



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: Ross L. Tate, County Auditor

Subject: Monitoring Federal Grant Funded Organizations' Audit Reports

Date: June 26, 2014

Conclusion: Internal Audit monitored the receipt of federally-required FY 2013 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 53 audit reports that were issued to subrecipients. Of these, 30 had no findings. The other 23 reports had a total of 83 findings, which were referred to County agencies for follow-up. Four audit reports are past due. 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 was conducted in conformance with International Standards for the Professional Practice of Internal Auditing. 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 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.