



Maricopa County

Internal Audit Department

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To: Maricopa County Board of Supervisors

From: Ross L. Tate, County Auditor

Subject: Audit Report: Economic Development Contracts

Date: November 4, 2013

Conclusion: In general, County payments complied with contract terms. However, some administrative exceptions were found. For example, some invoices and performance reports were not submitted by the due dates. In addition, some contractors reported that they did not fully meet all contractual performance goals.

Observation: Our scope of work included 18 contracts (\$2.3 million), 9 contractors, 66 performance reports, and 46 invoices for the last two fiscal years. We found:

- Of 46 payments, all aligned with contract terms. However, 22 invoices were not submitted by the due dates, and 2 payments were made prior to the invoice date.
- Of 66 required performance reports, 1 was not submitted and 25 were not submitted by the due date.
- Of 98 performance goals, contractors reported meeting 77 goals, partially meeting 18 goals, and not meeting 3 goals. Contract language did not require an explanation when goals were not met.

We issued a report with recommendations to the agency included in this review. Agency management concurred with our recommendations.

Objective: Our objective was to determine whether the nine Economic Development contractors complied with contract reporting and payment requirements.

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.

This audit was approved by the Board of Supervisors and was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing. If you have any questions about this report, please contact Eve Murillo, Deputy County Auditor, at 506-7245.