

AGENDA MATERIAL

DATE 6/20/23 ITEM NO. RA 23



Pima County Board of Supervisors Meeting— 6/20/23

Summary of County's Fiscal Year 2022 Annual Comprehensive Financial Report, Report on Internal Control and on Compliance, and Single Audit Report

JUN 19 23 AM 10 30 PC CLK D- BD

Who we are

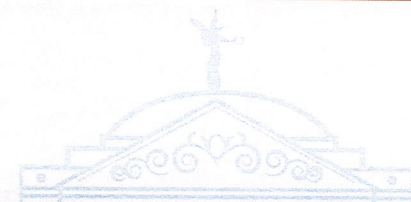


Legislative agency

Employs nonpartisan staff

Overseen by Joint Legislative Audit Committee

Why we are here



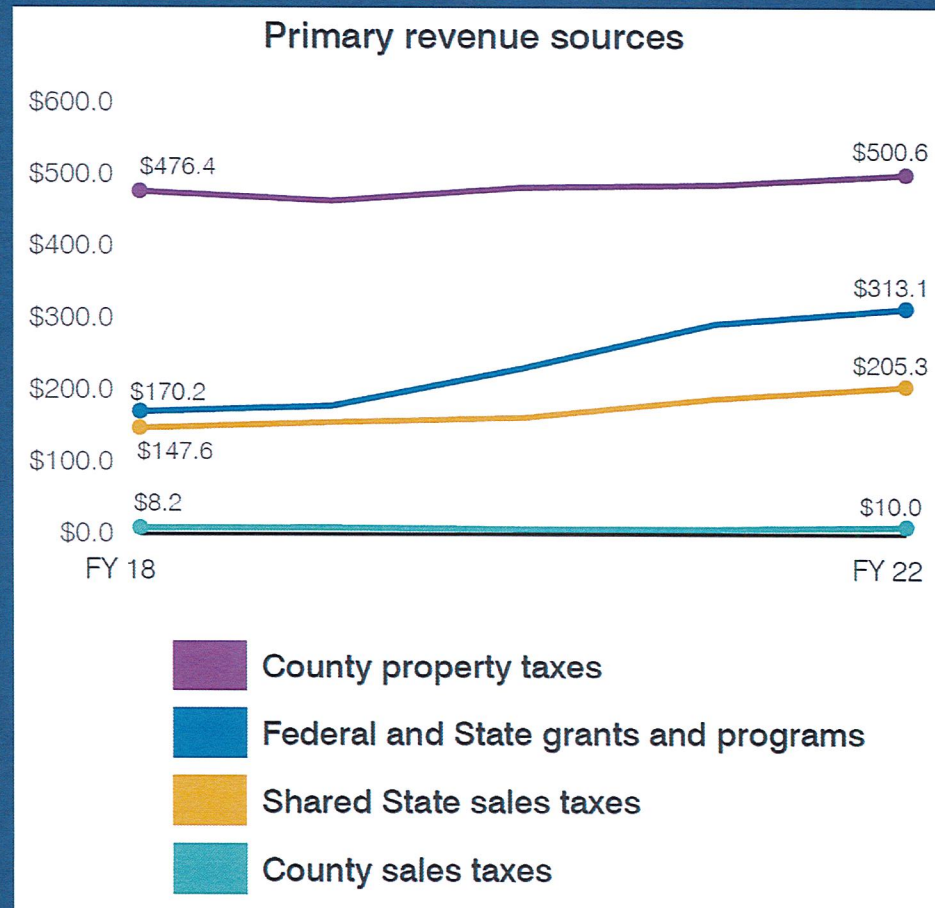
Statute requires Board to require its auditors to present audit results and findings in regular meeting—without use of consent agenda—within 90 days of audit's completion

We issued 3 County audit reports

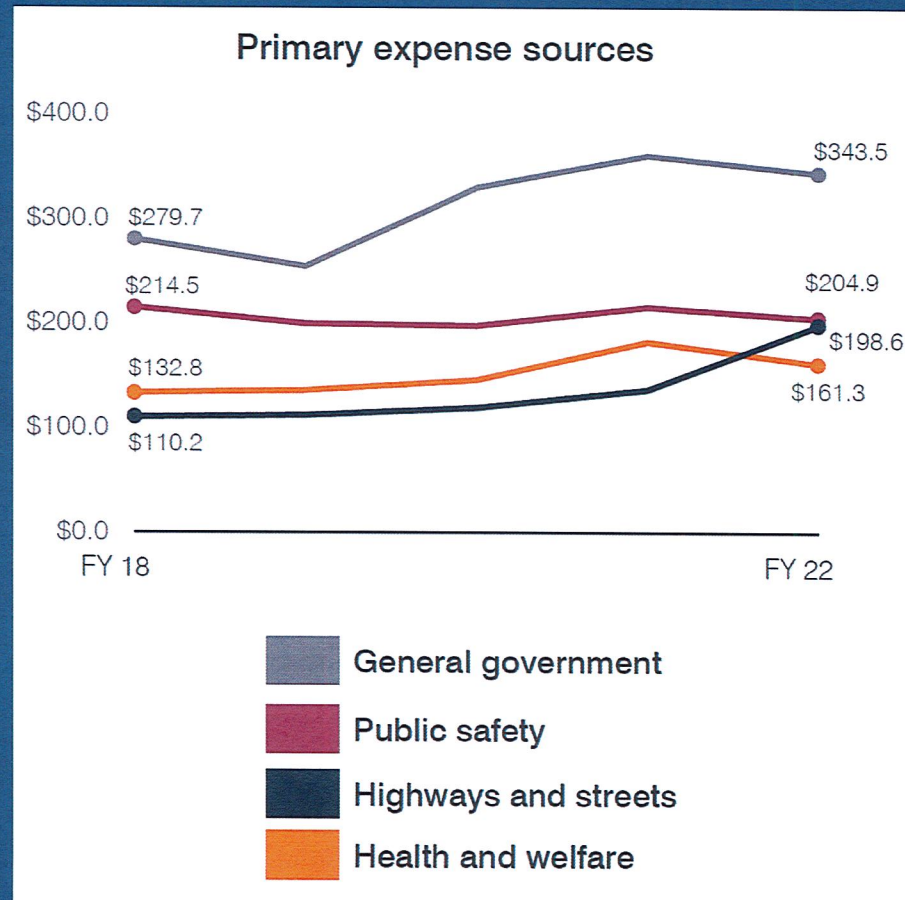


1. Financial statement audit report—dated December 22, 2022
2. Financial statement internal control and on compliance audit report—dated December 22, 2022
3. Federal single audit report—dated March 30, 2023

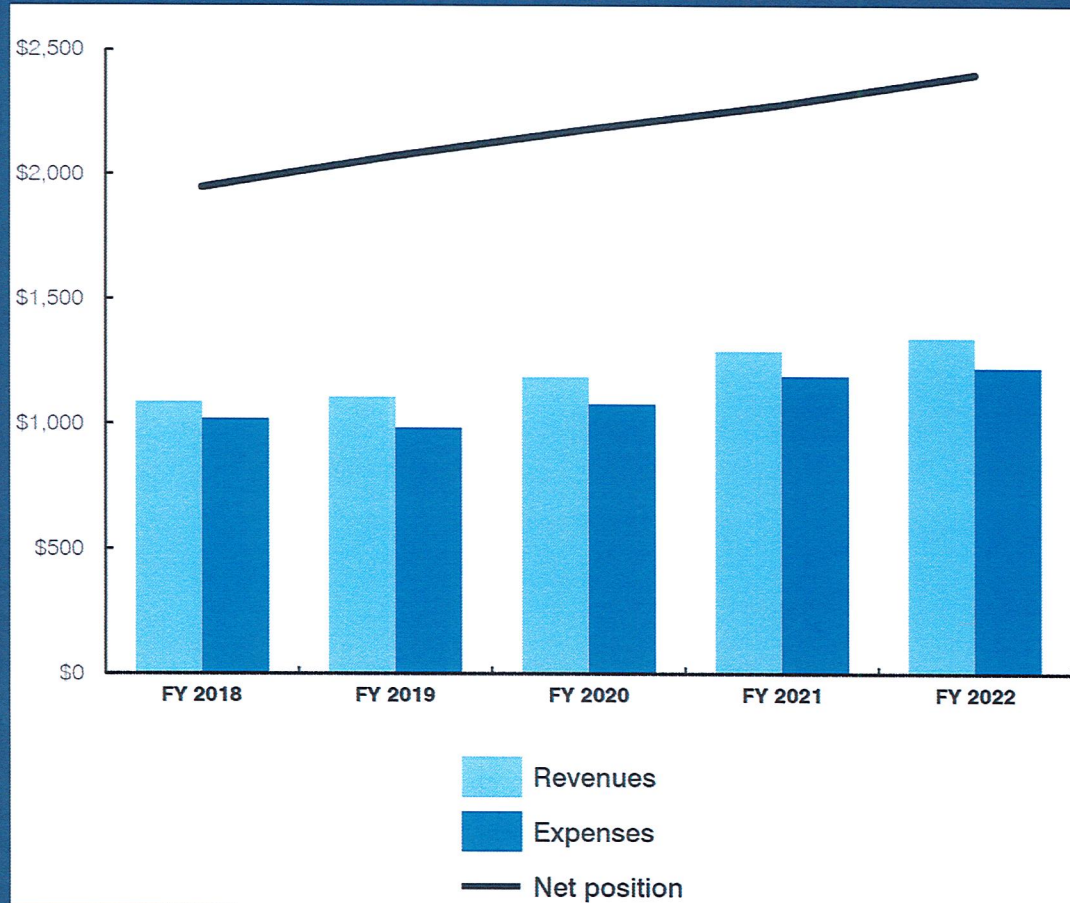
Financial statement highlights–Primary revenues over last 5 fiscal years (in millions)



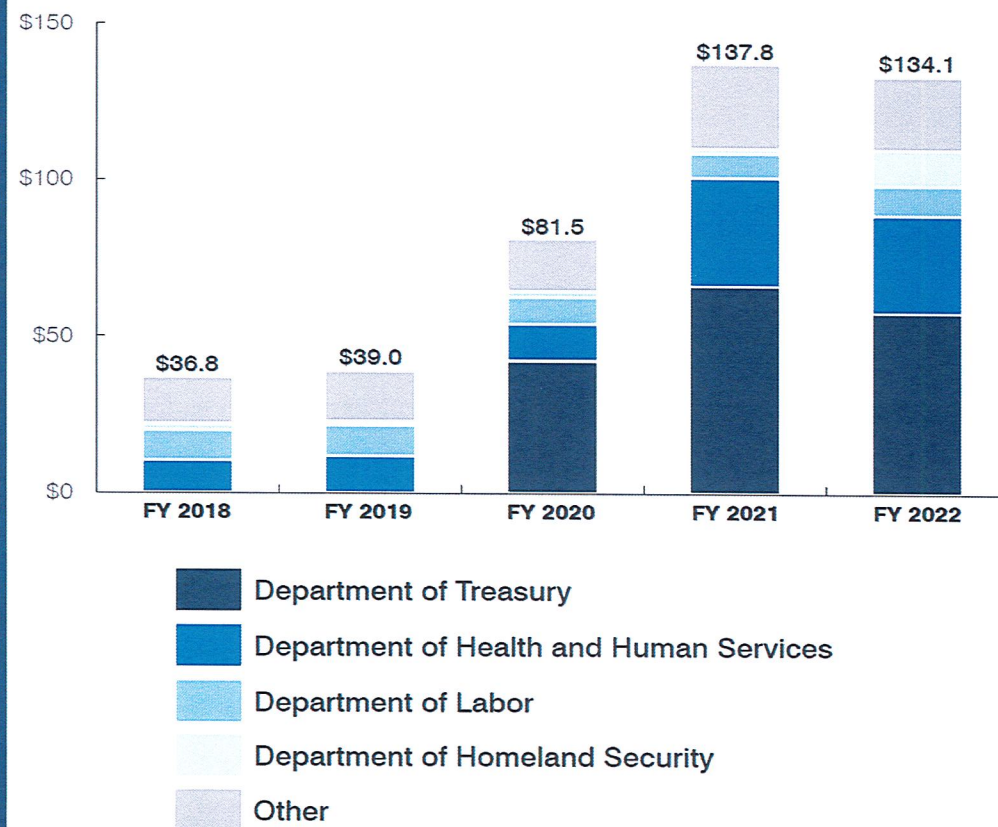
Financial statement highlights–Primary expenses over the last 5 fiscal years (in millions)



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



Single Audit highlights–Federal expenditures for last 5 fiscal years



Report on Internal Control and on Compliance Financial statement finding 2022-01



County's top administrator retired and returned to work without informing the Board, impacting the Board's ability to effectively assess and make decisions about executive management

County should:

- Enforce its policy requiring the County Administrator to provide 90 days' notice to the Board prior to retiring
- Establish a new employee contract if the County Administrator returns-to-work

Report on Internal Control and on Compliance

Financial statement finding 2022-02



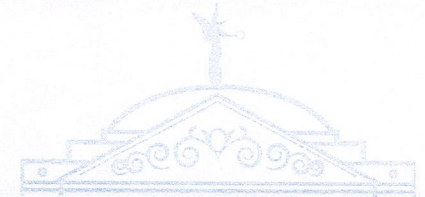
Lack of following verification controls over vendor information allowed \$42,739 to be stolen by fraudsters and put another \$4 million at risk

County's Procurement Department should:

- Provide additional training to employees on updating vendor login credentials and passwords
- Strengthen verification procedures for login credentials and resetting passwords
- Implement system controls to log and monitor changes to sensitive information

Single Audit Report

Federal compliance finding 2022-101



County did not perform subrecipient monitoring activities for the Emergency Food and Shelter National Board Program

County should:

- Evaluate the substance of its federal award agreements to determine if the relationship is a subrecipient or contractor
- Monitor its subrecipients for compliance with federal program requirements

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