Medical Assistance Program TCHSA	93.778	CCS Title XIX & XXI	87,521	-
Medical Assistance Program DSS	93.778	IHSS	966,790	-
Medical Assistance Program DSS	93.778	Medi-Cal Admin	1,785,370	-
Subtotal Medicaid Cluster			<u>3,539,773</u>	<u>-</u>
Healthy Families America Home Visiting Program	93.872	HFA	210,121	-
Maternal and Child Health Services Block Grant to the States	93.994	MCH	30,678	-
Maternal and Child Health Services Block Grant to the States	93.994	CHDP	-	-
Subtotal 93.994			<u>30,678</u>	<u>-</u>
Public Health Emergency Preparedness (PHEP)	93.069	PHEP	217,279	-
Hospital Preparedness Program (HPP)	93.889	HPP	135,891	-
Total U.S. Department of Health and Human Services			\$ 26,078,961	\$ -
U.S. Department of Homeland Security				
Passed through State Emergency Management Agency:				
Emergency Management Performance Grants	97.042	2022-0005	\$ 141,829	\$ -
Mutual Aid Fire Reimbursements	97.048	Thompson Fire	1,680	-
Mutual Aid Fire Reimbursements	97.048	Shelly Fire	14,758	-
Mutual Aid Fire Reimbursements	97.048	Park Fire	4,077	-
Subtotal 97.048			<u>20,515</u>	<u>-</u>
Passed through the State Dept of Finance				
Homeland Security Grant Program	97.067	2023-0042	15,904	-
Homeland Security Grant Program	97.067	2022-0043	137,052	-
Subtotal 97.067			<u>152,956</u>	<u>-</u>
Hazard Mitigation Grant Program	97.039	HMGP DR-4558-745-18P	16,505	-
Total U.S. Department of Homeland Security			\$ 331,805	\$ -
Total			<u>\$ 58,706,957</u>	<u>\$ 475,928</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF TEHAMA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2025

NOTE 1 REPORTING ENTITY

The accompanying schedule of expenditures of federal awards presents the activity of all federal financial assistance programs of the County of Tehama (the County). The County reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule of expenditures of federal awards. The information from the schedule is presented in accordance with the 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). Because the schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE 2 BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied. The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting for grants accounted for in the governmental fund types and the accrual basis of accounting for grants accounted for in the proprietary fund types, as described in the notes to the County financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowed or are limited as to reimbursements.

NOTE 3 INDIRECT COST RATE

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

NOTE 4 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 and the identifying number is shown as unknown.

**COUNTY OF TEHAMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025**

Section I – Summary of the Auditors' Results

Basic 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? x yes _____ none reported
3. Noncompliance material to basic financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x 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)? _____ yes x no

Identification of Major Federal Programs

Federal Assistance Listing Numbers

10.561

20.205

93.778

Name of Federal Program or Cluster

Special Supplemental Nutrition Program for Women, Infants, and Children
Highway Planning and Construction
Medical Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 1,761,209

Auditee qualified as low-risk auditee?

_____ yes x no

**COUNTY OF TEHAMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section II – Financial Statement Findings

2025-001

Significant Deficiency in Internal Control over Financial Reporting

Condition

The County made significant adjustments to the Schedule of Expenditures of Federal Awards (SEFA) for the 93.558 Temporary Assistance for Needy Families (TANF) program as a result of our audit findings. These findings identified discrepancies between the program's reported expenditures and the amounts reported on the monthly CA800 forms.

Criteria

The Auditee's responsibility per the Uniform Guidance, Section 200.508 Part B, is to "prepare appropriate financial statements, including the Schedule of Expenditures of Awards". This includes determining the correct amount of expenditures that need to be reported for the Schedule of Expenditures of Federal Awards. Only the federal portion of the grant funding should be included in the SEFA. State funding should be identified and excluded.

Cause

The County did not have a process in place to separately identify and exclude the state portion of assistance when preparing the SEFA. As a result, the state portion of assistance claims was inadvertently included on the SEFA and was not identified until later in the audit.

Repeat Finding

This is not a repeat finding.

Effect

As a result of the error, total expenditures reported for Assistance Listing Number (ALN) 93.558 were overstated by \$2,626,266 on the SEFA.

Recommendation

We recommend the County provide additional training to departmental personnel to ensure they understand and comply with applicable grant reporting requirements, including the proper identification of federal and non-federal funding for SEFA preparation.

Views of Responsible Officials and Planned Corrective Actions

There is no disagreement with this finding,

Section III – Federal Award Findings and Questioned Costs

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

SUPPLEMENTAL SCHEDULES

**COUNTY OF TEHAMA
 SUPPLEMENTAL SCHEDULE
 CALIFORNIA DEPARTMENT OF AGING (CDA)
 YEAR ENDED JUNE 30, 2025**

A reconciliation of accrual basis expenditures as reported on the Financial Closeout Report to cash basis expenditures confirmed as of June 30, 2025, follows:

Program	Federal ALN	Total Expenditures	Accrual Adjustments	Confirmed Amount
IIC-1 Congregate	93.045	\$ 372,922	\$ -	\$ -
IIC-1 Congregate Nutrition Services Incentive Program	93.053	16,679	-	-
Total Expenditures of CDA Federal Awards		<u>\$ 389,601</u>	<u>\$ -</u>	<u>\$ -</u>

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

Federal ALN	Federal Expenditures	State Expenditures	Total
93.045	\$ 372,922	\$ -	\$ 372,922
93.053	16,679	-	16,679
Total	<u>\$ 389,601</u>	<u>\$ -</u>	<u>\$ 389,601</u>

**COUNTY OF TEHAMA
SUPPLEMENTAL SCHEDULE
CALIFORNIA COMMUNITY SERVICES AND DEVELOPMENT
CSD CONTRACT NO. 24F-3049 & 25F-6049
FOR THE PERIOD JULY 1, 2024 THROUGH JUNE 30, 2025**

	July 1, 2024 through December 31, 2024	January 1, 2025 through June 30, 2025	Total Audited Costs	Total Reported Costs	Total Budget
REVENUE					
Grant Revenue	\$ 182,106	\$ 102,598	\$ 284,704		\$ 148,647
Total Revenue	<u>\$ 182,106</u>	<u>\$ 102,598</u>	<u>\$ 284,704</u>		<u>\$ 148,647</u>
EXPENDITURES					
Administrative Costs:					
Operating Expenses	15,640	3,085	18,725	\$ 18,725	18,725
Contract and Consultant Services	13,244	14,038	27,282	27,282	27,282
Total Program Costs	<u>28,884</u>	<u>17,123</u>	<u>46,007</u>	<u>46,007</u>	<u>46,007</u>
Program Costs:					
Salaries & Wages	33,359	23,967	57,326	57,326	57,326
Fringe Benefits	13,178	8,417	21,595	21,595	21,595
Operating Expenses	60,182	23,634	83,816	83,816	83,816
Subcontractor and Consultant Services	44,680	31,280	75,960	75,960	75,960
Total Program Costs	<u>151,399</u>	<u>87,298</u>	<u>238,697</u>	<u>238,697</u>	<u>238,697</u>
Total Expenses	<u>\$ 180,283</u>	<u>\$ 104,421</u>	<u>\$ 284,704</u>	<u>\$ 284,704</u>	<u>\$ 284,704</u>

KRISTA PETERSON
Auditor-Controller



JULIEANNE MANNING
Assistant Auditor-Controller

TEHAMA COUNTY AUDITOR-CONTROLLER

February 18, 2026

The County of Tehama respectfully submits the following summary schedule of prior audit findings for the year ended June 30, 2025.

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

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

2024 – 001 Material Weakness in Internal Control over Financial Reporting

Condition: During our audit, we noted that an agreement for outstanding debt of \$7.5 million for an energy efficient project was not recorded in the previous year when the County signed the debt agreement and received the debt proceeds.

Additionally, the County reported the debt proceeds in a fiduciary fund instead of a governmental fund though the funds were for the benefit of the County.

Recommendation: We recommend the County record a liability in its general ledger when an obligation arises, such as signing a debt agreement or receiving debt proceeds.

Status: Recommendation has been implemented for the year ended June 30, 2025.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

There were no findings related to federal award programs for the year ended June 30, 2024.

If there are questions regarding this schedule, please call Krista Peterson, Auditor-Controller at 530-527-3474.



February 23, 2026

The County of Tehama respectfully submits the following corrective action plan for the year ended June 30, 2025.

Audit period: July 1, 2024 to June 30, 2025

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

FINDINGS—FINANCIAL STATEMENT AUDIT

Significant Deficiency in Internal Control over Financial Reporting:

2025-001 **Condition:** The County made significant adjustments to the Schedule of Expenditures of Federal Awards (SEFA) for the 93.558 Temporary Assistance for Needy Families (TANF) program as a result of our audit findings. These findings identified discrepancies between the program's reported expenditures and the amounts reported on the monthly CA800 forms.

Recommendation: We recommend the County provide additional training to departmental personnel to ensure they understand and comply with applicable grant reporting requirements, including the proper identification of federal and non-federal funding for SEFA preparation.

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

Action planned in response to finding: Department personnel have received additional training on the reporting error. New personnel will receive this additional training so that non-federal funding is not included in the TANF SEFA reported totals. The training materials have been updated to reflect the change.

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

Krista Peterson, Auditor-Controller, 530-527-3474

Planned completion date for corrective action plan: 06/30/2026



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