

Pima County

Single Audit Report

Year Ended June 30, 2023



A Report to the Arizona Legislature

Lindsey A. Perry
Auditor General





The Arizona Auditor General’s mission is to provide independent and impartial information and specific recommendations to improve the operations of State and local government entities. To this end, the Office provides financial audits and accounting services to the State and political subdivisions, investigates possible misuse of public monies, and conducts performance audits and special reviews of school districts, State agencies, and the programs they administer.

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Representative **Tim Dunn**

Representative **Alma Hernandez**

Representative **Beverly Pingerelli**

Representative **Marcelino Quiñonez**

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TABLE OF CONTENTS

Auditors section

Independent auditors' report on internal control over financial reporting and on compliance and other matters based on an audit of basic financial statements performed in accordance with *Government Auditing Standards* 1

Independent auditors' report on compliance for each major federal program; report on internal control over compliance; and report on schedule of expenditures of federal awards required by the Uniform Guidance 3

Schedule of findings and questioned costs 6

Summary of auditors' results 6

Financial statement findings 7

Federal award findings and questioned costs 7

County section

Schedule of expenditures of federal awards 8

Notes to schedule of expenditures of federal awards 11

County response

Summary schedule of prior audit findings

Report issued separately

Annual Comprehensive Financial Report



LINDSEY A. PERRY
AUDITOR GENERAL

ARIZONA
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

Independent auditors' report on internal control over financial reporting and on compliance and other matters based on an audit of basic financial statements performed in accordance with *Government Auditing Standards*

Members of the Arizona State Legislature

The Board of Supervisors of
Pima County, Arizona

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the U.S. Comptroller General, the financial statements of the governmental activities, business-type activities, discretely presented component unit, each major fund, and aggregate remaining fund information of Pima 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 February 29, 2024. Our report includes a reference to other auditors who audited the financial statements of the Stadium District, School Reserve Fund, Wireless Integrated Network, Self-Insurance Trust, Health Benefit Trust, Regional Wastewater Reclamation Department, Development Services, and Southwestern Fair Commission, as described in our report on the County's financial statements. This report includes our consideration of the results of the other auditors' testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

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 basic 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 basic 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. Given these limitations, during our audit, we and the other auditors did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on compliance and other matters

As part of obtaining reasonable assurance about whether the County's basic 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 and those of the other auditors disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

Lindsey A. Perry

Lindsey A. Perry, CPA, CFE
Auditor General

February 29, 2024



LINDSEY A. PERRY
AUDITOR GENERAL

ARIZONA
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

**Independent auditors' report on compliance for each major federal program;
report on internal control over compliance; and report on schedule of
expenditures of federal awards required by the Uniform Guidance**

Members of the Arizona State Legislature

The Board of Supervisors of
Pima County, Arizona

Report on compliance for each major federal program

Opinion on each major federal program

We have audited Pima County's 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 its major federal programs for the year ended June 30, 2023. The County's major federal programs are identified in the summary of auditors' 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 its 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 U.S. generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the U.S. Comptroller General, 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* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the auditors' 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.

Management's responsibilities 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.

Auditors' responsibilities for the audit of compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with 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 U.S. generally accepted auditing standards, *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 U.S. generally accepted auditing standards, *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, we express no such opinion.

We are required to communicate with those charged with governance regarding, among other matters, the audit's planned scope and timing 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 auditors' 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.

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.

Report on schedule of expenditures of federal awards required by the Uniform Guidance

We have audited the financial statements of the County's governmental activities, business-type activities, discretely presented component unit, each major fund, and aggregate remaining fund information 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 February 29, 2024, that contained unmodified opinions on those financial statements. Our report also included a reference to our reliance on other auditors. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes 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 the County's 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 U.S. generally accepted auditing standards. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Lindsey A. Perry

Lindsey A. Perry, CPA, CFE
Auditor General

March 28, 2024



SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Summary of auditors' results

Financial statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles	Unmodified
Is a going concern emphasis-of-matter paragraph included in the auditors' report?	No

Internal control over financial reporting

Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Noncompliance material to the financial statements noted?	No

Federal awards

Internal control over major programs

Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR §200.516(a)?	No

Identification of major programs

Assistance Listings number	Name of federal program or cluster
14.218	Community Development Block Grants/Entitlement Grants Cluster
14.218	COVID-19 Community Development Block Grants/Entitlement Grants Cluster
21.023	COVID-19 Emergency Rental Assistance Program
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
93.391	COVID-19 Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises
97.024	Emergency Food and Shelter National Board Program

Dollar threshold used to distinguish between Type A and Type B programs	\$3,000,000
Auditee qualified as low-risk auditee?	No

Financial statement findings

None reported.

Federal award findings and questioned costs

None reported.

COUNTY SECTION

PIMA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fiscal Period 7/1/2022 - 6/30/2023

<i>Federal Awarding Agency/Program Title</i>	<i>Assistance Listings Number</i>	<i>Additional Award Identification (Optional)</i>	<i>Name of Funder Pass-Through Entity</i>	<i>Identifying Number Assigned By Funder Pass-Through Entity</i>	<i>Total Amount Provided to Sub-Recipients</i>	<i>Federal Expenditures</i>	<i>Federal Program Total</i>	<i>Cluster Name</i>	<i>Cluster Total</i>
DEPARTMENT OF AGRICULTURE									
RURAL HOUSING PRESERVATION GRANTS	10.433					\$20,680	\$20,680	N/A	\$0
SCHOOL BREAKFAST PROGRAM	10.553		ARIZONA DEPARTMENT OF EDUCATION	101001000, ED09-001		\$50,275	\$50,275	CHILD NUTRITION CLUSTER	\$154,320
NATIONAL SCHOOL LUNCH PROGRAM	10.555		ARIZONA DEPARTMENT OF EDUCATION	ED09-0001, 1010010000		\$104,045	\$104,045	CHILD NUTRITION CLUSTER	\$154,320
SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN	10.557		ARIZONA DEPARTMENT OF HEALTH SERVICES	CTR040838		\$2,633,621	\$2,633,621	N/A	\$0
LAW ENFORCEMENT AGREEMENTS	10.704					\$35,580	\$35,580	N/A	\$0
WATERSHED PROTECTION AND FLOOD PREVENTION	10.904					\$160,800	\$160,800	N/A	\$0
TOTAL DEPARTMENT OF AGRICULTURE						\$3,005,001			
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT									
COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS	14.218				\$1,531,184	\$1,636,838	\$3,217,045	CDBG - ENTITLEMENT GRANTS CLUSTER	\$3,217,045
COVID-19 - COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS	14.218	COVID-19			\$564,504	\$1,580,207	\$3,217,045	CDBG - ENTITLEMENT GRANTS CLUSTER	\$3,217,045
EMERGENCY SOLUTIONS GRANT PROGRAM	14.231				\$139,701	\$236,062	\$1,239,816	N/A	\$0
COVID-19 - EMERGENCY SOLUTIONS GRANT PROGRAM	14.231	COVID-19			\$865,312	\$1,003,753	\$1,239,816	N/A	\$0
HOME INVESTMENT PARTNERSHIPS PROGRAM	14.239				\$215,685	\$375,771	\$375,771	N/A	\$0
HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS	14.241				\$266,508	\$289,457	\$331,116	N/A	\$0
COVID-19 - HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS	14.241	COVID-19			\$38,023	\$41,659	\$331,116	N/A	\$0
CONTINUUM OF CARE PROGRAM	14.267				\$996,700	\$1,578,598	\$1,631,336	N/A	\$0
CONTINUUM OF CARE PROGRAM	14.267		OUR FAMILY SERVICES	AZ018819012003		\$12,327	\$1,631,336	N/A	\$0
CONTINUUM OF CARE PROGRAM	14.267		CITY OF TUCSON	19274		\$40,411	\$1,631,336	N/A	\$0
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					\$4,617,617	\$6,795,083			
DEPARTMENT OF THE INTERIOR									
HISTORIC PRESERVATION FUND GRANTS-IN-AID	15.904		ARIZONA STATE PRESERVATION OFFICE	P21AF1004-442118 AZ-21-10018		\$25,991	\$25,991	N/A	\$0
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						\$25,991			
DEPARTMENT OF JUSTICE									
CORONAVIRUS EMERGENCY SUPPLEMENTAL FUNDING PROGRAM	16.034	COVID-19	ARIZONA CRIMINAL JUSTICE COMMISSION	ACESF-21-041, ACESF-21-040, ACESF-22-014		\$179,482	\$179,482	N/A	\$0
JUVENILE JUSTICE AND DELINQUENCY PREVENTION, ALLOCATION TO STATES	16.540		GOVERNOR'S OFFICE OF YOUTH, FAITH AND FAMILY	J2-CSG-18-100118-09Y3		\$113,264	\$113,264	N/A	\$0
CRIME VICTIM ASSISTANCE	16.575		ARIZONA DEPARTMENT OF PUBLIC SAFETY	2020-187, 2020-186, 2018-31, 2020-186		\$932,524	\$1,062,651	N/A	\$0
CRIME VICTIM ASSISTANCE	16.575					\$130,127	\$1,062,651	N/A	\$0
CRIME VICTIM COMPENSATION	16.576		ARIZONA CRIMINAL JUSTICE COMMISSION	VC-23-011F		\$218,000	\$218,000	N/A	\$0
DRUG COURT DISCRETIONARY GRANT PROGRAM	16.585					\$162,337	\$162,337	N/A	\$0
GRANTS TO ENCOURAGE ARREST POLICIES AND ENFORCEMENT OF PROTECTION ORDERS PROGRAM	16.590					\$330,656	\$330,656	N/A	\$0
STATE CRIMINAL ALIEN ASSISTANCE PROGRAM	16.606					\$282,937	\$282,937	N/A	\$0
BULLETPROOF VEST PARTNERSHIP PROGRAM	16.607					\$31,338	\$31,338	N/A	\$0
PUBLIC SAFETY PARTNERSHIP AND COMMUNITY POLICING GRANTS	16.710					\$512,424	\$512,424	N/A	\$0
EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	16.738		ARIZONA CRIMINAL JUSTICE COMMISSION	DC-23-030		\$124,999	\$363,659	N/A	\$0
EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	16.738		CITY OF TUCSON	18968, 19118, 18687, 18848, 18968		\$238,660	\$363,659	N/A	\$0
CRIMINAL AND JUVENILE JUSTICE AND MENTAL HEALTH COLLABORATION PROGRAM	16.745					\$62,413	\$62,413	N/A	\$0
SECOND CHANCE ACT REENTRY INITIATIVE	16.812				\$166,649	\$542,940	\$542,940	N/A	\$0
NATIONAL SEXUAL ASSAULT KIT INITIATIVE	16.833				\$124,971	\$402,034	\$402,034	N/A	\$0
INDIGENT DEFENSE	16.836					\$4,340	\$4,340	N/A	\$0
JUSTICE DEPARTMENT	16.U00	UNKNOWN				\$53,357	\$53,357	N/A	\$0
TOTAL DEPARTMENT OF JUSTICE						\$291,620	\$4,321,829		
DEPARTMENT OF LABOR									
UNEMPLOYMENT INSURANCE	17.225		ARIZONA DEPARTMENT OF ECONOMIC SERVICES	D123-002349		\$4,409	\$4,409	N/A	\$0
WIA ADULT PROGRAM	17.258		ARIZONA DEPARTMENT OF ECONOMIC SERVICES	D121-002286	\$231,234	\$3,728,257	\$3,728,257	WIOA CLUSTER	\$11,486,900
WIA YOUTH ACTIVITIES	17.259		ARIZONA DEPARTMENT OF ECONOMIC SERVICES	D121-002286	\$192,074	\$3,624,144	\$3,624,144	WIOA CLUSTER	\$11,486,900
H-1B JOB TRAINING GRANTS	17.268				\$426,888	\$749,732	\$749,732	N/A	\$0
WORKFORCE INVESTMENT ACT (WIA) NATIONAL EMERGENCY GRANTS	17.277					\$189,170	\$189,170	N/A	\$0
WIA DISLOCATED WORKER FORMULA GRANTS	17.278		ARIZONA DEPARTMENT OF ECONOMIC SERVICES	D121-002286	\$72,867	\$3,945,329	\$3,945,329	WIOA CLUSTER	\$11,486,900
TOTAL DEPARTMENT OF LABOR						\$923,063	\$12,241,041		
DEPARTMENT OF TRANSPORTATION									
HIGHWAY PLANNING AND CONSTRUCTION	20.205		ARIZONA DEPARTMENT OF TRANSPORTATION	PPM0267-T0282030, PPM0257-T010901C, PPM0270-T035801D/T035801X/T035803D, E2S5E01D, PPM0269-T033901D/T033903D		\$1,754,640	\$1,754,640		\$0
STATE AND COMMUNITY HIGHWAY SAFETY	20.600		ARIZONA GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2022-AL-027, 2023-AL-025, 2023-PTS-047, 2023-OP-018		\$74,289	\$74,289	HIGHWAY SAFETY CLUSTER	\$86,082
NATIONAL PRIORITY SAFETY PROGRAMS	20.616					\$11,793	\$11,793	HIGHWAY SAFETY CLUSTER	\$86,082
TOTAL DEPARTMENT OF TRANSPORTATION						\$1,840,722			
DEPARTMENT OF TREASURY									
EMERGENCY RENTAL ASSISTANCE PROGRAM	21.023	COVID-19			\$761,996	\$39,930,857	\$39,930,857	N/A	\$0
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	COVID-19			\$11,321,880	\$40,363,619	\$40,505,790	N/A	\$0
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	COVID-19	CITY OF TUCSON	19418		\$142,171	\$40,505,790	N/A	\$0
TREASURY UNKNOWN	21.U01	UNKNOWN				\$10,230	\$10,230	N/A	\$0
TOTAL DEPARTMENT OF TREASURY						\$12,083,876	\$80,446,877		
INSTITUTE OF MUSEUM AND LIBRARY SERVICES OR NATIONAL ENDOWMENT FOR THE ARTS OR NATIONAL ENDOWMENT FOR THE HUMANITIES									
GRANTS TO STATES	45.310		ARIZONA STATE LIBRARY	2021-0810-01, 2021-0271-03, 2022-0170-03, 2022-0170-04, SGIA-23-A-11		\$111,507	\$111,507	N/A	\$0
TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES OR NATIONAL ENDOWMENT FOR THE ARTS OR NATIONAL ENDOWMENT FOR THE HUMANITIES						\$111,507			
ENVIRONMENTAL PROTECTION AGENCY									
AIR POLLUTION CONTROL PROGRAM SUPPORT	66.001					\$660,614	\$660,614	N/A	\$0

SURVEYS, STUDIES, RESEARCH, INVESTIGATIONS, DEMONSTRATIONS, AND SPECIAL PURPOSE ACTIVITIES RELATING TO THE CLEAN AIR ACT	66.034				\$57,081	\$57,081	N/A	\$0	
TOTAL ENVIRONMENTAL PROTECTION AGENCY						\$717,695			
DEPARTMENT OF ENERGY									
WEATHERIZATION ASSISTANCE FOR LOW-INCOME PERSONS	81.042	ARIZONA DEPARTMENT OF HOUSING	217-22		\$16,381	\$16,381	N/A	\$0	
TOTAL DEPARTMENT OF ENERGY						\$16,381			
DEPARTMENT OF EDUCATION									
TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES	84.010	ARIZONA DEPARTMENT OF EDUCATION	23FTITT-310267-01, 21FTITT-110267-01A, 23CSGRA-310267, 21FECSIM-110267, 21MTSS-11267, 23FSUSYG-310267		\$192,698	\$192,698	N/A	\$0	
SPECIAL EDUCATION GRANTS TO STATES	84.027	ARIZONA DEPARTMENT OF EDUCATION	23FESCGB-310267-09A		\$19,314	\$19,314	SPECIAL EDUCATION CLUSTER (IDEA)	\$19,314	
STUDENT SUPPORT AND ACADEMIC ENRICHMENT PROGRAM	84.424	ARIZONA DEPARTMENT OF EDUCATION	23FT4TIB-310267-01A		\$8,982	\$8,982	N/A	\$0	
EDUCATION STABILIZATION FUND	84.425	84.425D			\$280,976	\$422,169	N/A	\$0	
EDUCATION STABILIZATION FUND	84.425	COVID-19 84.425U	ARIZONA DEPARTMENT OF EDUCATION	21FESIII-110267-01A	\$141,193	\$422,169	N/A	\$0	
TOTAL DEPARTMENT OF EDUCATION						\$643,163			
DELTA REGIONAL AUTHORITY or DENALI COMMISSION or ELECTION ASSISTANCE COMMISSION or JAPAN U.S. FRIENDSHIP COMMISSION									
2018 HAVA ELECTION SECURITY GRANTS	90.404	ARIZONA SECRETARY OF STATE	AZ18101001, AZ20101001		\$202,044	\$202,044	N/A	\$0	
TOTAL DELTA REGIONAL AUTHORITY or DENALI COMMISSION or ELECTION ASSISTANCE COMMISSION or JAPAN U.S. FRIENDSHIP COMMISSION						\$202,044			
DEPARTMENT OF HEALTH AND HUMAN SERVICES									
PUBLIC HEALTH EMERGENCY PREPAREDNESS	93.069	ARIZONA DEPARTMENT OF HEALTH SERVICES	CTR055217		\$691,161	\$691,161	N/A	\$0	
ENVIRONMENTAL PUBLIC HEALTH AND EMERGENCY RESPONSE	93.070	ARIZONA DEPARTMENT OF HEALTH SERVICES	CTR057822		\$79,232	\$79,232	N/A	\$0	
FOOD AND DRUG ADMINISTRATION RESEARCH	93.103				\$147,634	\$147,634	N/A	\$0	
PROJECT GRANTS AND COOPERATIVE AGREEMENTS FOR TUBERCULOSIS CONTROL PROGRAMS	93.116	ARIZONA DEPARTMENT OF HEALTH SERVICES	18-188129		\$55,529	\$55,529	N/A	\$0	
INJURY PREVENTION AND CONTROL RESEARCH AND STATE AND COMMUNITY BASED PROGRAMS	93.136	ARIZONA DEPARTMENT OF HEALTH SERVICES	CTR063749		\$354,707	\$354,707	N/A	\$0	
COMMUNITY PROGRAMS TO IMPROVE MINORITY HEALTH GRANT PROGRAM	93.137	COVID-19			\$522,345	\$1,821,817	N/A	\$0	
FAMILY PLANNING SERVICES	93.217	ARIZONA FAMILY HEALTH PARTNERSHIP	FHPA06520-01-00		\$425,602	\$425,602	N/A	\$0	
GRANTS TO STATES TO SUPPORT ORAL HEALTH WORKFORCE ACTIVITIES	93.236	ARIZONA DEPARTMENT OF HEALTH SERVICES	CTR040353		\$29,319	\$29,319	N/A	\$0	
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE	93.243				\$820,547	\$820,547	N/A	\$0	
IMMUNIZATION COOPERATIVE AGREEMENTS	93.268	ARIZONA DEPARTMENT OF HEALTH SERVICES	CTR059891		\$132,373	\$1,794,795	N/A	\$0	
COVID-19 - IMMUNIZATION COOPERATIVE AGREEMENTS	93.268	COVID-19	ARIZONA DEPARTMENT OF HEALTH SERVICES	CTR062571	\$48,638	\$1,662,422	\$1,794,795	N/A	\$0
EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)	93.323	ARIZONA DEPARTMENT OF HEALTH SERVICES	CTR048597		\$130,787	\$2,403,465	N/A	\$0	
COVID-19 - EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)	93.323	COVID-19	ARIZONA DEPARTMENT OF HEALTH SERVICES	CTR059175, CTR057423, CTR057153, CTR055324	\$2,272,678	\$2,403,465	N/A	\$0	
PUBLIC HEALTH EMERGENCY RESPONSE: COOPERATIVE AGREEMENT FOR EMERGENCY RESPONSE: PUBLIC HEALTH CRISIS RESPONSE	93.354	COVID-19	ARIZONA DEPARTMENT OF HEALTH SERVICES	CTR055217	\$411,404	\$411,404	N/A	\$0	
ACTIVITIES TO SUPPORT STATE, TRIBAL, LOCAL AND TERRITORIAL (STLT) HEALTH DEPARTMENT RESPONSE TO PUBLIC HEALTH OR HEALTHCARE CRISES	93.391	COVID-19			\$906,548	\$2,476,907	\$2,476,907	N/A	\$0
STRENGTHENING PUBLIC HEALTH SYSTEMS AND SERVICES THROUGH NATIONAL PARTNERSHIPS TO IMPROVE AND PROTECT THE NATIONS HEALTH	93.421	NATIONAL ASSOCIATION OF COUNTY & CITY HEALTH OFFICIALS	2022-08-2202		\$28,394	\$381,465	N/A	\$0	
COVID-19 - STRENGTHENING PUBLIC HEALTH SYSTEMS AND SERVICES THROUGH NATIONAL PARTNERSHIPS TO IMPROVE AND PROTECT THE NATIONS HEALTH	93.421	COVID-19	NATIONAL ASSOCIATION OF COUNTY & CITY HEALTH OFFICIALS	2020-1000313, 2020-121602, 2021-051101	\$166,600	\$353,071	\$381,465	N/A	\$0
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	93.558	ARIZONA DEPARTMENT OF ECONOMIC SERVICES	18-206-221, DI20-002265		\$722,850	\$748,629	\$748,629	N/A	\$0
LOW-INCOME HOME ENERGY ASSISTANCE	93.568	ARIZONA DEPARTMENT OF ECONOMIC SERVICES	DI20-002265		\$114,684	\$1,199,132	\$1,815,749	N/A	\$0
COVID-19 - LOW-INCOME HOME ENERGY ASSISTANCE	93.568	COVID-19	ARIZONA DEPARTMENT OF ECONOMIC SERVICES	DI20-002265	\$49,830	\$476,115	\$1,815,749	N/A	\$0
LOW-INCOME HOME ENERGY ASSISTANCE	93.568	ARIZONA DEPARTMENT OF HOUSING	217-22		\$140,502	\$1,815,749	N/A	\$0	
COMMUNITY SERVICES BLOCK GRANT	93.569	ARIZONA DEPARTMENT OF ECONOMIC SERVICES	DI20-002265		\$426,845	\$754,913	\$1,111,358	N/A	\$0
COVID-19 - COMMUNITY SERVICES BLOCK GRANT	93.569	COVID-19	ARIZONA DEPARTMENT OF ECONOMIC SERVICES	DI20-002265	\$356,445	\$1,111,358	N/A	\$0	
GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS	93.597	ARIZONA DEPARTMENT OF ECONOMIC SERVICES	DI16-002144		\$22,278	\$22,278	N/A	\$0	
FOSTER CARE TITLE IV-E	93.658	ARIZONA DEPARTMENT OF CHILD SAFETY	DE101072001		\$1,814,310	\$1,814,310	N/A	\$0	
SOCIAL SERVICES BLOCK GRANT	93.667	ARIZONA DEPARTMENT OF ECONOMIC SERVICES	DI18-002139		\$39,999	\$39,999	N/A	\$0	
PPHF: RACIAL AND ETHNIC APPROACHES TO COMMUNITY HEALTH PROGRAM FINANCED SOLELY BY PUBLIC PREVENTION AND HEALTH FUNDS	93.738				\$183,771	\$907,449	\$907,449	N/A	\$0
OPIOID STR	93.788	ARIZONA DEPARTMENT OF HEALTH SERVICES	CTR063749		\$468,347	\$468,347	N/A	\$0	
MATERNAL, INFANT AND EARLY CHILDHOOD HOME VISITING GRANT	93.870	ARIZONA DEPARTMENT OF HEALTH SERVICES	CTR041606		\$358,196	\$358,196	N/A	\$0	
HIV CARE FORMULA GRANTS	93.917	ARIZONA DEPARTMENT OF HEALTH SERVICES	18-193947		\$179,429	\$179,429	N/A	\$0	
HIV PREVENTION ACTIVITIES, HEALTH DEPARTMENT BASED	93.940	ARIZONA DEPARTMENT OF HEALTH SERVICES	CTR059758, CTR066159		\$289,270	\$289,270	N/A	\$0	
PREVENTIVE HEALTH SERVICES SEXUALLY TRANSMITTED DISEASES CONTROL GRANTS	93.977	ARIZONA DEPARTMENT OF HEALTH SERVICES	CTR048597		\$379,487	\$379,487	N/A	\$0	
PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT	93.991	ARIZONA DEPARTMENT OF HEALTH SERVICES	CTR060592		\$108,826	\$108,826	N/A	\$0	
MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT TO THE STATES	93.994	ARIZONA DEPARTMENT OF HEALTH SERVICES	CTR055267, IGA2020026		\$209,148	\$209,148	N/A	\$0	
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES					\$3,142,111	\$20,346,059			
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE									
AMERICORPS	94.006	ADMINISTRATIVE OFFICE OF THE COURTS	090122		\$26,808	\$26,808	N/A	\$0	
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE						\$26,808			
EXECUTIVE OFFICE OF THE PRESIDENT									
HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM	95.001				\$857,018	\$857,018	N/A	\$0	
TOTAL EXECUTIVE OFFICE OF THE PRESIDENT						\$857,018			
SOCIAL SECURITY ADMINISTRATION									
FUNDS RECEIVED FROM THE SOCIAL SECURITY ADMINISTRATION	96.003	UNKNOWN			\$55,800	\$55,800	N/A	\$0	
TOTAL SOCIAL SECURITY ADMINISTRATION						\$55,800			

DEPARTMENT OF HOMELAND SECURITY									
EMERGENCY FOOD AND SHELTER NATIONAL BOARD PROGRAM	97.024		UNITED WAY EFSP	0272-00056, 027200-048	\$8,623,387	\$23,750,080	\$27,642,661	N/A	\$0
EMERGENCY FOOD AND SHELTER NATIONAL BOARD PROGRAM	97.024	COVID-19	UNITED WAY EFSP	0272-00056		\$3,892,581	\$27,642,661	N/A	\$0
EMERGENCY MANAGEMENT PERFORMANCE GRANTS	97.042		ARIZONA DEPARTMENT OF EMERGENCY & MILITARY AFFAIRS	EMF-2022-EP-00009-S01		\$605,109	\$605,109	N/A	\$0
COOPERATING TECHNICAL PARTNERS	97.045					\$234,892	\$234,892	N/A	\$0
HOMELAND SECURITY GRANT PROGRAM	97.067		ARIZONA DEPARTMENT OF HOMELAND SECURITY	210403-02		\$48,230	\$48,230	N/A	\$0
MAP MODERNIZATION MANAGEMENT SUPPORT	97.070					\$4,316	\$4,316	N/A	\$0
TOTAL DEPARTMENT OF HOMELAND SECURITY					\$8,623,387	\$28,535,208			
TOTAL EXPENDITURE OF FEDERAL AWARDS					\$29,681,674	\$160,188,230			

Please Note:
Italicized award lines indicate pass-through funding

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of the schedule.

PIMA COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fiscal Period 7/1/2022 - 6/30/2023

Significant Accounting Policies Used in Preparing the SEFA

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

10% De Minimis Cost Rate

The County elected to use the 10 percent de minimis indirect cost rate as covered in 2 CFR §200.414.

Basis of presentation

The accompanying schedule of expenditures of federal awards (schedule) includes Pima County's federal grant activity for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

Federal Assistance Listings number

The program titles and Federal Assistance Listings numbers were obtained from the federal or pass-through grantor or the 2023 Federal Assistance Listings as well as SAM.GOV and Grants.gov websites. When no Federal Assistance Listings number had been assigned to a program, the 2-digit federal agency identifier and the federal contract number were used. When there was no federal contract number, the 2-digit federal agency identifier and the word unknown were used.

Coronavirus State & Local Fiscal Recovery Funds (SLFRF - 21.027) Revenue Loss

The County elected to claim the \$10 million revenue loss standard allowance rather than using the calculated revenue loss option. The expenditure amount reported on this schedule is the aggregate expenditure amount for all four eligible use categories and not the result of the revenue loss calculation or standard allowance.

COUNTY RESPONSE



March 4, 2024

Lindsey A. Perry
Arizona Auditor General
2910 N. 44th St., Ste. 410
Phoenix, AZ 85018

Dear Ms. Perry:

We have prepared the accompanying summary schedule of prior audit findings as required by 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*. Specifically, we are reporting the status of audit findings included in the prior audit's schedule of findings and questioned costs.

Sincerely,

A handwritten signature in blue ink, appearing to read "R.K. Kelly".

R.K. Kelly
Director, Grants Management and Innovation
(Federal award finding)

A handwritten signature in blue ink, appearing to read "E. Moulton".

Ellen Moulton
Director, Finance and Risk Management
(Financial statement findings)

Pima County

Summary schedule of prior audit findings

Year ended June 30, 2023

Status of financial statement findings

The County's top administrator retired and exercised a return-to-work clause in his employment contract without informing the Board of Supervisors, impacting the Board's ability to effectively assess and make decisions about the County's executive management workforce.

Finding number: 2022-01

This finding initially occurred in fiscal year 2022.

Status: Fully corrected.

County Procurement Department's lack of verification over vendor information changes allowed public monies totaling \$42,739 to be stolen by fraudsters and would have allowed another \$4 million to be stolen had the bank not alerted the County.

Finding number: 2022-02

This finding initially occurred in fiscal year 2022.

Status: Partially corrected.

The County has not relaunched the vendor self-service EFT functionality in our current system. Due to the implementation of a new ERP system, the County has decided to wait until the new system is in place before relaunching this functionality. The County is still developing the controls and procedures that will exist in the new system and expects to have those in place once the system goes live later in fiscal year 2024.

Status of federal award findings and questioned costs

Assistance Listings number and program name: 97.024 Emergency Food and Shelter National Board Program

Finding number: 2022-101

This finding initially occurred in fiscal year 2022.

Status: Partially corrected.

The County continues to work with its third-party vendor, Booth Management Consulting, to conduct subrecipient monitoring and to assist in the development of a robust and effective subrecipient monitoring program to effectively address the rapid growth of subrecipient monitoring needs. This will coincide with the implementation of new grants lifecycle management software that streamlines interactions with subrecipients and lessens duplication of effort. Software is expected to go live late this fiscal year and be fully developed for subrecipient interactions in the summer of 2024.

