
County of Hawai'i, State of Hawai'i

Federal Awards Supplemental Information

June 30, 2023

Independent Auditor's Reports

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	1
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	2-3
Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance	4-6
Schedule of Expenditures of Federal Awards	7-16
Notes to Schedule of Expenditures of Federal Awards	17
Schedule of Findings and Questioned Costs	18-21



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

Independent Auditor's Report

To the Chair and Members of the County Council
 County of Hawai'i, State of Hawai'i

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Hawai'i, State of Hawai'i (the "County") as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated April 26, 2024, which contained an unmodified opinion 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. We have not performed any procedures with respect to the audited financial statements subsequent to April 26, 2024.

The accompanying schedule of expenditures of federal awards is presented for the purpose 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Plante & Moran, PLLC

April 26, 2024



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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*

Independent Auditor's Report

To Management and the Chair and Members of the County Council
County of Hawai'i, State of Hawai'i

We have audited, in accordance with 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of County of Hawai'i, State of Hawai'i (the "County") as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated April 26, 2024.

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 County'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. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as Findings 2023-001 and 2023-002, that we consider to be material weaknesses.

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*.

To Management and the Chair and Members of the County Council
County of Hawai'i, State of Hawai'i

The County's Responses to the Findings

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

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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plante & Moran, PLLC

April 26, 2024



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Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditor's Report

To the Chair and Members of the County Council
 County of Hawai'i, State of Hawai'i

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of Hawai'i, State of Hawai'i's (the "County") compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (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, 2023. The County's major federal programs are identified in the summary of auditor's 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 the major federal programs for the year ended June 30, 2023.

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* (the "Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's 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.



To the Chair and Members of the County Council
County of Hawai'i, State of Hawai'i

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 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 *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.

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.

To the Chair and Members of the County Council
County of Hawai'i, State of Hawai'i

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.

Plant & Moran, PLLC

April 26, 2024

County of Hawai'i, State of Hawai'i

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2023

Federal Agency/Pass-Through Agency/Program Title	Assistance Listing Number	Grant Number	Pass Through Entry Identifying Number	Amount Provided to Subrecipients	Federal Expenditures
U.S. Department of Housing and Urban Development Office of Housing - Direct Programs - Section 8 Project Based Cluster Section 8 Housing Assistance Payments Program - Special Allocations: Kula'insino Elderly Housing	14.195	HI 100-002001		\$ -	\$ 331,262
Community Planning and Development Direct Programs Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii COVID-19-CARES CDBG/State's Program Non-Entitlement Grants	14.228 14.228 14.228 14.228 14.228 14.228 14.228 14.228 14.228 14.228 14.228	B-17-DH-15-0002 Program Income B-18-DH-15-0002 B-19-DH-15-0002 B-20-DH-15-0002 Program Income B-21-DH-15-0002 Program Income B-22-DH-15-0002 B-20-EW-15-0002		- - - - 2,062 166,661 13,496 31,454 243,593	16,960 13,141 17,544 310,827 63,346 112,921 1,536,025 122,029 65,806 675,048
Total Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii				457,266	2,933,368
Direct Programs - CDBG Entitlement Grants Cluster Community Development Block Grants/Entitlement Grants - Disaster Recovery Community Development Block Grants/Entitlement Grants - Disaster Recovery Community Development Block Grants/Entitlement Grants - Disaster Recovery Community Development Block Grants/Entitlement Grants - Mitigation	14.218 14.216 14.216 14.216	B-19-JV-15-0001 B-19-JV-15-0002 B-19-JV-15-0002 B-19-JT-15-0001		- - - -	42,413,977 10,511,367 365,638 72,539
Total Community Development Block Grant Entitlement Grants Cluster				-	53,363,721
Passed through the Hawaii Housing Finance and Development Corporation HOME Investment Partnerships Program HOME Investment Partnerships Program	14.239 14.239	M-18-SG-15-0100 M-21SG-15-0100	FIN 19-11 FIN 22-07	52,426 2,025,000	82,249 2,075,000
Total HOME Investment Partnerships Program				2,077,426	2,157,249
Passed through the Hawaii Housing Finance and Development Corporation - Housing Trust Fund Program	14.275	F-21-SG-15-0100	FIN 22-05	2,819,586	2,869,940
Public and Indian Housing Direct Programs - Housing Voucher Cluster Section 8 Housing Choice Vouchers Section 8 Housing Choice Vouchers Section 8 Housing Choice Vouchers Section 8 Housing Choice Vouchers Section 8 Housing Choice Vouchers Section 8 Housing Choice Vouchers	14.871 14.871 14.871 14.871 14.871 14.871 14.871	HI002VO 2022 HI002AFR 2022 HI002AF 2022 HI002VO 2023 HI002AFR 2023 HI002AF 2023 Program Income		- - - - - - -	10,771,333 54,396 596,439 11,868,941 30,396 2,088,623 266,950

County of Hawaii, State of Hawaii

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2023

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant Number	Pass-through Entity Identifying Number	Amount Provided to Subrecipients	Federal Expenditures
U.S. Department of Housing and Urban Development (continued)					
COVID-19 Section 8 Housing Choice Vouchers	14.871	HI002EH 2021	\$	\$	417,234
Section 8 Housing Choice Vouchers	14.871	HI002EH 2023	-	-	124,377
Section 8 Housing Choice Vouchers	14.871	HI002EF 2021	-	-	9,981
Section 8 Housing Choice Vouchers	14.871	HI002EF 2023	-	-	2,248
Section 8 Housing Choice Vouchers	14.871	HI002EP 2021	-	-	44,000
Section 8 Housing Choice Vouchers	14.871	HI002ES 2021	-	-	98,000
Section 8 Housing Choice Vouchers	14.871	HI002E 2022	-	-	900
Section 8 Housing Choice Vouchers	14.871	HI002E 2022	-	-	300
Section 8 Housing Choice Vouchers	14.871	HI002E 2023	-	-	300
Section 8 Housing Choice Vouchers - Foster Youth to Independence	14.871	Program Income	-	-	8,432
Section 8 Housing Choice Vouchers - Foster Youth to Independence	14.871	HI002FYV02021	-	-	48,493
Section 8 Housing Choice Vouchers - Foster Youth to Independence	14.871	HI002FYV02022	-	-	287
Total Section 8 Housing Choice Vouchers Grants					26,435,629
Manstream Vouchers	14.879	HI002DV2022	-	-	413,366
Manstream Vouchers	14.879	HI002DV2023	-	-	275,610
Manstream Vouchers	14.879	HI002BF 2020	-	-	1,671
Manstream Vouchers	14.879	HI002BF 2021	-	-	28,541
Manstream Vouchers	14.879	HI002BF 2022	-	-	42,228
Manstream Vouchers	14.879	Program Income	-	-	4,005
Total Manstream Vouchers Grants					763,421
Total Housing Voucher Cluster					27,199,050
Direct Programs:					
Family Self-Sufficiency Program	14.686	FSS22HI4462-01-03-2023	-	-	58,137
Family Self-Sufficiency Program	14.686	FSS23HI5114-01-03-2023	-	-	43,085
Total Family Self-Sufficiency Program					101,222
Total U.S. Department of Housing and Urban Development				5,354,278	88,555,732
Department of the Interior					
Office of Budget -					
Direct Programs -					
National Park in Lieu of Taxes	15.226		-	-	455,706
Bureau of Reclamation					
Direct Programs -					
Section 1638, Title XVI of 1, 102-575 as Amended	15.504	R20AP90012-03	-	-	2,204,311
U.S. Fish and Wildlife Service					
Direct Programs -					
National Wildlife Refuge Fund	15.659		-	-	189,469

County of Hawai'i, State of Hawai'i

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2023

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant Number	Pass-through Entity Identifying Number	Amount Provided to Subrecipients	Federal Expenditures
Department of the Interior (Continued)					
Outdoor Recreation Acquisition, Development and Planning - Passed through Department of Land and Natural Resources - Outdoor Recreation Acquisition, Development, and Planning	15-916	P17AP00466	15-00173	\$	\$ 10,771
Total Department of the Interior					2,860,197
U.S. Department of Justice					
OJP Bureau of Justice Assistance - Passed through the State Department of Attorney General - COVID-19 Coronavirus Emergency Supplemental Funding (CESF)	16-034	2020-VC-BX-0310	30-VD-06	-	46,551
Office of Juvenile Justice and Delinquency Prevention - Passed through the State Department of Human Services - Juvenile Justice and Delinquency Prevention - Allocation to States	16-540 16-540	2020-JX-FX-0036 15PJDP21G09M724TTL	DHS-21-OYS-101 DHS-21-OYS-101	51,209 142,527	51,209 143,527
Total Juvenile Justice and Delinquency Prevention - Allocation to States				193,916	194,816
Office for Victims of Crime - Passed through the State Department of the Attorney General - Crime Victim Assistance - Crime Victim Assistance	16-575 16-575	2019-V2-GX-0017 2020-V2-GX-0055	19-V2-04 20-V2-04	10,000	93,768 528,118
Total Crime Victim Assistance				10,000	721,888
Violence Against Women Office - Passed through the State Department of Attorney General - Violence Against Women Formula Grants - STOP Violence Against Women - Violence Against Women Formula Grants - SAFE/SANE Coordination and Training	16-588 16-588	15JOWW21GG-00576-STOP 15JOWW21G000676AS TOP	21-WF-03 21-WF-07	51,656	54,995 51,656
Total Violence Against Women Formula Grants				51,656	106,651
Office of Justice Programs - Passed through the State Department of Attorney General - Project Safe Neighborhoods	16-609	2016-OP-BX-0010	19-OP-01	-	15,924
Bureau of Justice Assistance - Direct Programs - Edward Byrne Memorial Justice Assistance Grant Program - Physical Readiness Equipment & Min-First Aid Kits (M-FAX)	16-738 16-738	2020DJ800764 15PB JA21G001421JAGX			75,388 56,999
Edward Byrne Memorial Justice Assistance Grant Program - Statewide Multi-Judicial Drug Task Force (SMDTF)	16-738	2020DJ-BX-0048	20-DJ-01	-	47,349
Total Edward Byrne Memorial Justice Assistance Grant Program					180,136

County of Hawai'i, State of Hawai'i

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2023

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant Number	Pass-through Entity Identifying Number	Amount Provided to Subrecipients	Federal Expenditures
U.S. Department of Justice (Continued)					
National Institute of Justice - Passed through the State Department of Attorney General - Paul Coverdell Forensic Sciences Improvement Grant Program	16 742	2020CDBXD00005	20-CD-01	\$ -	\$ 32,906
Office of Justice Programs - Passed through the State Department of Attorney General - NICS Act Recid Improvement Program	16 813	2020NS-BX-R004	N/A	-	121,356
Direct Programs:					
Smart Prosecution Initiative	16 825	2019-YX-BX-0016		-	47,351
National Sexual Assault Kit Initiative	16 833	2019-AK-BX-0023		-	187,504
Total U.S. Department of Justice				265,472	1,655,563
U.S. Department of Labor					
Employment and Training Administration					
Passed through the State Department of Labor and Industrial Relations - WIOA Cluster	17 256	AA-34764-20-55-A-15	WIOA-20-4&DWP-H	112,128	113,028
WIA Adult Program	17 258	AA-36315-21-55-A-15	WIOA-21-4&DWP-H	360,104	434,222
WIA Adult Program					
Total WIA Adult Program				472,232	547,250
WIA Youth Activities	17 259	AA-34764-20-55-A-15	WIOA-20-YP-H	-	3,450
WIA Youth Activities	17 259	AA-36315-21-55-A-15	WIOA-21-YP-H	345,944	495,981
Total WIA Youth Activities				345,944	499,431
WIA Dislocated Worker Formula Grants	17 276	AA-34764-20-55-A-15	WIOA-20-4&DWP-H	25,845	26,345
WIA Dislocated Worker Formula Grants	17 278	AA-36315-21-55-A-15	WIOA-21-4&DWP-H	155,538	179,496
WIA Dislocated Worker Formula Grants - WIOA Rapid Response	17 278	AA-36115-21-55-A-15	WIOA-21-RRP-H	-	76,019
Total WIA Dislocated Worker Formula Grants				181,383	281,770
Total WIOA Cluster				996,559	1,238,401
Workforce Investment Act (WIA) National Emergency Grants	17 277	DW-34629-20-50-A-15	WDC-DWG-20-507-2020	12,330	12,330
Workforce Investment Act (WIA) National Emergency Grants	17 277	DW-34629-20-50-A-15	WDC-DWG-20-504-2020	5,746	57,746
Total Workforce Investment Act (WIA) National Emergency Grants				19,076	70,076
Total U.S. Department of Labor				1,017,635	1,308,477

County of Hawai'i, State of Hawai'i

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2023

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant Number	Pass-through Entity Identifying Number	Amount Provided to Subrecipients	Federal Expenditures
Department of Transportation					
Federal Highway Administration -					
Passed through the State Department of Transportation -					
Highway Planning and Construction - Bridge Inspections/Appraisals	20 205	BR-NBIS(074)	20055	\$ -	\$ 34,432
Highway Planning and Construction - Mamalahoa Hwy Widening, Mud Lane to Mane Road	20 205	NK-019-(044)	12032	-	63,506
Highway Planning and Construction - Waialeale Ave Rehabilitation, Kaula Street to Rainbow Drive	20 205	STP-0100(081)	21024	-	4,048,640
Highway Planning and Construction - Kaula Avenue and Keawe Street Rehabilitation, Punalawa to Waianuanue	20 205	STP-0100(090)	22045	-	1,312,542
Highway Planning and Construction - Mail Drive Culvert Replacement	20 205	STP-0186(001)	97029	-	36,601
Highway Planning and Construction - Henry Street Rehabilitation	20 205	STP-1830(001)	20606	-	44,904
Highway Planning and Construction - Waialeale Road Rehabilitation, Mamalahoa Hwy to Queen Kaiahumanu Hwy	20 205	STP-4131(003)	22655	-	668,573
Highway Planning and Construction - Kaula Avenue - Waialeale Bridge to Puunaka Street	20 205	STP-1920(095)	20005	-	94,156
Highway Planning and Construction - Expansion of Hawai'i Island Bypass Project	20 205	TAP-0100(086)	21051	655,935	655,935
Highway Planning and Construction - Heo Bayfront Trails Phase 2A	20 205	TAP-0100(085)	22047	-	12,642
Highway Planning and Construction - State Planning & Research Part I	20 205	690342230000H50H010A050	SFR0010A(50)	-	50,728
Highway Planning and Construction - HI County Trail the Trails	20 205	190092	TAP-0100(062)	-	566
Total Highway Planning and Construction				655,935	7,961,227
Federal Transit Administration -					
Passed through the State Department of Transportation -					
Formula Grants for Rural Areas	20 309	1623-2018-2	N/A	-	2,193,588
Formula Grants for Rural Areas	20 509	HI-2022-006	N/A	-	1,879,773
Total Formula Grants for Rural Areas				-	4,073,371
Federal Transit Cluster -					
Passed through the State Department of Transportation -					
Bus and Bus Facilities Formula Program & Discretionary Programs	20 525	1623-2018-2	N/A	-	666,000
Bus and Bus Facilities Formula Program & Discretionary Programs	20 526	1623-2019-5	N/A	-	950,000
National Highway Traffic Safety Administration -					1,640,000
Highway Safety Cluster -					
Passed through the State Department of Transportation -					
State and Community Highway Safety - Speed Enforcement	20 600	69A375193000A02H0	SC22-H-02	-	69,070
State and Community Highway Safety - Traffic Investigation Program	20 600	69A375203000A020H0	PT22-H-02	-	3,180
State and Community Highway Safety - Distracted Driving	20 600	69A375203000A020H0	D022-H-02	-	18,010
State and Community Highway Safety - Seabest Enforcement	20 600	69A375213000A020H0	CP22-H-03	-	33,704
State and Community Highway Safety - STEP	20 600	69A375213000A020H0	PT23-H-02	-	152,256
Total State and Community Highway Safety				-	276,200
National Priority Safety Programs -					
National Priority Safety Programs	20 616	69A375203000A050H1M	AL23-H-02	-	14,325
National Priority Safety Programs	20 616	69A375193000A050H1M	AL22-H-04	-	45,576
National Priority Safety Programs - Data Grant	20 616	69A375213000A050C10	TR22-H-03	-	6,731
National Priority Safety Programs - Seabest Enforcement	20 616	69A375233000A050B1H	CP22-H-03	-	13,199
Total National Priority Safety Programs				-	79,831
Total Highway Safety Cluster					
				-	356,031

County of Hawai'i, State of Hawai'i

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2023

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant Number	Pass-through Entity Identifying Number	Amount Provided to Subrecipients	Federal Expenditures
Department of Transportation (continued)					
Passed through the State Department of Transportation					
Alcohol Open Container Requirements - Road Block Program	20-607	69A37520300001540H6A	AL23-H-02	\$ -	\$ 29,856
Alcohol Open Container Requirements - Road Block Program	20-607	69A37519300001540H6A	AL22-H-04	-	54,236
Alcohol Open Container Requirements - Traffic Safety Training	20-607	69A37515000001540H1	AL23-S-10	-	1,839
Alcohol Open Container Requirements - Traffic Safety Training	20-607	69A37520300001540H6A	AL23-S-07	-	4,251
Total Alcohol Open Container Requirements					
				-	90,182
Passed through the State Department of Transportation -					
Minimum Penalties for Repeat Offenders for Driving While Intoxicated - Road Block Program	20-608	69A37520300001640H4A	AL23-H-02	-	31,174
Total Department of Transportation					
				655,935	14,251,985
U.S. Department of the Treasury					
Direct Programs -					
COVID-19 Emergency Rental Assistance Program	21-023	ERA0141		5,377,500	5,949,735
Passed through the State of Hawai Department of Budget & Finance					
COVID-19 Emergency Rental Assistance Program	21-023	ERA0173	N/A	38,566	111,468
COVID-19 Emergency Rental Assistance Program	21-023	ERA0037	N/A	170,531	170,531
Total Emergency Rental Assistance Program					
				5,596,599	6,131,734
Passed through the State of Hawai Department of Budget & Finance -					
COVID-19 Homeowner Assistance Fund	21-026	HAF002	N/A	900,000	914,866
Direct Programs -					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21-027			-	1,226,916
Total U.S. Department of the Treasury					
				6,406,599	8,273,516
National Endowment for The Arts					
Direct Programs -					
Promotion of the Arts Grants to Organizations and Individuals	45-024	1896952-42-02		-	1,907
Environmental Protection Agency					
Passed through the State of Hawai Department of Environmental Management -					
Water Quality Management Planning	65-454	06-99939221-1	CW8804B2023-1	-	1,706
Total Environmental Protection Agency					
				-	1,706

County of Hawai'i, State of Hawai'i

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2023

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant Number	Pass-through Entry Identifying Number	Amount Provided to Subrecipients	Federal Expenditures
U.S. Department of Health and Human Services					
Administration for Community Living					
Passed through the State Executive Office on Aging					
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93-043	30-4-2020	ASO LOG 20-198	\$ -	\$ 376
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93-043	2101HICAPH	ASO LOG 20-198	-	19,714
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93-043	2201HICAPH	ASO LOG 21-192	-	11,122
COVID-19 Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93-043	2101HICAPH	ASO LOG 20-198	-	32,723
Total Special Programs for the Aging - Title III, Part D				-	83,935
Direct Programs - Aging Cluster					
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93-044	30-4-2020	-	-	29,643
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93-044	2101HICASS	-	-	389,266
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93-044	2101HICASS	-	-	61,201
COVID-19 Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93-044	2101HIVACS	-	-	23,937
Total Special Programs for the Aging - Title III, Part B				-	484,067
Special Programs for the Aging - Title III, Part C - Nutrition Services - Home Delivered Meals	93-045	302-4-2020	-	-	41,522
Special Programs for the Aging - Title III, Part C - Nutrition Services	93-045	2101HIOAMD	-	-	246,437
Special Programs for the Aging - Title III, Part C - Nutrition Services	93-045	2201HIOAMD	-	-	21,360
Special Programs for the Aging - Title III, Part C - Nutrition Services - Congregate Meals	93-045	2101HIOACM	-	-	153,707
Special Programs for the Aging - Title III, Part C - Nutrition Services - Congregate Meals	93-045	2101HIOACM	-	-	9,586
Special Programs for the Aging - Title III, Part C - Nutrition Services - Home Delivered Meals	93-045	2101HIOAMD	-	-	112,942
Total Special Programs for the Aging - Title III, Part C				-	585,054
Nutrition Services Incentive Program	93-053	2101HIOANS	-	-	31
Nutrition Services Incentive Program	93-053	2201HIOANS	-	-	16,010
Total Nutrition Services Incentive Program				-	16,041
Total Aging Cluster				-	1,087,202
Passed through the State Executive Office on Aging					
National Family Caregiver Support, Title III, Part E	93-052	30-4-2020	ASO LOG 20-198	-	9,016
National Family Caregiver Support, Title III, Part E	93-052	2101HIOAFC	ASO LOG 20-198	-	164,578
Total National Family Caregiver Support, Title III, Part E				-	173,596
Office of Assistance Secretary for Health -					
Direct Programs -					
Community Programs to Improve Minority Health Grant Program	93-137	CP-MP211264	-	-	1,272,441

County of Hawaii, State of Hawaii

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2023

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant Number	Pass-through Entry Identifying Number	Amount Provided to Subrecipients	Federal Expenditures
U.S. Department of Health and Human Services (continued)					
Substance Abuse and Mental Health Services Administration - Passed through the State Department of Health	93-243	3H79SP081001-04S1	ASO LOG NO 22-094	\$ -	\$ 31,817
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93-243	5H79SP081001-05	ASO LOG NO 23-077	-	37,868
Total Substance Abuse and Mental Health Services					68,685
Total U.S. Department of Health and Human Services					
				-	2,666,859
Cooperation for National and Community Service					
Direct Programs - Retired and Senior Volunteer Program	94-002	22SRH001		-	60,804
U.S. Department of Homeland Security					
Passed through the State Department of Defense					
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - Kilauea Volcanic Eruption and Earthquakes	97-038	FEMA-4366-DR-HI	N/A	-	1,219,458
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - Hurricane Lane	97-038	FEMA-4395-DR-HI	N/A	-	4,628,341
COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97-038	FEMA-4510-DR-HI	PA39-HL-4510	-	575,361
Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)					6,422,161
Passed through the Hawaii Emergency Management Agency					
Hazard Mitigation Grant	97-039	FEMA-4366-15-07H	N/A	-	11,114
Hazard Mitigation Grant	97-039	4366DRHIP000000005	HMGP-4366-03-05	-	40,137
Hazard Mitigation Grant	97-039	4366DRHIP000000006	HMGP-4366-06-13P	-	69,293
Hazard Mitigation Grant	97-039	4366DRH000000085	HMGP-4366-12-6R	-	162,191
Hazard Mitigation Grant	97-039	4366DRHIP000001135	HMGP-4366-16-14	-	353,548
Total Hazard Mitigation Grant					636,284
Passed through the Hawaii Emergency Management Agency					
Emergency Management Performance Grants	97-042	EMF-2021-EP-00009	EMF-2021-EP-00009-02	-	127,291
Emergency Management Performance Grants	97-042	EMF-2022-EP-00006	EMF-2022-EP-00006-04	-	90,319
Total Emergency Management Performance Grants					217,610
Passed through the State Department of Defense					
Homeland Security Grant Program	97-067	EMW-2018-SS-00006	EMW-2018-SS-00006	-	112,863
Homeland Security Grant Program	97-067	EMW-2020-SS-00022	EMW-2020-SS-00022	-	35,965
Homeland Security Grant Program	97-067	EMW-2021-SS-00030	EMW-2021-SS-00030	-	1,757
Total U.S. Homeland Security Grant Program					150,575
Direct Programs - Staffing for Adequate Fire and Emergency Response (SAFER)					
	97-063	EMW-2020-FE-00482		-	1,365,773
Total U.S. Department of Homeland Security					4,792,603

See notes to schedule of expenditures of federal awards.

County of Hawai'i, State of Hawai'i

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2023

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant Number	Pass-through Entry Identifying Number	Amount Provided to Subrecipients	Federal Expenditures
Executive Office of the President					
Direct Programs					
High Intensity Drug Trafficking Areas Program	96 001	G21H0004A		\$ 239,268	
High Intensity Drug Trafficking Areas Program	96 001	G22H0004A			271,395
					510,663
Total Executive Office of the President				\$ 13,769,919	\$ 131,469,903
Total expenditures of federal grants					

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the County of Hawai'i, State of Hawai'i (the "County") under programs of the federal government for the year ended June 30, 2023. The information in 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* (the "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 - Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The pass-through entity identifying numbers are presented where available.

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

Note 3 - Disaster Grants Public Assistance Program (ALN 97.036)

Included in the Schedule for the year ended June 30, 2023 is \$577,028 of expenditures incurred, under the Disaster Grants Public Assistance grant (ALN 97.036), in previous fiscal years. The project worksheet for these expenditures was approved in the current fiscal year and these expenditures have been reported in the current fiscal year in accordance with the reporting requirements outlined in the 2023 *Compliance Supplement*.

Schedule of Findings and Questioned Costs

County of Hawai'i, State of Hawai'i

Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? X Yes No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? Yes X None reported
- Noncompliance material to financial statements noted? Yes X None reported

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? Yes X None reported
- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? Yes X No

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster	Opinion
14.218	CDBG - Entitlement Grants Cluster	Unmodified
20.205	Highway Planning and Construction	Unmodified
21.023	Emergency Rental Assistance Program	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$3,000,000

Auditee qualified as low-risk auditee? X Yes No

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2023

Section II - Financial Statement Audit Findings

Reference Number	Finding
2023-001	<p data-bbox="375 558 764 585">Finding Type - Material weakness</p> <p data-bbox="375 606 1455 779">Criteria - The County should have processes in place to ensure proper recording of all year-end closing entries in accordance with generally accepted accounting principles (GAAP) prior to the commencement of the audit. In addition, the County should have processes and controls in place to ensure the Annual Comprehensive Financial Report (ACFR) is materially stated correctly and complies with relevant Governmental Accounting Standards Board (GASB) pronouncements.</p> <p data-bbox="375 804 1455 888">Condition - Correcting adjustments for certain financial statement balances were identified during the audit instead of management that were required in order to present ACFR in accordance with GAAP.</p> <p data-bbox="375 913 1455 1171">Context - The following material adjustments were identified as a result of audit procedures: Governmental activities capital assets decreased and expenses increased by approximately \$51 million. Governmental activities infrastructure assets increased and capital construction in progress assets decreased by approximately \$10 million. Major governmental fund deferred inflows related to unavailable revenue increased and revenue decreased by approximately \$5.2 million. Business-type capital construction in progress assets increased and capital assets decreased by approximately \$100,000. In addition, the following immaterial adjustments were also identified and not corrected by management: adjustments to leased assets and liabilities, capital assets and expenses, and deferred inflows and revenue.</p> <p data-bbox="375 1197 1455 1251">Cause - Although the County has certain processes and controls in place related to year-end closing entries, those controls did not detect the aforementioned reporting errors.</p> <p data-bbox="375 1276 1455 1331">Effect - If the auditor-identified entries identified above had not been recorded, the financial statements would have been materially misstated.</p> <p data-bbox="375 1356 1455 1440">Recommendation - We recommend that the County implement review procedures ensure proper recording of all year-end closing entries in accordance with generally accepted accounting principles (GAAP) prior to the commencement of the audit.</p> <p data-bbox="375 1465 1455 1745">Views of Responsible Officials and Planned Corrective Actions - The County acknowledges the importance of GAAP and strives to ensure that all of our financial reporting and accounting practices are in compliance with GAAP. The aforementioned condition specifically relates to the accounting treatment of non-equipment fixed assets, which did not impact any of the governmental fund balances in the general ledger. The largest adjustment involved an accounting situation for the County that was not a typical transaction that the County had encountered historically. However, the County did account for the few transactions that occurred in the prior year properly but due to several vacancies in key roles and prolonged vacancies, the special accounting treatment was overlooked in the process. The Department of Finance will schedule training to address these matters.</p>

County of Hawai'i, State of Hawai'i

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2023

Section II - Financial Statement Audit Findings (Continued)

Reference Number	Finding
2023-002	<p>Finding Type - Material weakness</p> <p>Criteria - In accordance with generally accepted accounting principles, revenue should be recognized related to water deposits once the commitment has either expired or been fulfilled.</p> <p>Condition - During the audit, we identified various deposits that should have been recognized as revenue.</p> <p>Context - A significant portion of the \$14 million of unearned revenue liability should have been recognized as revenue during previous periods, considering the amount of time that has lapsed on renewals for some customers. Correcting this error resulted in a prior period adjustment increasing net position by \$7,713,362 and decreasing the correlating liability as of the prior year end.</p> <p>Cause - Although the Department of Water Supply (the Department) has processes and controls in place surrounding the water commitment deposits, those processes and controls did not ensure that the aforementioned activity was correctly reported at June 30, 2023 and that all activity that needed to be accurately reflected in the Department's financial statements was reviewed, reconciled, and corrected or recorded timely.</p> <p>Effect - If accounts are not reconciled throughout the year, the Department's management and the Water Board are not provided with accurate financial information to make decisions during the Department's fiscal year, and material inaccurate financial reporting could result.</p> <p>Recommendation - The Department should have processes and controls in place to ensure proper recording and reconciling of liability and revenue accounts throughout the year.</p> <p>Views of Responsible Officials and Planned Corrective Actions - Revenue related to the water deposits will be recognized at the expiration of the initial 3-year commitment term and at the expiration of any subsequent extension term(s) or upon completion of the requirements for the proposed project or development, whichever occurs earlier. Reconciliations of the water commitment liability and associated revenue account with the applicable source documents will be performed on a monthly basis.</p>

Section III - Federal Program Audit Findings

Reference Number	Finding	Questioned Costs
Current Year	None	

Mitchell D. Roth
Mayor



Diane Nakagawa
Director

Aaron K.H. Brown
Deputy Director

County of Hawai'i

Finance Department

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County of Hawaii

June 30, 2023

Summary Schedule of Prior Audit Findings

None noted