



**BETTY T. YEE**  
**California State Controller**

December 6, 2021

The Honorable Karen Paz Dominguez  
Auditor-Controller  
Humboldt County  
825 5<sup>th</sup> Street, Room 126  
Eureka, CA 95501

Ms. Elishia Hayes  
County Administrative Officer  
Humboldt County  
825 5<sup>th</sup> Street  
Eureka, CA 95501

Dear Ms. Paz Dominguez and Ms. Hayes:

This is to notify you that I have directed my Division of Audits to conduct an investigation of the financial practices and reporting of Humboldt County pursuant to Government Code (GC) section 12464(a). The basis for the investigation is the county's failure to file its Financial Transaction Report (FTR) for fiscal year (FY) 2019-20. The investigation will include a determination on the status of the county's FY 2019-20 and FY 2020-21 FTRs, including the status of audited financial statements. The results of this investigation will assist my office in determining if I need to appoint a qualified accountant to obtain financial information required to be reported to my office in accordance with GC section 53891.

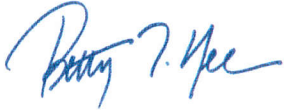
Additionally, under the authority provided by GC section 12422.5, my team will conduct an internal control review of the county's overall annual financial reporting process. Specifically, the review will determine whether the county's inability to submit timely annual financial reports is due to a lack of internal controls and, if so, whether the county has adequate internal controls to detect and prevent financial errors and fraud. If my office gathers information that merits further review, the scope may expand to include prior and current fiscal years, and/or other county operations beyond the financial reporting process.

My Division of Audits team will contact you to schedule an entrance conference and provide specific information regarding the investigation, including a list of materials the county will need to make available. We expect that the entrance conference will begin in December 2021, and fieldwork to begin thereafter.

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If you have any questions about the investigation, please contact Kimberly Tarvin, Chief of my Division of Audits, by telephone at (916) 324-1696 or by e-mail at [ktarvin@sco.ca.gov](mailto:ktarvin@sco.ca.gov).

Sincerely,



BETTY T. YEE

cc: The Honorable Virginia Bass, Chair, Humboldt County Board of Supervisors  
The Honorable Mike Wilson, Vice Chair, Humboldt County Board of Supervisors  
The Honorable Rex Bohn, Member, Humboldt County Board of Supervisors  
The Honorable Michelle Bushnell, Member, Humboldt County Board of Supervisors  
The Honorable Steve Madrone, Member, Humboldt County Board of Supervisors  
Kathleen Webb, Chief Operating Officer, State Controller's Office  
Kimberly Tarvin, CPA, Division Chief, State Controller's Office  
Natalie Sidarous, Division Chief, State Controller's Office  
Michael Reeves, CPA, Assistant Division Chief, State Controller's Office  
Efren Loste, CPA, Bureau Chief, State Controller's Office