



ORANGE COUNTY FIRE AUTHORITY  
IRVINE, CALIFORNIA  
JUNE 30, 2023

SINGLE AUDIT REPORT

Focused  
on YOU



ORANGE COUNTY FIRE AUTHORITY  
Irvine, California

Single Audit Report  
June 30, 2023

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Irvine, California

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To the Board of Directors  
Orange County Fire Authority  
Irvine, California

### ***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 Authority'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 generally accepted auditing standards, *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 Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Authority'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 Authority'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 Authority'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.



To the Board of Directors  
Orange County Fire Authority  
Irvine, California

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 discretely presented component unit, each major fund, the aggregate remaining fund information of the Authority, and the budgetary statement for the general fund, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated October 9, 2023, 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.

A handwritten signature in black ink that reads "Lance, Soll &amp; Lughard, LLP". The signature is written in a cursive, flowing style.

Brea, California  
October 9, 2023



**ORANGE COUNTY FIRE AUTHORITY**  
**Schedule of Expenditures of Federal Awards**  
**For the Fiscal Year Ended June 30, 2023**

Federal Grantor / Pass-through Grantor / Program Title	Federal Assistance		Unique Entity ID	Expenditures
	Listing Number	Program / Project Identification Number		
<b><u>U.S. Department of Homeland Security:</u></b>				
<b>Direct assistance via Federal Emergency Management Agency:</b>				
National Urban Search and Rescue (US&R) Response System:				
2019 Cooperative Agreement	97.025	EMW-2019-CA-00064	N/A	\$ 259,805
2020 Cooperative Agreement	97.025	EMW-2020-CA-00025	N/A	64,601
2021 Cooperative Agreement	97.025	EMW-2021-CA-00042	N/A	558,107
2022 Cooperative Agreement	97.025	EMW-2022-CA-00058	N/A	748,927
<b>Subtotal - Assistance Listing Number 97.025 *</b>				<b><u>1,631,440</u></b>
2018 Assistance to Firefighters Grant (AFG) - Fire Ground Survival Training	97.044	EMW-2018-FO-04863	N/A	163,384
2020 Assistance to Firefighters Grant (AFG) - Fire Education Trailer	97.044	EMW-2020-FP-00433	N/A	152,892
<b>Subtotal - Assistance Listing Number 97.044</b>				<b><u>316,276</u></b>
<b>Homeland Security Grant Program:</b>				
Passed through the Orange County Sheriff's Department:				
2021 Orange County Intelligence Assessment Center	97.067	DHS 2021-SS-00081	H7HSMWXHBTJ7	180,000
<b>Total U.S. Department of Homeland Security</b>				<b><u>2,127,716</u></b>
<b><u>U.S. Department of Treasury:</u></b>				
<b>County of Orange Pass-Through Programs:</b>				
Passed through the County of Orange Executive Office				
CSLFRF -				
COVID-19 - Public Safety and Emergency Equipmer	21.027	SLRFP1607	Z27AVTCCKHU3	3,546
CSLFRF -				
COVID-19 - CERT Program	21.027	SLRFP1607	Z27AVTCCKHU3	2,607
<b>Subtotal - Assistance Listing Number 21.027</b>				<b><u>6,153</u></b>
<b>Total U.S. Department of Treasury</b>				<b><u>6,153</u></b>
<b>Total Federal Expenditures</b>				<b><u>\$ 2,133,869</u></b>

\* Major Program

Note a: Refer to Note 1 to the Schedule of Expenditures of Federal Awards for a description of significant accounting policies

Note b: There were no federal awards expended in the form of noncash assistance and insurance in effect during the year.

Note c: Total amount provided to subrecipients during the year was \$0.

**ORANGE COUNTY FIRE AUTHORITY**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2023**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES APPLICABLE TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**A. Scope of Presentation**

The accompanying schedule presents only the expenditures incurred by the Orange County Fire Authority (the Authority), that are reimbursable under federal programs of federal financial assistance. For the purposes of this schedule, federal awards include both federal financial assistance received directly from a federal agency, as well as federal funds received indirectly by the City from a non-federal agency or other organization. Only the portion of program expenditures reimbursable with such federal funds is reported in the accompanying schedule. Program expenditures in excess of the maximum federal reimbursement authorized or the portion of the program expenditures that were funded with state, local or other non-federal funds are excluded from the accompanying schedule.

**B. Basis of Accounting**

The expenditures included in the accompanying schedule were reported on the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are incurred when the City becomes obligated for payment as a result of the receipt of the related goods and services. Expenditures reported included any property or equipment acquisitions incurred under the federal program. The Authority has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**ORANGE COUNTY FIRE AUTHORITY  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2023**

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**SECTION I - SUMMARY OF AUDITORS' RESULTS**

Financial Statements

Type of auditors' report issued: Unmodified Opinion

Internal control over financial reporting:

- Material weaknesses identified?                      \_\_\_yes              Xno
- Significant deficiencies identified?                    \_\_\_yes              Xnone reported

Noncompliance material to financial statements noted?                      \_\_\_yes              Xno

Federal Awards

Internal control over major programs:

- Material weaknesses identified?                      \_\_\_yes              Xno
- Significant deficiencies identified?                    \_\_\_yes              Xnone reported

Type of auditors' report issued on compliance for major programs: Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)?                      \_\_\_yes              Xno

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
97.025	National Urban Search & Resue Response System (US&R)

Dollar threshold used to distinguish between type A and type B program              \$750,000

Auditee qualified as low-risk auditee?                      Xyes              \_\_\_no

**ORANGE COUNTY FIRE AUTHORITY  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2023**

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**SECTION II - FINANCIAL STATEMENT FINDINGS**

No matters were reported.

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No matters were reported.