



KRIS MAYES
ATTORNEY GENERAL

OFFICE OF THE ATTORNEY GENERAL
STATE OF ARIZONA

BUDGET AND FINANCE
SECTION

January 26, 2023

Lindsey Perry, Auditor General
Arizona Office of the Auditor General
2910 N. 44th Street Suite 410
Phoenix, AZ 85018

RE: Attorney General's Office Anti-Racketeering Revolving Fund Biennial Review July 1, 2020 through June 30, 2022.

Dear Ms. Perry:

The Arizona Attorney General's Office appreciates the opportunity to respond to the report of the Auditor General. Additionally, we would like to thank your staff for the review conducted of the Anti-Racketeering Revolving Fund. Below please find our agency's response to your noted findings in the report.

Finding 1: Office issued a purchase order for an \$18,500 equipment purchase using the wrong Statewide contract.

Recommendation 1: The Office should provide training to its staff on properly processing and reviewing procurements using subcontractors.

Department Response: The Auditor General's finding is agreed to, and the audit recommendation will be implemented.

The Attorney General's Office will develop training for those employees entering and reviewing purchase requisitions into the Arizona Procurement Portal (APP) as it relates to subcontractors.

Finding 2: Office reimbursed a law enforcement agency for approximately \$6,500 in expenses without receiving appropriate documentation.

Recommendation 2: The Office should revise its policies to require law enforcement agencies to also submit evidence of payment, in addition to the copies of invoices required by its existing policies, for expenditures for which it is seeking reimbursement from the Revolving Fund.

Department Response: The Auditor General's finding is agreed to, and the audit recommendation will be implemented.

The Attorney General's Office will modify its existing policy to require Law Enforcement agencies to submit proof of payment to vendors in addition to copies of vendor invoices.



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Recommendation 3: The Office should ensure its staff responsible for reviewing and approving reimbursement requests follow Office policies by developing and implementing guidance and/or providing training related to receiving appropriate documentation for expenditures before approving reimbursement.

Department Response: The Auditor General's finding is agreed to, and the audit recommendation will be implemented.

The Attorney General's Office will ensure that employees processing, reviewing and approving reimbursement request from Law Enforcement agencies are aware of and follow the updated policy when processing or approving reimbursement request. Staff has been adequately trained but inadvertently did not collect documentation to support use tax payments to the Arizona Department of Revenue. Staff will be instructed to follow the revised policy.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Lizette Morgan", written in a cursive style.

Lizette Morgan
Chief Financial Officer
Office of the Arizona Attorney General