

Pima County Board of Supervisors Meeting—August 5, 2025

Summary of County's Fiscal Year 2024 Reports:

Annual Comprehensive Financial Report

Report on Internal Control and on Compliance

Federal Single Audit Report

Presented by: Lindsey A. Perry, CPA, CFE, Auditor General

Katherine Edwards Decker, CPA, Director, Financial Audit Division

Who we are



- Legislative agency
- Provide impartial information and specific recommendations to improve operations and programs
- Follow governmental auditing standards

Why we are here



Statute requires the Board to require its auditors to present audit results and findings in a regular meeting—without use of consent agenda—within 90 days of audit's completion

Auditor responsibilities



- Plan and conduct the audit
- Obtain reasonable assurance
- Consider internal controls
- Perform tests over controls and/or compliance
- Communicate significant matters
- Express opinions
- Report internal control deficiencies and instances of noncompliance

County responsibilities



- Accurately prepare and fairly present the County's financial information
- Design, implement, and maintain internal controls
- Monitor compliance with laws, grants, and contracts
- Fraud representations
- Make corrective actions for reported findings
- Provide auditors with all information timely and by agreed-upon dates

We issued 3 County audit reports

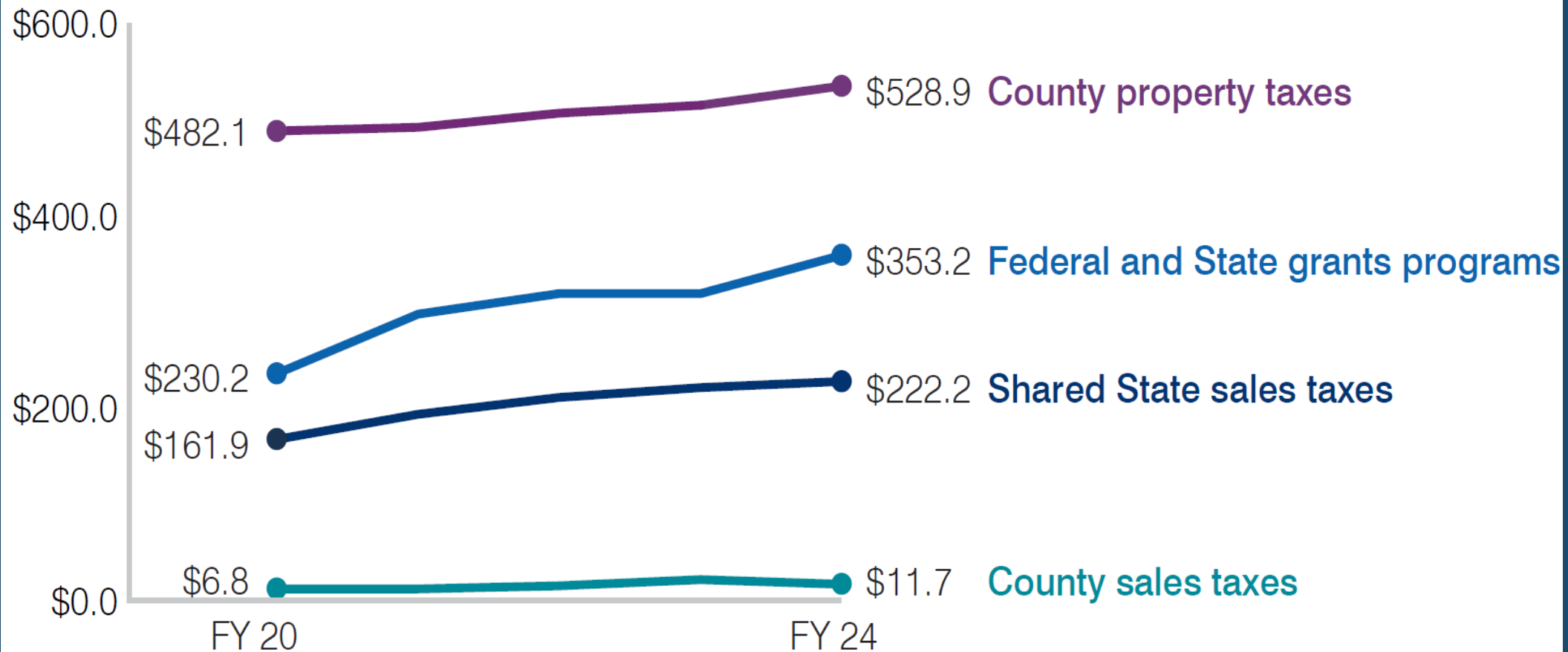


1. Financial statement audit report—dated December 20, 2024
2. Financial statement internal control and compliance audit report—dated December 20, 2024
3. Single audit report—dated May 8, 2025

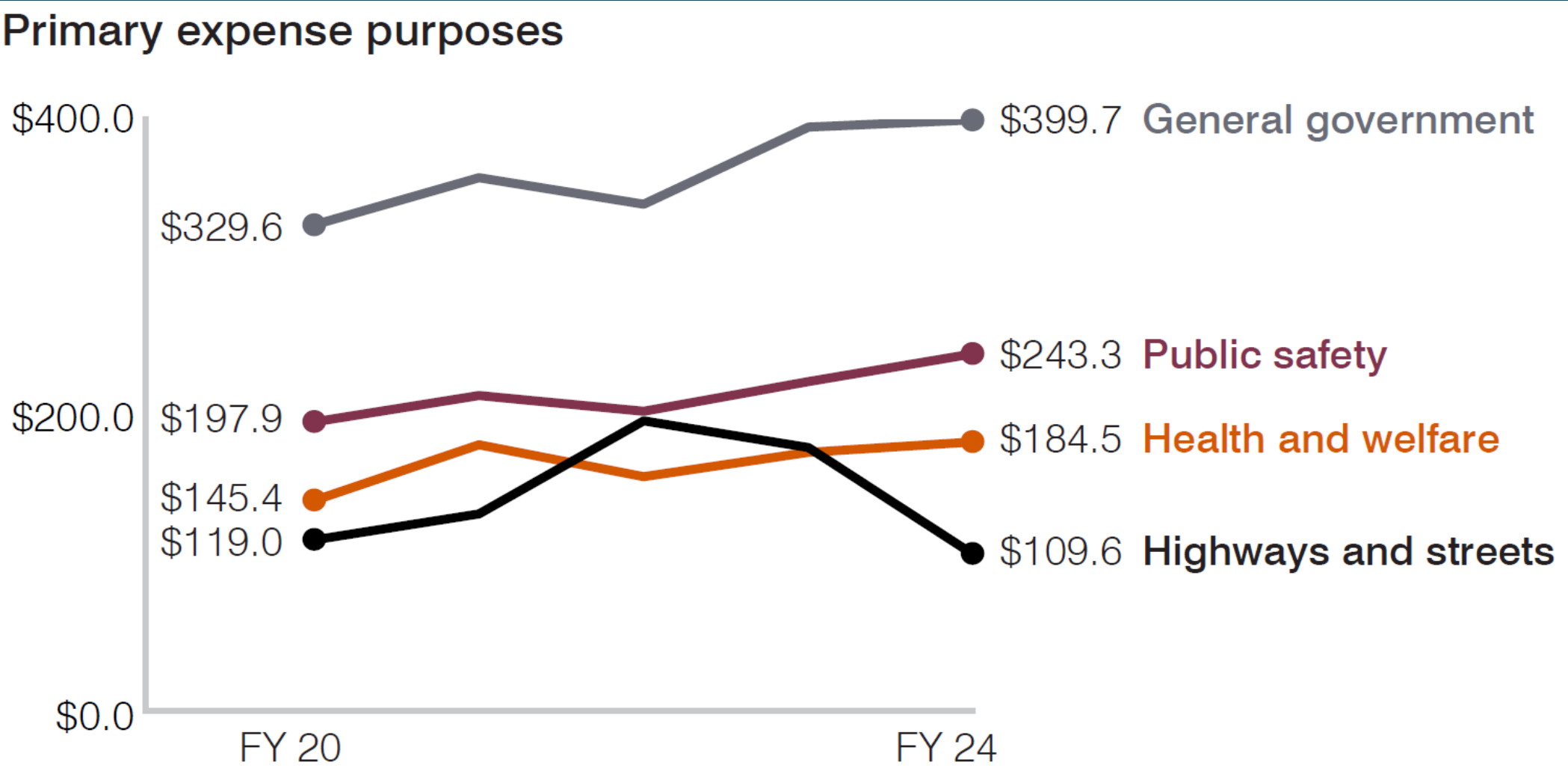
Financial statement highlights—Primary revenues over the last 5 fiscal years—(in millions)



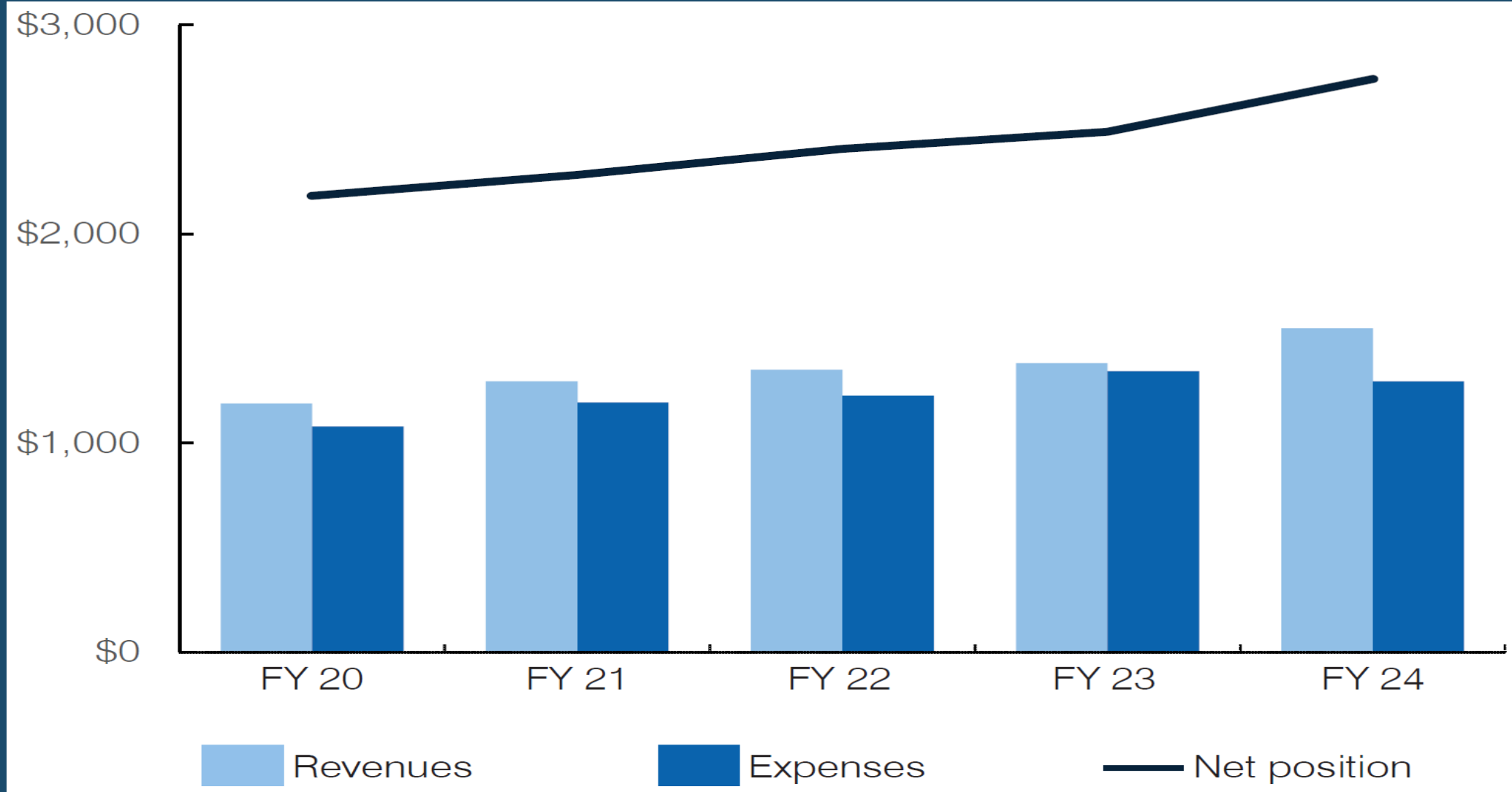
Primary revenue sources



Financial statement highlights—Primary expenses over the last 5 fiscal years—(in millions)



Financial statement—Total revenues, expenses, and net position for the last 5 fiscal years—(in millions)



Single Audit highlights—Federal expenditures for the last 5 fiscal years (in millions)



Federal agency	2020	2021	2022	2023	2024
Department of Treasury	\$42,283,336	\$ 66,363,323	\$ 57,834,280	\$ 80,446,877	\$ 74,043,372
Department of Health and Human Services	11,794,824	34,697,527	31,325,003	20,346,059	19,114,414
Department of Labor	8,686,324	7,897,592	9,742,977	12,241,041	13,823,318
Department of Homeland Security	1,731,406	1,533,345	11,446,524	28,535,208	31,686,913
Other	17,016,370	27,323,086	23,706,305	18,619,045	17,922,380
Total	\$81,512,260	\$137,814,873	\$134,055,089	\$160,188,230	\$156,590,397

Status of prior-year audit findings—County corrected 1 of 2 prior-year findings



- Finding 2022-02, County procurement vendor portal—Fully corrected
- Finding 2022-101, Emergency Food and Shelter National Board Program—Partially corrected

Report on Internal Control and on Compliance

Financial statement finding 2024-01



County's deficiencies in its process for managing and documenting its risks may put its operations and IT systems and data at unintended and unnecessary risk of potential harm

County should:

- Plan for where to allocate resources and where to implement critical controls
- Evaluate and manage the risks of holding sensitive information by identifying, classifying, and inventorying the information

Report on Internal Control and on Compliance

Financial statement finding 2024-02



County Treasurer's Office control procedures over IT systems and data were not sufficient, which increases the risk that the County Treasurer's Office may not adequately protect those systems and data

Office should:

- Make it a priority to develop and document comprehensive IT policies and procedures and ensure the procedures are consistently followed
- Develop, document, and implement processes to restrict access and enhance authentication requirements for IT systems

Single Audit Report

Federal compliance finding 2024-101



County did not accurately compile its schedule of expenditures of federal awards (SEFA) and did not submit its Single Audit Report to the federal audit clearinghouse by the required deadline

County should:

- Allocate staffing resources and provide training on SEFA preparation and review the SEFA for accuracy
- Create and maintain a comprehensive listing of federal funds
- Submit all future Single Audit Reports on or before the federally required submission deadline

Single Audit Report

Federal compliance finding 2024-102



County Grants Management and Innovation Department did not perform all the required monitoring of its subrecipients' activities or compliance with program requirements, resulting in questioned costs of \$347,345

County should:

- Follow established policies and procedures for performing and documenting monitoring reviews of subrecipients
- Prioritize and allocate sufficient resources to comply with program requirements
- Determine if the Department will be required to reimburse the \$347,345 in questioned costs

Single Audit Report

Federal compliance finding 2024-103



County Grants Management and Innovation Department did not develop, document, or implement internal control procedures to monitor compliance with the programs' reporting requirements

County should:

- Develop, document, and implement policies and procedures
- Train employees to monitor compliance with program reporting requirements
- Perform and document an independent review and approval of all federal program reports before submitting them to the federal agency

Single Audit Report

Federal compliance finding 2024-104



County Grants Management and Innovation Department did not retain documentation and did not always report accurate information or required elements in accordance with federal regulation and guidance

County should:

- Prepare and retain detailed documentation
- Follow current retention policies and procedures
- Develop, document, and implement policies and procedures and train employees to monitor compliance with reporting requirements
- Determine if previously submitted reports should be adjusted and resubmitted to correct errors and/or missing information

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