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AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
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May 9, 2012

Henry R. Darwin, Director
Arizona Department of Environmental Quality
1110 West Washington Street
Phoenix, AZ 85007

Subject: Procedural Review Letter

Dear Mr. Darwin:

We have performed a procedural review of the Department's internal controls in effect for the period July 1, 2011 through December 31, 2011. Our review consisted primarily of inquiries, observations, and selected tests of internal control policies and procedures, accounting records, and related documents. The review was more limited than would be necessary to give an opinion on internal controls. Accordingly, we do not express an opinion on the effectiveness of internal controls or ensure that all deficiencies in internal controls are disclosed.

Specifically, we reviewed cash receipts, cash disbursements, purchasing, payroll, journal entries, transfers, and capital assets. Our review disclosed minor internal control deficiencies that we have communicated directly to your staff.

The Office of the Auditor General is also conducting a series of performance audits and a sunset review of the Department of Environmental Quality. The results of those audits will be issued on subsequent dates.

This letter is intended solely for the information and use of the Arizona Department of Environmental Quality and is not intended to be and should not be used by anyone other than the specified party. However, this letter is a matter of public record, and its distribution is not limited.

Should you have any questions concerning our procedural review, please let us know.

Sincerely,

Jay Zsorey, CPA
Financial Audit Director

cc: Robert Rocha, Administrative Services Director
Michael Clark, Chief Financial Auditor