



Maricopa County

Internal Audit Department

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To: Maricopa County Board of Supervisors

From: Ross L. Tate, County Auditor 

Subject: Monitoring Federal Grant Funded Organizations' Audit Reports

Date: June 6, 2013

Conclusion: Internal Audit successfully monitored the receipt of federally-required FY 2012 audit reports from organizations who received "pass-through" federal funds from Maricopa County agencies.

Observation: The federal government provides grant funds to County agencies that pass the funds to contracted organizations (subrecipients). The Single Audit Act, passed by the U.S. Congress, requires that organizations spending \$500,000 or more in federal assistance receive an annual, organization-wide, financial and compliance audit.

We reviewed 46 audit reports. Of these, 26 had no findings. The other 20 reports had a total of 80 findings, which were referred to County agencies for follow-up. The agencies are responsible for issuing management decisions and ensuring that the subrecipients take appropriate and timely corrective action.

Objective: Our objective was to (1) determine which subrecipient organizations fall under Single Audit Act requirements, and (2) review subrecipient organizations' audit reports for compliance with the Federal Single Audit Act and Federal OMB Circular A-133.

This review was approved by the Board of Supervisors and conforms to International Standards for the Professional Practice of Internal Auditing. It is intended primarily for the information and use of the County Board of Supervisors, County leadership, and other County stakeholders. However, it is a matter of public record and its distribution is not limited.

If you have any questions about this report, please contact Eve Murillo, Deputy County Auditor, at 506-7245.