



Maricopa County

Internal Audit Department

301 W Jefferson St
Suite 660, Phx, AZ
85003-2148
602-506-1585
maricopa.gov/
internalaudit/

To: Maricopa County Board of Supervisors
From: Mike McGee, County Auditor
Subject: Audit Report: Legal Arizona Workers Act
Date: August 14, 2019

Background: County Policy A1517 establishes compliance procedures relating to the Legal Arizona Workers Act and mandates an annual audit verification. The Legal Arizona Workers Act (A.R.S. §§ 23-211 to 23-214) prohibits businesses from knowingly or intentionally hiring unauthorized aliens. It also requires employers to use the E-Verify system (a free web-based service offered by the Federal Department of Homeland Security) to verify the employment eligibility of all employees hired after December 31, 2007. A.R.S. § 41-4401 states that governments shall require contractors to comply with (a) federal immigration laws and regulations, and (b) E-Verify requirements. Random verification is required to ensure that contractors are complying with these requirements.

Objective: Select a County contractor and determine compliance with warranties made under contract to (a) comply with the federal immigration laws and regulations that relate to their employees, and (b) use E-Verify to confirm eligibility of new hires.

Conclusion: We determined that the County contractor selected complied in most respects with the Legal Arizona Workers Act and related contract provisions. E-Verify results were not available for employees of two subcontracted companies selected for review. However, it was determined that all employees were authorized to work.

Observations: We randomly selected the 15051JOC-003 Job Order Contract (FY 2019 expenditures of \$1.3 million), and the awarded contractor Caliente Construction and three subcontracted companies. We reviewed documentation for all employees. We found that E-Verify result documentation was not retained to validate employment eligibility for seven subcontracted employees. I-9 forms were available for review and E-Verify was run at the time of review. It was determined that all employees were authorized to work. We appreciate the excellent cooperation demonstrated by the contractors during this engagement.

This report is intended primarily for the information and use of the County Board of Supervisors, County leadership, and other County stakeholders. However, this report is a public record and its distribution is not limited.

This audit was approved by the Board of Supervisors and was conducted in conformance with International Standards for the Professional Practice of Internal Auditing. If you have any questions about this report, please contact Mike McGee, County Auditor, at 602-506-1585.