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State of California
DEPARTMENT OF JUSTICE



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February 24, 2022

FINAL DEMAND LETTER

Karen Paz Dominguez, Auditor-Controller
County of Humboldt
825 Fifth Street, Room 126
Eureka, CA 95501

RE: Delinquent Financial Transactions Report

Dear Ms. Paz Dominguez:

We have been engaged by the California State Controller's Office (SCO) following the failure of the County of Humboldt (County) to submit its Financial Transactions Report (FTR) for fiscal year 2019/2020 as required by Government Code section 53891.

On February 26, 2021, the SCO sent a letter advising that the County's report was delinquent, and providing an additional 20-days to comply. The letter warned that failure to file the report by March 18, 2021, would result in a forfeiture of up to \$5,000. The County did not respond to the letter, and failed to meet the March 18, 2021 deadline.

On June 1, 2021, the SCO sent an email to follow up on the February 26, 2021 letter. You responded on June 14, 2021, stating that the County's audit for FY 2019/2020 was underway, but not yet complete. You offered to complete the report using unaudited information, and indicated it would take two weeks. The SCO agreed that you could use unaudited information and SCO would still accept the report in the agreed upon two week timeframe. On June 21, 2021, you informed the SCO that the data was collected and being processed, and completion of the report was an "urgent priority." You have never submitted the report.

The County's FTR for FY 2019/2020 is now more than a year overdue. And according to the SCO's records, you failed to comply with the deadline to file the County's FY 2020/2021 report as well.

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Government Code section 53895 states, in relevant part:

(a) An officer of a local agency who fails or refuses to make and file his or her report within 20 days after receipt of a written notice of the failure from the Controller shall forfeit to the state:

(3) Five thousand dollars (\$5,000) in the case of a local agency with total revenue, in the prior year, of at least two hundred fifty thousand dollars (\$250,000), as reported in the Controller's annual financial reports.

At this point the SCO is prepared to exercise all of its authority under Government Code 53895 to request the Attorney General to prosecute an action for forfeiture, and any other remedies afforded under the law.

This letter serves as the SCO's final demand for compliance with the financial transactions reporting requirement. Failure to submit the County's FTR for fiscal year 2019/2020 within 20 days of the date of this letter will result in legal action against you.

Sincerely,



JULIANNE MOSSLER
Deputy Attorney General

For ROB BONTA
Attorney General

cc: Humboldt County Board of Supervisors
Elishia Hayes, County Chief Administrative Officer
Jefferson Billingsley, Humboldt County Counsel