

LA PAZ COUNTY, ARIZONA
SINGLE AUDIT REPORT
YEAR ENDED JUNE 30, 2023



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Arizona Auditor General and
The Board of Supervisors of
La Paz County, Arizona
Parker, Arizona

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of La Paz County, Arizona, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the La Paz County, Arizona's basic financial statements, and have issued our report thereon dated June 11, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered La Paz County, Arizona's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of La Paz County, Arizona's internal control. Accordingly, we do not express an opinion on the effectiveness of La Paz County, Arizona's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2023-001, 2023-002, 2023-003, 2023-004, 2023-005, 2023-006, and 2023-007 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2023-008, 2023-009, and 2023-010 to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether La Paz County, Arizona's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

La Paz County, Arizona's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the La Paz County, Arizona's responses to the findings identified in our audit that are presented in its corrective action plan at the end of this report. The County is responsible for preparing a corrective action plan to address each finding. La Paz County, Arizona's responses and corrective action plan were not subjected to the other auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of La Paz County, Arizona's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering La Paz County, Arizona's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Phoenix, Arizona
June 11, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

The Arizona Auditor General and
The Board of Supervisors of
La Paz County, Arizona
Parker, Arizona

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited La Paz County, Arizona's compliance with the types of compliance requirements identified as subject to audit in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of La Paz County, Arizona's major federal programs for the year ended June 30, 2023. La Paz County, Arizona's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, La Paz County, Arizona complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of La Paz County, Arizona and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of La Paz County, Arizona's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to La Paz County, Arizona's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on La Paz County, Arizona's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about La Paz County, Arizona's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding La Paz County, Arizona's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of La Paz County, Arizona's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of La Paz County, Arizona's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of La Paz County, Arizona as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise La Paz County, Arizona's basic financial statements. We issued our report thereon dated June 11, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Phoenix, Arizona
June 11, 2025

**LA PAZ COUNTY, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles: Unmodified
2. Is a going concern emphasis-of-matter paragraph included in the auditors' report? _____ yes _____ x _____ no
3. Internal control over financial reporting:
- Material weakness(es) identified? _____ x _____ yes _____ no
 - Significant deficiency(ies) identified? _____ x _____ yes _____ none reported
4. Noncompliance material to financial statements noted? _____ yes _____ x _____ no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes _____ x _____ no
 - Significant deficiency(ies) identified? _____ yes _____ x _____ none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes _____ x _____ no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
93.323	COVID-19 – Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)
93.391	COVID-19 – Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises
93.069	COVID-19 – Public Health Emergency Preparedness

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

_____ yes _____ x _____ no

**LA PAZ COUNTY, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Section II – Financial Statement Findings

2023-001 - Prior Period Adjustments

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: Certain prior period adjustments were proposed and subsequently recorded to the beginning balances of the County's financial statements as follows:

1. The County was required to record a lease receivable, interest receivable and deferred inflow related to leases in the solar field fund and business-type activities in accordance with GASB 87, *Leases*, as of June 30, 2022. The effect was that the County understated lease interest receivable in the amount of \$393,631, understated leases receivable in the amount of \$23,488,264, understated deferred inflows related to leases in the amount of \$23,234,887 in business-type activities and the solar field fund. The net effect was a \$647,008 increase to the business type activities' beginning net position and the solar field fund's beginning fund balance.

2. The County made an error in calculating accrued liabilities as of June 30, 2022. The effect was that the County overstated current liabilities in the amount of \$366,233 in the governmental activities, General Fund, and total governmental funds.

Criteria: All governments are required to prepare financial statements in accordance with generally accepted accounting principles (GAAP). This is a responsibility of the government's management. The preparation of financial statements in accordance with GAAP requires internal controls over both (1) recording, processing, and summarizing accounting data (i.e., maintaining internal books and records), and (2) reporting governmentwide and fund financial statements, including the related footnotes (i.e., external financial reporting).

Effect: The lack of adequate internal controls could result in a misstatement going undetected or uncorrected.

Cause: Management of the County did not identify that the solar field lease was subject to GASB 87. Management determined that certain adjustments and disclosures were unnecessary for the financial statements to be presented in accordance with GAAP.

Recommendation: We recommend the County continue to review its internal controls over material transactions and modify policies and procedures, as necessary, to rectify this matter for future years.

LA PAZ COUNTY, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023

2023-002 - IT Risk Assessment

Type of Finding: Material Weakness in Internal Control over Financial Reporting (Repeated 2022-006)

Condition: The County did not perform an IT risk assessment during the audit period..

Criteria: Establishing a process for managing risk that follows a credible industry source, such as the National Institute of Standards and Technology (NIST), helps the County effectively manage risk related to IT systems and data. NIST's Risk Management Framework (RMF) provides a comprehensive approach to integrating security, privacy, and cyber supply chain risk management activities into the system development life cycle.

Effect: The absence of an IT risk assessment means that the County has not identified, ranked, or remediated potential IT risks. This oversight could lead to vulnerabilities in the IT infrastructure, exposing sensitive data and systems to threats.

Cause: County management report that resource constraints and inadequate IT governance have hindered the County's ability to perform a thorough IT risk assessment.

Recommendation: The County should conduct a comprehensive IT risk assessment to identify, rank, and remediate risks appropriately. This assessment should include:

Continuous Monitoring: Implement continuous monitoring and review processes to keep the IT risk management framework up-to-date.

Risk Prioritization: Establish a structured approach to ranking risks based on severity and likelihood, ensuring that mitigation efforts focus on the most critical vulnerabilities.

Ongoing Evaluations: Conduct periodic reassessments to adapt to emerging threats and changes in the County's IT environment.

2023-003 - Periodic Reviews of User Access

Type of Finding: Material Weakness in Internal Control over Financial Reporting (Repeated 2022-006)

Condition: The County did not regularly review user accounts for appropriate access rights.

Criteria: Establishing a process for managing risk that follows a credible industry source, such as the National Institute of Standards and Technology, helps the District to effectively manage risk related to IT systems and data.

Effect: Not performing regular, standardized reviews, there is a risk that users may have improper access rights that are not aligned with their job functions, potentially leading to unauthorized access to sensitive information, inability to identify all old and unused user accounts, and non-compliance with industry standards.

Cause: County management report that resource constraints and inadequate IT governance have hindered the County's ability to perform a thorough IT risk assessment.

LA PAZ COUNTY, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023

Recommendation: The County should conduct a formal review of all user accounts annually. The review process should be documented, and sign-off should be obtained from IT personnel completing the review. The review should ensure that all user accounts are assigned to current employees by comparing a system account listing to a current employee list from Human Resources. Additionally, a review of access levels should be performed by comparing the user's current access rights listed on the system to those listed on their access form, and by confirming the user's access rights with their departmental manager.

2023-004 - Data Classification and Review (Compliance and Other Matters)

Type of Finding: Material Weakness in Internal Control over Financial Reporting (Repeated 2022-006)

Condition: The County did not review its inventoried data during the audit period.

Criteria: Establishing a process for managing risk that follows a credible industry source, such as the National Institute of Standards and Technology, helps the District to effectively manage risk related to IT systems and data.

Effect: This oversight indicates that the County has not evaluated the sensitivity and security of the data it holds, potentially leaving sensitive information unprotected and vulnerable to breaches.

Cause: County management report that resource constraints and inadequate IT governance have hindered regular data review and classification processes.

Recommendation: The County should establish a data classification policy that defines clear classification categories and guidelines for handling different types of data. This policy should ensure that sensitive information is properly categorized based on importance and security needs. Additionally, the County should:

Inventory IT Systems: Maintain a detailed inventory of all IT systems, including financial reporting systems, to ensure proper protection of sensitive Personally Identifiable Information (PII).

Regular Reviews: Conduct periodic reviews to ensure classifications remain current and accurate.

Access and Security Controls: Assess where stronger access and security controls may be needed to protect data in accordance with state statutes and federal regulations. Implement these controls to ensure the protection of sensitive information.

**LA PAZ COUNTY, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

2023-005 - Logical Access- Terminations and Privileged Accounts (Compliance and Other Matters)

Type of Finding: Material Weakness in Internal Control over Financial Reporting (Repeated 2022-007)

Condition: The County was unable to provide supporting documentation to show the establishment of privileged or administrator accounts from the audit period. Additionally, there was no documentation showing the process for removing user accounts during the audit period.

Criteria: Establishing a process for managing risk that follows a credible industry source, such as the National Institute of Standards and Technology, helps the County to effectively manage risk related to IT systems and data.

Cause: County management report that resource constraints and inadequate IT governance have made record keeping and tracking challenging.

Effect: This lack of documentation means that the County cannot demonstrate proper control over privileged accounts, which could lead to unauthorized access and misuse of administrative privileges. Similarly, the absence of documentation for the removal of user accounts could lead to unauthorized access and misuse of inactive accounts.

Recommendation: The County should adopt robust documentation practices. Records should be completed at the time of activity and retained for a specific period with designated staff responsible for maintaining them. Implementing a Privileged Access Management (PAM) system can help secure, manage, control, and audit the use of privileged accounts.

2023-006 - Policy Statements

Type of Finding: Material Weakness in Internal Control over Financial Reporting (Repeated 2022-007)

Condition: The County did not have formalized IT and IT security policies in place during the audit period.

Criteria: Establishing a process for managing risk that follows a credible industry source, such as the National Institute of Standards and Technology, helps the County to effectively manage risk related to IT systems and data.

Effect: The absence of formalized IT and IT security policies during the audit period led to several deficiencies:

- **Password Policy:** No documented password policy, resulting in inconsistent practices and increased risk of unauthorized access. Password history, minimum password age, and lockout threshold were set to zero, which is insufficient without enforcing multi-factor authentication (MFA). Additionally, the County lacked documentation showing automatic account lockouts on all workstations, potentially leading to unauthorized access and misuse of inactive accounts.
- **Logging and Monitoring:** No formal logging and monitoring policy, meaning the County has not documented its approach to logging and monitoring key user and system activities.

LA PAZ COUNTY, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023

- **Disaster Recovery Plan (DRP):** No documentation showing a DRP was in place, meaning the County has not documented its approach to restoring operations in case of disasters or IT system interruptions.
- **Incident Response Plan:** No incident response plan, meaning the County is not prepared to respond to security incidents, which could lead to prolonged downtime and increased damage from incidents.
- **Information Security System Standard:** No information security system standard and/or risk treatment plan, meaning the County has not documented its approach to protecting the integrity of its financial reporting systems and data.

Cause: County management report that resource constraints and inadequate IT governance have hindered their efforts in developing formal comprehensive IT policies and procedures.

Recommendation:

- **Password Policy:** Establish a documented password policy that enforces password history, minimum password age, lockout threshold, maximum password age, and session time-outs after defined periods of inactivity. Maintain documentation of these measures for future audits.
- **Logging and Monitoring:** Develop a logging and monitoring policy that includes proactive key user and system activity logging and log monitoring, particularly for users with administrative access privileges. Document and communicate this policy to all relevant personnel.
- **Disaster Recovery Plan (DRP):** Create a DRP that includes all critical elements to restore operations. Prepare to move critical operations to a separate alternative site if necessary and test the plan annually. Maintain documentation of this plan and its testing for future audits.
- **Incident Response Plan:** Prepare and implement a security incident response plan that clearly states how to report and handle incidents. Document and communicate this plan to all relevant personnel.
- **Information Security Plan:** Develop or improve an information security plan to protect the integrity of the financial reporting systems and data. Document and communicate this plan to all relevant personnel.

LA PAZ COUNTY, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023

2023-007 - Enhance Authentication Requirements

Type of Finding: Material Weakness in Internal Control over Financial Reporting (Repeated 2022-007)

Condition: The current authentication requirements for the County's IT systems are insufficient to ensure robust security.

Criteria: Establishing a process for managing risk that follows a credible industry source, such as the National Institute of Standards and Technology (NIST), helps the County to effectively manage risk related to IT systems and data. NIST's guidelines emphasize the importance of strong authentication methods, including multi-factor authentication (MFA) and passwordless solutions.

Effect: The absence of enhanced authentication requirements exposes the County to increased risks of unauthorized access, data breaches, and potential loss of sensitive information. This vulnerability could lead to significant financial and reputational damage.

Cause: County administration and IT management reported that due to the significant financial investment required, it is currently cost-prohibitive for the County to implement more robust authentication measures.

Recommendation: To address the need for more enhanced authentication, it is recommended to enhance controls over authentication, enforce strong password policies, integrate biometric authentication, conduct regular security reviews, provide comprehensive user training and awareness programs, allocate sufficient resources for security enhancements, and regularly monitor and audit authentication logs.

2023 – 008 - Capitalization of Completed Project

Type of Finding: Significant Deficiency in Internal Control over Financial Reporting

Condition: A project to infrastructure totaling \$3,712,893 completed during the fiscal year was inappropriately included in Construction-In-Progress (CIP) and was not appropriately capitalized. County management has determined not to correct the financial statements as it was determined not to be significant.

Criteria: Construction-In-Progress projects should be classified as a depreciable asset upon completion in accordance with GASB and Generally Accepted Accounting Principles.

Effect: The untimely and improper capitalization of a completed project or procured asset may result in inaccurate measurement and estimation of depreciation expense and accumulated depreciation. Secondly, total assets at year-end may be overstated due to the completed asset not being netted against the accumulated depreciation for the fiscal year.

Cause: Oversight of year-end close out adjustments and preparation of financial statements and related capital asset note to the financial statements.

LA PAZ COUNTY, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023

Recommendation: The County should correct this error in future reporting periods and recognize and capitalize completed projects once the Finance Department is made aware of when a capital project construction is completed. Secondly, a review and reconciliation of all completed construction projects should be performed prior to the preparation of the financial statements and related notes.

2023 – 009 - Excessive Number of Funds

Type of Finding: Significant Deficiency in Internal Control over Financial Reporting (Repeated 2022-013)

Condition: The County has established and maintains several open funds in its accounting system. Many of these funds are special revenue funds which carry consistent fund deficits or fund balances from year to year, without any current activity, and should be closed.

Criteria: Governments should establish and maintain those funds required by law and sound financial administration. Only the minimum number of funds consistent with legal and operating requirements should be established and maintained because unnecessary funds result in inflexibility, undue complexity, and inefficient financial administration. Governments should discontinue reporting a special revenue fund and instead report the fund's remaining resources in the general fund, if the government no longer expects that a substantial portion of the inflows will derive from restricted or committed revenue sources.

Effect: It was noted a number of times in the year under audit that revenues for grants or projects were recorded in one fund while expenses were recorded in a different fund and had to be reconciled and corrected at year-end. Inconsistent placement of revenue and expenses related to specific grants and projects in prior years appears to have contributed to the amounts that are carrying forward in the open funds without current year activity.

Cause: With a significant number of funds, there is an increased risk, related activity which should be recorded in the same fund may be recorded across multiple funds. There is also additional effort and cost in tracking, reconciling, researching and resolving any noted issues due to the volume of locations the activity may go.

Recommendation: The County should review and evaluate existing funds to determine if the fund is still needed. Any funds without current or known future activity should be closed. Fund deficits and fund balances should be investigated to determine what the carry forward amounts relate to and determine how to resolve the balances.

**LA PAZ COUNTY, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

2023-010 - Segregation of Duties

Type of Finding: Significant Deficiency in Internal Control over Financial Reporting (Repeated 2022-009 & 2021-007)

Condition: Adequate segregation of accounting duties was not in place in the Treasurer's office, Parks Department and Sheriff's office as the personnel responsible for collecting various fees are often also responsible for reconciling, depositing, and recordkeeping of these receipts. Independent verification and reconciliations of amounts collected to amounts deposited were not performed.

Criteria: To help ensure the accuracy of financial records and to help reduce the risk of misappropriation of assets, duties should be segregated to separate the responsibilities of custody of assets, authorizing the use of assets, recording the use of assets, and monitoring the use of assets between multiple people. The Uniform Accounting Manual for Arizona Counties (UAMAC), section VI-C, published by the State of Arizona Auditor General's office requires Counties to develop and adhere to written policies and procedures to safeguard assets.

Effect: Policies have not been implemented to help ensure that duties are segregated, to the extent possible, to minimize control situations where individuals have the opportunity to misappropriate assets.

Cause: A detailed risk assessment was not performed for all County departments.

Recommendation: The County should perform a formal risk assessment considering the responsibilities of custody, authorization, recording, and monitoring the use of assets in each of its departments. In departments where more than one responsibility is held by one person, the County should implement additional procedures to mitigate the risk created by a lack of proper segregation of duties.

**LA PAZ COUNTY, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Section III – Findings and Questioned Costs – Major Federal Programs

None reported.

LA PAZ COUNTY, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

Federal Agency, Pass Through Grantor/Program or Cluster	Federal Assistance Listings Number	Pass-Through Grantor Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Housing and Urban Development				
Passed through Arizona Department of Housing				
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	104-19	\$ -	\$ 255,199
Total U.S. Department of Housing and Urban Development			-	255,199
U.S. Department of Justice				
Passed through Arizona Criminal Justice Commission				
Coronavirus Emergency Supplemental Funding Program	16.034	ACESF-23-001	-	1,238
Crime Victim Compensation	16.576	VC-23-007	-	3,600
Public Safety Partnership and Community Policing Grants	16.710		-	72,777
Edward Byrne Memorial Justice Assistance Grant Program	16.738	DC-23-026	-	30,221
Edward Byrne Memorial Justice Assistance Grant Program	16.738	DC-23-008	-	41,199
Total CFDA Number 16.738			-	71,420
Total U.S. Department of Justice			-	149,035
U.S. Department of Transportation				
Passed through Arizona Governor's Office of Highway Safety				
State and Community Highway Safety	20.600	2022-PTS-034	-	21,048
National Priority Safety Programs	20.616	FY20 CIOT XXX / 2023-405D-023 / 2023-405D-027	-	27,981
Total U.S. Department of Transportation			-	49,029
U.S. Election Assistance Commission				
Passed through Arizona Department of Administration				
HAVA Election Security Grants	90.404	AZ20101001	-	11,091
Total U.S. Election Assistance Commission			-	11,091
U.S. Department of Health and Human Services				
Passed through Arizona Department of Health and Human Services				
Medical Reserve Corps Small Grant Program	93.008	CTR068539 / MRC 23-0540	-	3,177
COVID-19 - Public Health Emergency Preparedness	93.069	ADHS 17-133193 / CTR055213 / PO 350698 / PO 496503 / ADHS 17-133193-A7	-	261,399
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	CTR058096 / IGA2021-059 / CTR059134 / CTR055540	-	486,412
COVID-19 Public Health Workforce Supplemental Grant	93.354	CTR055213 / PO 427828	-	160,396
COVID-19 - Activities to Support State, Tribal, Local, and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	CTR055998	-	398,181
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance				
Financed in Part by Prevention and Public Health Funds	93.539	ADHS 18-177682 / CTR060584 / PO 503446	-	116,702
COVID-19 - PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance				
Financed in Part by Prevention and Public Health Funds	93.539	CTR060277 / PO522835 / PO525678 / PO533593 / PO546611	-	113,788
Total CFDA Number 93.539			-	230,490
Opioid STR	93.788	ADHS 17-133193-A5 / CTR048905-A3 / PO429250 / PO548725	-	108,317
Preventive Health and Health Services Block Grant	93.991	CTR055273 Mod. 2 / PO488652	-	29,266
Maternal and Child Health Services Block Grant to the States	93.994	CTR055273 Mod. 2 / PO476155 / PO508044	\$ -	\$ 81,257

See accompanying Notes to Schedule of Expenditures of Federal Awards.

LA PAZ COUNTY, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023

Federal Agency, Pass Through Grantor/Program or Cluster	Federal Assistance Listings Number	Pass-Through Grantor Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services (Continued)				
Passed through Western Arizona Council of Governments				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	E86-0445604-23	\$ -	\$ 26,635
COVID-19 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	E86-0445604-23	-	30,000
Total CFDA Number 93.044			-	56,635
Social Services Block Grant	93.667	E86-0445604-23	-	13,834
Total U.S. Department of Health and Human Services			-	1,829,365
U.S. Executive Office of the President				
Passed through City of Tucson				
High Intensity Drug Trafficking Areas Program	95.001	HT-23-2927 / HT-23-2927A	-	35,771
Total U.S. Executive Office of the President			-	35,771
U.S. Department of Homeland Security				
Passed through Arizona Department of Homeland Security				
Homeland Security Grant Program	97.067	200439-03 / 210417-02 / 210417-03 / 220411-02 / 200439-01 / 210417-01 / 200504-01 / 220503-04 / 220503-01 / 220503-03	-	165,267
Total U.S. Department of Homeland Security			-	165,267
Total Expenditures of Federal Awards			\$ -	\$ 2,494,758

See accompanying Notes to Schedule of Expenditures of Federal Awards.

LA PAZ COUNTY, ARIZONA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

NOTE 1 REPORTING ENTITY

The accompanying schedule of expenditures of federal awards presents the activity or expenditure of all federal awards programs of the La Paz County, Arizona for the year ended June 30, 2023. The County's reporting entity is defined in Note 1 of the basic financial statements. All expenditure of federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards includes the federal grant activity of La Paz County, Arizona under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 to the County's basic financial statements for the year ended June 30, 2023. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 FEDERAL ASSISTANCE LISTINGS NUMBER

The program titles and Federal Assistance Listings numbers were obtained from the federal or pass-through grantor or the 2023 *Federal Assistance Listings*.

NOTE 4 INDIRECT COST

The County elected to use the 10 percent de minimus indirect cost rate as covered in 2 CFR 200.414.

NOTE 5 FEDERAL LOANS OUTSTANDING

There are no outstanding balances for federal loan or loan guarantee programs with continuing compliance requirements for the year ended June 30, 2023.



La Paz County
Administrative & Fiscal Services
Human Resources

1112 S Joshua Ave Ste 207
Parker, AZ 85344
928-669-3400

June 9, 2025

Guadalupe "Lupita" Martinez
CliftonLarsonAllen, PLLC
20 E Thomas Rd #2300
Phoenix, AZ 85012

Dear Ms. Martinez:

We have prepared the accompanying corrective action plan as required by the standards applicable to financial audits contained in Government Auditing Standards and by the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Specifically, for each finding, we are providing you with our responsible officials' views, the names of the contact people responsible for corrective action, the corrective action planned, and the anticipated completion date.

Sincerely,

Megan Spielman
Interim Administrative and Fiscal Services



La Paz County Board of Supervisors

1108 Joshua Avenue
Parker, Arizona 85344

(928) 669-6115 TDD (928) 669-8400 Fax (928) 669-9709

www.lapaz.gov

David Plunkett	- District 1	Stephanie McDowell	- County Administrator
Duce Minor	- District 2	Laurie Thornbury	- Clerk of the Board
Holly Irwin	- District 3		

Section	Finding	Corrective Action	Responsible Party	Target Date
Financial Statements				
	2023-001 - Prior Period Adjustments 1.The County was required to record a lease receivable, interest receivable and deferred inflow related to leases in the solar field fund in accordance with GASB 87, Leases. 2. The County made an error in calculating accrued liabilities as of year-end.	La Paz County agrees that improvements are necessary to strengthen our internal control processes to ensure financial statements are prepared in full accordance with generally accepted accounting principles (GAAP). Furthermore, the County will update its year-end closing procedures checklist to strengthen balance sheet review and include specific reviews for the implementation of new GASB standards. Lease transactions will continue to be separately identified, accounted for, and reviewed during interim and year-end financial reporting periods to ensure correct treatment under applicable accounting standards.	Board of Supervisors, La Paz County Administrator, La Paz County, La Paz County Finance Director	Completed
	2023-002 - IT Risk Assessment (Reissue of prior year finding 2022-006)	La Paz County has engaged All Covered to conduct a Baseline Security Assessment. This assessment will identify, rank, and remediate potential IT risks. The County will use the results to develop an IT Risk Management Plan and ensure ongoing risk evaluations.	Board of Supervisors, La Paz County Administrator, La Paz County IT Director	6/30/2026
	2023-003 - Periodic Reviews of User Access (Reissue of prior year finding 2022-007)	A periodic user access review process was implemented in fiscal year 2024. All Covered will assist in the documentation and establishing governance practices for role-based access controls to ensure compliance with regulations.	Board of Supervisors, La Paz County Administrator, La Paz County IT Director	1/30/2026
	2023-004 - Data Classification and Review (Compliance and Other Matters)(Reissue of prior year finding 2022-006)	The County will implement Information Security Documentation and Governance Review services provided by All Covered. This will ensure a structured approach to classifying and inventorying sensitive data, aligning with best practices.	Board of Supervisors, La Paz County Administrator, La Paz County IT Director	6/30/2026
	2023-005 - Logical Access- Terminations and Privileged Accounts (Compliance and Other Matters)(Reissue of prior year finding 2022-007)	The County will create a User Account Lifecycle Policy, ensuring documented procedures for onboarding, offboarding, and periodic audits. This will be incorporated into the Written Information Security Program which All Covered will assist with developing. Additionally, the County will implement a Privileged Access Management Policy under the governance framework developed with All Covered. The County will maintain logs of all privileged account creation and modifications.	Board of Supervisors, La Paz County Administrator, La Paz County IT Director	6/30/2026

2023-006 - Policy Statements (Reissue of prior year finding 2022-007)	The County will work with All Covered to develop a Written Information Security Program that includes policies for passwords, logging and monitoring, disaster recovery, and incident response. These policies will align with NIST and CIS 18 Frameworks.	Board of Supervisors, La Paz County Administrator, La Paz County IT Director	6/30/2026
2023-007 - Enhance Authentication Requirements (Reissue of prior year finding 2022-007)	Although the County did implement authentication requirements, it was only enforced for remote connections. County administration and IT management has reported that they will continue to explore other enhancements to the current security environment and expanded support for all system users.	Board of Supervisors, La Paz County Administrator, La Paz County IT Director	6/30/2026
2023 – 008 - Capitalization of Completed Project	The County will establish a formal notification process between the Public Works Department and the Finance Department. Public Works will be required to notify Finance in writing when a project is deemed substantially complete and ready for capitalization. The Finance Department will also perform a reconciliation of Construction-In-Progress accounts at fiscal year-end.	Board of Supervisors, La Paz County Administrator, La Paz County Finance Department, La Paz County Public Works Director	6/30/2025
2023 – 009 - Excessive Number of Funds (Reissue of prior year finding 2022-13)	La Paz County agrees with the recommendation and has already invested considerable time and effort in reviewing, reconciling, and evaluating existing funds. The County has begun closing old or inactive funds and is actively investigating fund balances and deficits to identify their origins and appropriate resolutions. To better manage financial activity, the County is now utilizing project accounts within existing funds instead of creating new funds whenever possible. Due to limited staffing resources, this effort is structured as a multi-year project, with ongoing reconciliations and systematic fund closures anticipated to continue through FY26. Quarterly progress reviews are in place to ensure continued focus and transparency throughout the process. The County remains committed to completing the fund cleanup responsibly and in full compliance with accounting standards.	Board of Supervisors, La Paz County Administrator, La Paz County Finance Department	6/30/2027
2023-010 - Segregation of Duties (Reissue of prior year finding 2022-009)	The County will perform a risk assessment of the impacted departments to evaluate segregation of duties concerns more thoroughly. As part of this process, the County will review existing job duties in the Treasurer's Office, Parks Department, and Sheriff's Office to determine whether certain responsibilities can be reassigned or outsourced to other departments with available resources.	Board of Supervisors, La Paz County Administrator, La Paz County Finance Department, La Paz County Treasurer, La Paz County Sheriff, La Paz County Parks Director	1/30/2026

Federal Award Findings and
Questioned Costs

None Noted

/s/Stephanie McDowell
Stephanie McDowell, County Administrator

6/9/2025
Date



La Paz County
Administrative & Fiscal Services
Human Resources

1112 S Joshua Ave Ste 207
Parker, AZ 85344
928-669-3400

June 9, 2025

Guadalupe "Lupita" Martinez
CliftonLarsonAllen, PLLC
20 E Thomas Rd #2300
Phoenix, AZ 85012

Dear Ms. Martinez:

We have prepared the accompanying summary schedule of the prior year audit findings as required by the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Specifically, we are reporting the status of audit findings included in the prior audit's schedule of findings and questioned costs. This schedule also includes the status of audit findings reported in the prior audit's summary schedule of prior audit findings that were not corrected.

Sincerely,

Megan Spielman
Interim Administrative and Fiscal Services

**LA PAZ COUNTY, ARIZONA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2023**

Section II Financial Statement Findings

2022-001 Parks Fund Documentation and Reconciliation (Reissue of prior year finding 2021-001, reworded)

Type of Finding: Material Weakness

Condition: During our cash receipting and revenue testwork, Parks was unable to locate the 2022 summary sheet. The June 2022 daily receipts were selected and reviewed. We noted several daily Z-tapes did not agree to the amount of funds recorded on the month end summary sheet received from the Treasurer. We also noted there was no reconciliation or approval of the deposit. The cash deposits were dropped at the Treasurer sporadically and revenues are recorded as the funds are received by the Treasurer's office instead of when earned. In addition, detailed information is not documented and could not be provided for items like number of camp sites rented, permits issued, stalls rented, etc.

Status: Corrective action was implemented.

2022-002 Grant Management and Accounting (Reissue of prior year finding 2021-002, reworded)

Type of Finding: Material Weakness

Condition: Timely analysis of grants and contracts, including an analysis of expenditures versus drawdowns, was not performed. Reimbursements were delayed due to untimely requests being filed.

Status: Corrective action was implemented.

2022-003 Timely Account Reconciliation and Financial Statement Preparation (Reissue of prior year finding 2021-003)

Type of Finding: Material Weakness

Condition: During the fiscal year, the County Treasurer system was not reconciled to the County's general ledger on a timely basis, and inter-fund due to/due from activity and balances were not reconciled by the County until subsequent to fiscal year end.

Status: Corrective action was implemented.

LA PAZ COUNTY, ARIZONA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
YEAR ENDED JUNE 30, 2023

2022-004 Golf Course Volunteers (Reissue of prior year finding 2021-004)

Type of Finding: Material Weakness

Condition: The County Golf Course relies heavily on what the County considers “volunteer” services. These individuals receive green fee vouchers that systematically accumulate based on each hour worked. As such, these green fees may be considered wages under the Internal Revenue Code. The County has not formally determined or recorded the potential payroll liability for the costs associated with these services provided. In addition, controls were not sufficient to ensure that all vouchers redeemed were subsequently reduced from the voucher tracking system. Finally, the County’s policies do not clearly state if the individuals that received green fee vouchers and have vouchers outstanding at year end have any recourse to the County if these are not redeemed through the normal process.

Status: Corrective action was implemented.

2022-005 Cash Monitoring and Reconciliations (Reissue of prior year finding 2021-006)

Type of Finding: Material Weakness

Condition: The cash on deposit at the courts and enterprises are not recorded by the County on an ongoing basis. Rather, these accounts and any unrecorded activity are adjusted subsequent to year-end during the preparation of the annual financial statements.

Status: Corrective action was implemented.

2022-006 Information Systems Risk Management

Type of Finding: Material Weakness

Condition: The County’s process for managing and documenting its risks did not include an overall risk assessment process that included identifying, analyzing, and responding to the County-wide information technology (IT) risks, such as potential harm from unauthorized access, use, disclosure, disruption, modification, or destruction of IT systems and data. Also, it did not include identifying, classifying, and inventorying sensitive information that might need stronger access and security controls and evaluating and determining the business functions and IT systems that would need to be restored quickly if the County were impacted by disasters or other system interruptions.

Status: Corrective action was not implemented, repeated as finding 2023-002 and 2023-004.

**LA PAZ COUNTY, ARIZONA
SUMMARY SCHEDULE OF PERIOR AUDIT FINDINGS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

2022-007 Information Systems Oversight and Management

Type of Finding: Material Weakness

Condition: The County's control procedures were not sufficiently developed, documented, and implemented to respond to risks associated with its IT systems and data. The County lacked sufficient procedures over the following: Restricting access—Procedures did not consistently help prevent or detect unauthorized or inappropriate access to its IT systems and data. Managing system configurations and changes—Procedures did not ensure configuration settings were securely maintained, and all IT system changes were adequately managed. Securing systems and data—IT security policies and procedures lacked controls to prevent unauthorized or inappropriate access or use, manipulation, damage, or loss. Ensuring operations continue—Contingency plan lacked key elements related to restoring operations in the event of a disaster or other system interruption. Plans should include steps necessary for identifying key systems, and necessary technology, steps, and timelines for restoring those systems.

Status: Corrective action was not implemented, repeated as findings 2023-003, 2023-004, 2023-005, 2023-006, and 2023-007.

2022-008 Credit Card Controls (Reissue and downgrade of prior year finding 2021-005)

Type of Finding: Significant Deficiency

Condition: A lack of complete policies and procedures related to credit cards have led to circumstances with the County credit cards which increase the risk of error or misuse occurring without being caught in the normal course of operations. Credit card transactions are not always going through the normal purchase order process prior to being incurred. Not all credit card expenditures are reviewed and approved as part of the normal approval process.

Status: Corrective action was implemented.

2022-009 Segregation of Duties (Reissue of prior year finding 2021-007, reworded)

Type of Finding: Significant Deficiency

Condition: Adequate segregation of accounting duties was not in place in the Treasurer's office, Parks Department and Sheriff's office as the personnel responsible for collecting various fees are often also responsible for reconciling, depositing, and recordkeeping of these receipts. Independent verification and reconciliations of amounts collected to amounts deposited were not performed.

Status: Corrective action was not implemented, repeated as finding 2023-010.

**LA PAZ COUNTY, ARIZONA
SUMMARY SCHEDULE OF PERIOR AUDIT FINDINGS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

2022-010 Budgetary Control (Reissue of prior year finding 2021-008, reworded)

Type of Finding: Significant Deficiency

Condition: The Jail District Fund has a significant deficit fund balance which the County has not considered or addressed through its balanced budget. There were also several instances where budgetary line items were over-expended in fiscal year 2022.

Status: Corrective action was implemented.

2022-011 Golf Course Pro Shop and Parks Inventory (Reissue of prior year finding 2021-009, reworded)

Type of Finding: Significant Deficiency

Condition: The golf course pro shop and parks department have goods held for sale at the end of the fiscal year, but not all inventory was recorded, and a physical inventory was not performed at the parks department. The golf course pro shop completed a physical inventory of pro shop items held for sale but did not include food and beverages including alcoholic beverages.

Status: Corrective action was implemented.

2022-012 Capital Asset Inventory (Reissue of prior year finding 2021-010)

Type of Finding: Significant Deficiency

Condition: Since the audit of fiscal year 2019, the County performed an inventory of capital assets, but did not reconcile the results of the inventory observation performed to the capital asset records and make the appropriate adjustments as a result of the observation.

Status: Corrective action was implemented.

2022-013 Excessive Number of Funds (Reissue of prior year finding 2021-011)

Type of Finding: Significant Deficiency

Condition: The County has established and maintains 268 open funds in its accounting system. Many of these funds are special revenue funds which carry consistent fund deficits or fund balances from year to year, without any current activity, and should be closed.

Status: Corrective action was not implemented, repeated as finding 2023-009.

**LA PAZ COUNTY, ARIZONA
SUMMARY SCHEDULE OF PERIOR AUDIT FINDINGS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

2022-014 Purchasing Policies (Reissue of prior year finding 2021-012)

Type of Finding: Significant Deficiency

Condition: Purchase requisitions and purchase orders are often prepared and approved after the purchase has been made and the liability for the County has already been incurred.

Status: Corrective action was implemented.

Section III – Federal Award Findings and Questioned Costs

2022-002 Grant Management and Accounting (Reissue of prior year finding 2021-002, reworded)

Type of Finding: Material Weakness

Condition: Timely analysis of grants and contracts, including an analysis of expenditures versus drawdowns, was not performed for grant accounting and preparation of the Schedule of Expenditures of Federal Awards.

Status: Corrective action was implemented.

