

**Yuma County, Arizona**

**SINGLE AUDIT REPORTING PACKAGE**

**Year Ended June 30, 2025**

**Yuma County, Arizona**  
Single Audit Reporting Package  
Year Ended June 30, 2025  
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**Independent Auditors' Report on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Basic Financial  
Statements Performed in Accordance with *Government Auditing Standards***

The Arizona Auditor General

The Board of Supervisors of  
Yuma County, Arizona

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the U.S. Comptroller General, the financial statements of the governmental activities, discretely presented component unit, each major fund, and aggregate remaining fund information of Yuma County (the County) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 23, 2026. Our report includes a reference to other auditors who audited the financial statements of Yuma Private Industry Council, as described in our report on the County's financial statements. This report includes our consideration of the results of the other auditors' testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the report of the other auditors.

**Report on Internal Control over Financial Reporting**

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

A deficiency in internal controls 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 County's basic financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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. Given these limitations, during our audit, we and the other auditors did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2025-001 and 2025-002 that we consider to be significant deficiencies.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's basic 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, and those of the other auditors, disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **County Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the County'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. The County'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 the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Fester & Chapman, PLLC*

March 23, 2026



**Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

The Arizona Auditor General

The Board of Supervisors of  
Yuma County, Arizona

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Yuma County's (the County) 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 the County's major federal programs for the year ended June 30, 2025. The County'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, the County 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, 2025.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the U.S. Comptroller General, 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 the County 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 the County's compliance with the compliance requirements referred to above.

***Management's Responsibilities 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 the County's federal programs.

## ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County'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 U.S. generally accepted auditing standards, *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 the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with U.S. generally accepted auditing standards, *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 the County'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 the County'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 the County's internal control over compliance. Accordingly, we express no such opinion.

We are required to communicate with those charged with governance regarding, among other matters, the audit's planned scope and timing 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 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 a material weakness, 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 Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, discretely presented component unit, each major fund, and aggregate remaining fund information of Yuma County as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 23, 2026, that contained unmodified opinions on those financial statements. Our report also included a reference to our reliance on other auditors. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the County's 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 the County's 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 basic 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 U.S. generally accepted auditing standards. In our opinion, based on our audit, the procedures performed as described previously, and the report of the other auditors, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Fester & Chapman, PLLC*

March 23, 2026

**YUMA COUNTY**  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2025

Federal Agency/Assistance Listings	Federal program name	Cluster title	Pass-through grantor	Pass-through grantor's number(s)	Program expenditures	Amount provided to subrecipients
<b>Department of Agriculture</b>						
10.555	National School Lunch Program <i>Total Child Nutrition Cluster</i>	Child Nutrition Cluster	Arizona Department of Education	ED09-0001	\$ 12,631	-
10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children		Arizona Department of Health Services	CTR067901	1,334,407	-
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	SNAP Cluster	Arizona Department of Health Services	ADHS16-106310	425,786	-
	<i>Total SNAP Cluster</i>				425,786	-
10.760	Water and Waste Disposal Systems for Rural Communities				2,720,358	-
	<b>Total Department of Agriculture</b>				4,493,182	-
<b>Department of Housing and Urban Development</b>						
14.228	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii		Arizona Department of Housing	139-22;122-23;133-23;153-23;114-25;112-25;117-25;115-25;134-25	601,900	-
14.239	Home Investment Partnerships Program		City of Yuma	510-22;305-22S;305-22;305.23;515-24	274,397	-
14.EFA	FSS Escrow Forfeited Account				39,573	-
14.850	Public Housing Operating Fund				1,440,316	-
14.871	Section 8 Housing Choice Vouchers <i>Total Housing Voucher Cluster</i>	Housing Voucher Cluster			3,487,878	-
14.872	Public Housing Capital Fund				462,668	-
14.896	Family Self-Sufficiency Program				276,221	-
	<b>Total Department of Housing and Urban Development</b>				6,582,953	-
<b>Department of the Interior</b>						
15.916	Outdoor Recreation Acquisition, Development and Planning		Arizona State Parks and Trails	04-00782	162,980	-
	<b>Total Department of the Interior</b>				162,980	-
<b>Department of Justice</b>						
16.575	Crime Victim Assistance		Arizona Department of Public Safety	ISA-ARPA-DPS-050123-01;15POVS-22-GG-00705-ASSI	434,878	-
16.576	Crime Victim Compensation		Arizona Criminal Justice Commission	VS-24-015	128,359	-
16.585	Treatment Court Discretionary Grant Program				8,826	-
16.738	Edward Byrne Memorial Justice Assistance Grant Program		Arizona Criminal Justice Commission	DC-24-034;DC-25-012	191,834	-
16.838	Comprehensive Opioid, Stimulant, and Other Substances Use Program		Arizona Criminal Justice Commission	CJTIP-25-021	8,222	-
	<b>Total Department of Justice</b>				772,119	-
<b>Department of Labor</b>						
17.258	WIOA Adult Program	WIOA Cluster	Arizona Department of Economic Security	DI21-002291;DI23-002394;DI21-002291	3,549,478	\$ 3,549,478
17.259	WIOA Youth Activities	WIOA Cluster	Arizona Department of Economic Security	DI21-002291;DI23-002394;DI21-002291	3,677,783	3,677,783
17.278	WIOA Dislocated Worker Formula Grants	WIOA Cluster	Arizona Department of Economic Security	DI21-002291;DI23-002394;DI21-002291	2,299,945	2,299,945
	<i>Total WIOA Cluster</i>				9,527,206	9,527,206
	<b>Total Department of Labor</b>				9,527,206	9,527,206
<b>Department of Transportation</b>						
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants		Arizona Division of Emergency and Military Affairs	693JK31940003HMEP	18,654	-
	<b>Total Department of Transportation</b>				\$ 18,654	-

See accompanying notes to schedule

**YUMA COUNTY**  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2025

Federal Agency/Assistance Listings	Federal program name	Cluster title	Pass-through grantor	Pass-through grantor's number(s)	Program expenditures	Amount provided to subrecipients
<b>Department of Treasury</b>						
21.023	COVID-19	Emergency Rental Assistance Program			\$ 70,243	
21.027	COVID-19	Coronavirus State and Local Fiscal Recovery Funds			23,399,270	
21.032	COVID-19	Local Assistance and Tribal Consistency Fund			2,558,885	
		<b>Total Department of Treasury</b>			<u>26,028,398</u>	<u>-</u>
<b>Institute of Museum and Library Services</b>						
45.310		Grants to States	Arizona State Library Archives	2024-0260-14/15	18,191	
		<b>Total Institute of Museum and Library Services</b>			<u>18,191</u>	<u>-</u>
<b>Environmental Protection Agency</b>						
66.202		Congressionally Mandated Projects			85,103	
		<b>Total Environmental Protection Agency</b>			<u>85,103</u>	<u>-</u>
<b>Department of Energy</b>						
81.128		Energy Efficiency and Conservation Block Grant Program (EECBG)			54,964	
		<b>Total Department of Energy</b>			<u>54,964</u>	<u>-</u>
<b>Department of Education</b>						
84.013A		Title I State Agency Program for Neglected and Delinquent Children and Youth	Arizona Department of Education	S010A23003	22,680	
84.027A		Special Education Grants to States <i>Total Special Education Cluster (IDEA) Cluster</i>	Special Education Cluster (IDEA) Arizona Department of Education	HO27A210007	65,241	
		<b>Total Department of Education</b>			<u>65,241</u>	<u>-</u>
					<u>87,921</u>	<u>-</u>
<b>Election Assistance Commission</b>						
90.404		HAVA Election Security Grants	Arizona Secretary of State	EAC-ELSEC18AZ;AZ18101001; ISA-ARPA-SOS-110123-01	99,347	
		<b>Total Election Assistance Commission</b>			<u>99,347</u>	<u>-</u>
<b>Department of Health and Human Services</b>						
93.008		Medical Reserve Corps Small Grant Program	Arizona Department of Health Services	CTR068549	43,386	
93.069		Public Health Emergency Preparedness	Arizona Department of Health Services	CTR055221	233,864	
93.092		Affordable Care Act (ACA) Personal Responsibility Education Program	Arizona Department of Health Services	RFGA2022-005-03	68,206	
93.110		Maternal and Child Health Federal Consolidated Programs	Arizona Department of Health Services	1 U2ZMC46643-01-00	86,648	
93.116		Project Grants and Cooperative Agreements for Tuberculosis Control Programs	Arizona Department of Health Services	CTR062120	56,272	
93.135		Centers for Research and Demonstration for Health Promotion and Disease Prevention	University of Arizona	CTR540895	2,105	
93.235		Title V State Sexual Risk Avoidance Education (Title V State SRAE) Program	Arizona Department of Health Services	ADHS17-00006630	59,252	
93.268		Immunization Cooperative Agreements	Arizona Department of Health Services	CTR060049/CTR037852/CTR060270	386,398	
93.354		Public Health Emergency Response:Cooperative Agreement for Emergency Response: Public Health Crisis Response	Arizona Department of Health Services	CTR055221	431,747	
93.391		Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crisis	Arizona Department of Health Services	CTR055996	172,071	
93.421		Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	Arizona Department of Health Services	6NU38OT000306-05-01	20,214	
93.426		The National Cardiovascular Health Program	Arizona Department of Health Services	RFGA2024-012-03;RFGA2024-019-01	51,061	
93.439		State Physical Activity and Nutrition (SPAN)	Arizona Department of Health Services	CTR069896	81,940	
93.495		Community Health Workers for Public Health Response and Resilient Child Support Services	Arizona Department of Health Services	1 NU58DP007051-01-00;PO-25-00028917	297,027	
93.563		Child Support Services	Arizona Department of Economic Security	D119-00229;D118-002163	279,261	
93.597		Grants to State for Access and Visitation Programs	Arizona Department of Economic Security	DH18-002163	12,564	
93.658		Foster Care Title IV-E	Arizona Supreme Court	1004-020	59,075	
93.667		Social Services Block Grant	Arizona Department of Economic Security	ADES DI 23-022347	48,008	
93.788		Opioid STR	Arizona Department of Health Services	CTR042317	\$ 136,808	

See accompanying notes to schedule

**YUMA COUNTY**  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2025

Federal Agency/Assistance Listings	Federal program name	Cluster title	Pass-through grantor	Pass-through grantor's number(s)	Program expenditures	Amount provided to subrecipients
93.870	Maternal, Infant and Early Childhood Home Visiting Grant Program		Arizona Department of Health Services	CTR050606	\$ 94,476	
93.917	HIV Care Formula Grants		Arizona Department of Health Services	ADHD18-193952	244,453	
93.940	HIV Prevention and Surveillance Activities-Health Department Based		Arizona Department of Health Services	CTR067692	19,437	
93.959	Block Grants for Prevention and Treatment of Substance Abuse		Arizona Department of Health Services	GR-SABG-GOYFF-100123-24	114,458	
93.967	Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health		Arizona Department of Health Services	CTR064810	40,626	
93.977	Sexually Transmitted Diseases (STD) Prevention and Control Grants		Arizona Department of Health Services	CTR068856	17,079	
93.991	Preventive Health and Health Services Block Grants		Arizona Department of Health Services	CTR055270	44,970	
93.994	Maternal and Child Health Services Block Grant to the States		Arizona Department of Health Services	IGA2020-025	164,866	
	<b>Total Department of Health and Human Services</b>				<u>3,266,272</u>	<u>-</u>
<b>Corporation for National and Community Service</b>						
94.006	AmeriCorps State and National		Arizona Supreme Court	ISA-AC-AOC-090122-01	49,740	
	<b>Total Corporation for National and Community Service</b>				<u>49,740</u>	<u>-</u>
<b>Executive Office of the President</b>						
95.001	High Intensity Drug Trafficking Areas Program		City of Tucson	HT-22-2981; HT-22-2984; HT-23-2984; HT-24-2984	389,856	
	<b>Total Executive Office of the President</b>				<u>389,856</u>	<u>-</u>
<b>Department of Homeland Security</b>						
97.042	Emergency Management Performance Grants		AZ Department of Emergency Affairs	EMF-2021-EP-00016/-S01/18;EMF-2022-EP-00009-S01; EMF-2024-EP-05013	244,410	
97.067	Homeland Security Grant Program		State of Arizona Department of Homeland Security	220402-01 EMW-2024-SS-05080 23-AZDOHS-HSGP-230406-01 240408-01 22-AZDOHS-OPSG-220418-02 24-AZDOHS-OPSG-240433-01 23-AZDOHS-OPSG-230435-01	3,003,856	
	<b>Total Department of Homeland Security</b>				<u>3,248,266</u>	<u>-</u>
	<b>Total Expenditures of Federal Awards</b>				<u>\$ 54,885,152</u>	<u>\$ 9,527,206</u>

See accompanying notes to schedule

**Yuma County, Arizona**  
Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2025

**NOTE 1 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (schedule) includes Yuma County's federal grant activity for the year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

**NOTE 2 - Summary of Significant Accounting Policies**

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein 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 *2025 Federal Assistance Listings*.

**NOTE 4 - Indirect Cost Rate**

The County did not elect to use the 15 percent de minimus indirect cost rate as covered in 2 CFR §200.414.

**Yuma County, Arizona**  
 Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2025

**Summary of Auditors' Results**

***Financial Statements:***

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles

	Unmodified	
	Yes	No
Is a going concern emphasis-of-matter paragraph included in the auditors' report?		X
Internal control over financial reporting:		
Material weakness(es) identified?		X
Significant deficiency(ies) identified?	X	
Noncompliance material to the financial statements noted?		X

***Federal Awards:***

Internal control over major programs:

Material weakness(es) identified?		X
Significant deficiency(ies) identified?		X (none reported)

Type of auditors' report issued on compliance for major programs:

	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR §200.516 (a)?		X

**Identification of major programs:**

Federal Assistance Listings Number	Name of Federal Program or Cluster
14.850	Public Housing Operating Fund
14.871	Housing Voucher Cluster, Section 8 Housing Choice Vouchers
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
97.067	Homeland Security Grant Program

**Yuma County, Arizona**  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2025

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 1,646,555</u>		
	<table><tr><td style="text-align: center;"><u>Yes</u></td><td style="text-align: center;"><u>No</u></td></tr></table>	<u>Yes</u>	<u>No</u>
<u>Yes</u>	<u>No</u>		
Auditee qualified as low-risk auditee?	<table><tr><td style="text-align: center;"><u>X</u></td><td style="text-align: center;"><u>          </u></td></tr></table>	<u>X</u>	<u>          </u>
<u>X</u>	<u>          </u>		

**Yuma County, Arizona**  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2025

**Financial Statement Findings**

2025-001 Internal Controls over Information Technology - Managing and Documenting Risk (Significant Deficiency in Internal Control)

The County's deficiencies in its process for managing and documenting its risks may put its operations and IT systems and data at unintended and unnecessary risk of potential harm.

**Condition:** The County 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.

**Effect:** The County administration and IT management may put the County's operations and IT systems and data at unintended and unnecessary risk of potential harm.

**Cause:** County's administration and IT management did not demonstrate a complete business impact analysis, risk assessment, or data inventory, during the fiscal year, as organization-wide procedures had not been developed or implemented.

**Criteria:** Establishing and formalizing 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. Effectively managing risk includes an entity-wide risk assessment process that involves members of the County's administration and IT management. An effective risk assessment process helps the County determine the risks it faces as the County seeks to achieve its objectives to not only report accurate financial information and protect its IT systems and data but to also carry out its overall mission and service objectives. Additionally, an effective risk management process provides the County the basis for developing appropriate responses based on identified risk tolerances and specific potential risks to which it might be subjected. To help ensure the County's objectives can be met, an effective annual risk assessment considers and identifies IT risk in the County's operating environment, analyzes and prioritizes each identified risk, and develops a plan to respond to each risk within the context of the County's defined objectives and risk tolerances. Finally, effectively managing risk includes the County's process for identifying, classifying, and inventorying sensitive information that might need stronger access and security controls to address the risk of unauthorized access and use, modification, or loss of that sensitive information and the process of evaluating risk of losing the continuity of business operations in the event of a disaster or system interruption.

**Yuma County, Arizona**  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2025

**Recommendations:** The County administration and IT management should:

1. Identify, analyze, and reduce risks to help prevent undesirable incidents and outcomes that could impact business functions and IT systems and data.
2. Perform an annual entity-wide IT risk assessment process that includes evaluating and documenting risks and safeguards. Such risks may include inappropriate access that would affect financial data, system changes that could adversely impact or disrupt system operations, and inadequate or outdated system security.
3. Evaluate and manage the risks of holding sensitive information by identifying, classifying, and inventorying the information the County holds to assess where stronger access and security controls may be needed to protect data in accordance with State statutes and federal regulations.
4. Evaluate and determine the critical organization functions and IT systems that would need to be restored quickly given the potential impact disasters or other IT system interruptions could have on the organization's operations, such as public safety and payroll and accounting, and determine how to prioritize and plan for recovery.

The County's corrective action plan at the end of this report includes the views and planned corrective action of its responsible officials. We are not required to audit and have not audited these responses and planned corrective actions and therefore provide no assurances as to their accuracy.

This finding is similar to prior-year finding 2024-001, and was initially reported in 2018.

**Yuma County, Arizona**  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2025

**Financial Statement Findings (continued)**

2025-002 Internal Controls over Information Technology - Protecting Systems and Data (Significant Deficiency in Internal Control)

The County's control procedures over IT systems and data were not sufficient, which increases the risk that the County may not adequately protect those systems and data.

**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.

**Effect:** There is an increased risk that the County may not adequately protect its IT systems and data, which could result in unauthorized or inappropriate access and/or the loss of confidentiality or integrity of systems and data. It also increases the County's risk of not being able to effectively continue daily operations and completely and accurately recover vital IT systems and data in the event of a disaster or system interruption.

**Cause:** The County administration and IT management focused efforts on the day-to-day operations and had not prioritized addressing the risks associated with its IT Systems.

**Yuma County, Arizona**  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2025

**Financial Statement Findings (continued)**

**Criteria:**

Implementing effective internal controls that follow a credible industry source, such as the National Institute of Standards and Technology, help the County to protect its IT systems and ensure the integrity and accuracy of the data it maintains as it seeks to achieve its financial reporting, compliance, and operational objectives. Effective internal controls include the following:

- **Restrict access through logical and physical access controls**—Help to ensure systems and data are accessed by users who have a need, systems and data access granted is appropriate, key systems and data access is monitored and reviewed, and physical access to its system infrastructure is protected.
- **Manage system configurations and changes through well-defined, documented configuration management process**—Ensures the County's IT system configurations are documented and that changes to the systems are identified, documented, evaluated for security implications, tested, and approved prior to implementation. This helps limit the possibility of an adverse impact on the system's security or operation. Separating responsibilities is an important control for system changes; the same person who has authority to make system changes should not put the change into production. If those responsibilities cannot be separated, a post-implementation review should be performed to ensure the change was implemented as designed and approved.
- **Secure systems and data through IT security internal control policies and procedures**—Help prevent, detect, and respond to instances of unauthorized or inappropriate access or use, manipulation, damage, or loss to its IT systems and data.
- **Ensure operations continue through a comprehensive, documented, and tested contingency plan**—Provides the preparation necessary to place the plan in operation and helps to ensure business operations continue and systems and data can be recovered in the event of a disaster, system or equipment failure, or other interruption.

**Yuma County, Arizona**  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2025

**Financial Statement Findings (continued)**

**Recommendations:** The County should:

1. Make it a priority to develop and document comprehensive IT policies and procedures and develop a process to ensure the procedures are being consistently followed.
2. Monitor County employees' adherence to the IT policies and procedures on a periodic basis to ensure they are consistently followed and inform employees of updates to the policies and procedures throughout the year.

**Restrict access**—To restrict access to its IT systems and data, develop, document, and implement processes to:

3. Assign and periodically review employee user access ensuring appropriateness and compatibility with job responsibilities.
4. Review data center physical access periodically to determine appropriateness.
5. Enhance authentication requirements for IT systems.

**Manage system configurations and changes**—To configure IT systems securely and manage system changes, develop, document, and implement processes to:

6. Establish and follow a documented change management process.
7. Review proposed changes for appropriateness, justification, and security impact.
8. Document changes, testing procedures and results, change approvals, and post-change review.
9. Develop and document a plan to roll back changes in the event of a negative impact to IT systems.
10. Test changes prior to implementation.
11. Separate responsibilities for the change management process or, if impractical, perform a post-implementation review to ensure the change was implemented as approved.
12. Maintain configurations for all system services, assets, and infrastructure; manage configuration changes; and monitor the system for unauthorized or unintended configuration changes.

**Yuma County, Arizona**  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2025

**Financial Statement Findings (continued)**

**Secure systems and data**—To secure IT systems and data, develop, document, and implement processes to:

13. Perform proactive key user and system activity logging and log monitoring, particularly for users with administrative access privileges.
14. Ensure awarding and subsequent monitoring of IT vendor contracts is adequately conducted to ensure vendor qualifications and adherence to the vendor contract.

**Ensure operations continue**—To ensure operations continue implement processes to:

15. Develop the contingency plan, and ensure it includes all critical elements to restore critical operations, including being prepared to move critical operations to a separate alternative site if necessary.
16. Test the contingency plan.
17. Train staff responsible for implementing the contingency plan.

The County's corrective action plan at the end of this report includes the views and planned corrective action of its responsible officials. We are not required to audit and have not audited these responses and planned corrective actions and therefore provide no assurances as to their accuracy.

This finding is similar to prior-year finding 2024-002, and was initially reported in 2018.

**Yuma County, Arizona**  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2025

**Federal Award Findings and Questioned Costs**

None

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Humberto Del Castillo Ochoa  
Chief Financial Officer

Leonardo Tanory  
Deputy Chief Financial Officer

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March 23, 2026

Lindsey A. Perry  
Arizona Auditor General  
2910 N. 44th St., Ste. 410  
Phoenix, AZ 85018

Dear Ms. Perry:

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 auditing 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 the corrective action, the corrective action planned, and the anticipated completion date.

Sincerely,

A handwritten signature in black ink, appearing to read "H. Del Castillo Ochoa", written over a faint circular stamp.

Humberto Del Castillo Ochoa  
Chief Financial Officer

## Financial Statement Findings

### **2025-001 Internal Controls over Information Technology - Managing and Documenting Risk (Significant Deficiency in Internal Control)**

Recommendations: The County administration and IT management should:

1. Identify, analyze, and reduce risks to help prevent undesirable incidents and outcomes that could impact business functions and IT systems and data.
2. Perform an annual entity-wide IT risk assessment process that includes evaluating and documenting risks and safeguards. Such risks may include inappropriate access that would affect financial data, system changes that could adversely impact or disrupt system operations, and inadequate or outdated system security.
3. Evaluate and manage the risks of holding sensitive information by identifying, classifying, and inventorying the information the County holds to assess where stronger access and security controls may be needed to protect data in accordance with State statutes and federal regulations.
4. Evaluate and determine the critical organization functions and IT systems that would need to be restored quickly given the potential impact disasters or other IT system interruptions could have on the organization's operations, such as public safety and payroll and accounting, and determine how to prioritize and plan for recovery.

Contact Person(s): Joshua Scott, Deputy County Administrator/Interim Chief Information Officer  
Humberto Del Castillo Ochoa, Chief Financial Officer

Anticipated completion date: February 28, 2027

County Discussion: Yuma County agrees with the recommendation and will continue strengthening its IT risk management framework through a coordinated governance approach. The County has established a cross functional Corrective Action Plan (CAP) working group consisting of County Administration, Financial Services, Information Technology, and Risk Management that will continue meeting periodically to monitor progress and coordinate remediation efforts related to this finding.

Moving forward, the County plans to further formalize its entity-wide IT risk assessment process, including documenting risks, evaluating safeguards, and integrating these activities with the County's Enterprise Risk Management program. The County will also continue development and implementation of its IT Continuity of Operations Plan (COOP) to identify critical systems and business functions requiring prioritized recovery, and integrate it with the County wide COOP.

Additionally, the County will continue efforts to mature its data governance practices, including data identification, classification, and inventory processes to better evaluate where enhanced security controls may be necessary. The County will also continue evaluating technology solutions and administrative controls intended to strengthen access management, system monitoring, and change management processes. Through continued coordination between Administration, Financial Services, IT, and Risk Management, the County intends to further strengthen IT governance, improve documentation of risk management activities, and reduce risks related to system access, data protection, and operational continuity.

## Financial Statement Findings - continued

### 2025-002 Internal Controls over Information Technology - Protecting Systems and Data (Significant Deficiency in Internal Control)

Recommendations:

The County should:

1. Make it a priority to develop and document comprehensive IT policies and procedures and develop a process to ensure the procedures are being consistently followed.
2. Monitor County employees' adherence to the IT policies and procedures on a periodic basis to ensure they are consistently followed and inform employees of updates to the policies and procedures throughout the year.

**Restrict access**—To restrict access to its IT systems and data, develop, document, and implement processes to:

3. Assign and periodically review employee user access ensuring appropriateness and compatibility with job responsibilities.
4. Review data center physical access periodically to determine appropriateness.
5. Enhance authentication requirements for IT systems.

**Manage system configurations and changes**—To configure IT systems securely and manage system changes, develop, document, and implement processes to:

6. Establish and follow a documented change management process.
7. Review proposed changes for appropriateness, justification, and security impact.
8. Document changes, testing procedures and results, change approvals, and post-change review.
9. Develop and document a plan to roll back changes in the event of a negative impact to IT systems.
10. Test changes prior to implementation.
11. Separate responsibilities for the change management process or, if impractical, perform a post-implementation review to ensure the change was implemented as approved.
12. Maintain configurations for all system services, assets, and infrastructure; manage configuration changes; and monitor the system for unauthorized or unintended configuration changes.

**Secure systems and data**—To secure IT systems and data, develop, document, and implement processes to:

13. Perform proactive key user and system activity logging and log monitoring, particularly for users with administrative access privileges.
14. Ensure awarding and subsequent monitoring of IT vendor contracts is adequately conducted to ensure vendor qualifications and adherence to the vendor contract.

**Ensure operations continue**—To ensure operations continue implement processes to:

15. Develop the contingency plan, and ensure it includes all critical elements to restore critical operations, including being prepared to move critical operations to a separate alternative site if necessary.
16. Test the contingency plan.
17. Train staff responsible for implementing the contingency plan.

## **Financial Statement Findings - continued**

Contact Person(s): Joshua Scott, Deputy County Administrator/Interim Chief Information Officer  
Humberto Del Castillo Ochoa, Chief Financial Officer

Anticipated completion date: December 31, 2026

County Discussion: Yuma County agrees with the recommendation and will continue strengthening internal controls over IT systems and data through formalization of policies, procedures, and monitoring activities. The County will continue utilizing its cross functional Corrective Action Plan (CAP) working group consisting of County Administration, Financial Services, Information Technology, and Risk Management to coordinate remediation efforts and monitor progress related to this finding.

Moving forward, the County plans to continue formalizing IT policies and procedures and strengthening processes to ensure consistent adherence through periodic monitoring, employee training, and documented review procedures. The County will also continue maturing its user access governance processes, including periodic access reviews, enhanced authentication controls, and continued evaluation of physical access to critical infrastructure.

Additionally, the County will continue strengthening its documented change management processes, including review, testing, approval, and post implementation validation of system changes. Efforts will also continue to enhance system monitoring capabilities, improve vendor governance processes, and complete development and testing of the County's IT Continuity of Operations Plan (COOP), including staff training and periodic testing exercises in coordination with the County wide COOP.

Through continued coordination between Administration, Financial Services, IT, and Risk Management, the County intends to further mature documentation practices, strengthen monitoring controls, and improve the overall consistency of IT governance processes.

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Humberto Del Castillo Ochoa  
Chief Financial Officer

Leonardo Tanory  
Deputy Chief Financial Officer

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March 23, 2026

Lindsey A. Perry  
Arizona Auditor General  
2910 N. 44th St., Ste. 410  
Phoenix, AZ 85018

Dear Ms. Perry:

We have prepared the accompanying summary schedule of prior 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.

Sincerely,

A handwritten signature in black ink, appearing to read "H. Del Castillo Ochoa", is written over a faint, circular watermark or stamp.

Humberto Del Castillo Ochoa  
Chief Financial Officer

## **Status of Financial Statement Findings**

**Title:** Information Technology (IT) - Managing Risk  
**Finding No.:** 2024-001 (This finding initially occurred in fiscal year 2018)  
**Status:** Not corrected  
**County Discussion:** Yuma County acknowledges this recurring finding and remains committed to improving how IT risks are managed and documented across the organization. During FY2025, the County continued making progress toward implementing a more structured IT risk management framework through increased coordination between Administration, Financial Services, Information Technology, and Risk Management.

A significant step taken during FY2025 was the establishment of a cross-functional Corrective Action Plan (CAP) working group consisting of County Administration, Financial Services, Information Technology, and Risk Management. This governance structure represents an important advancement in the County's approach to addressing IT control findings by creating formal oversight, improving coordination, and providing accountability for remediation efforts. The group has held periodic meetings to monitor progress and will continue meeting until corrective actions are fully implemented. Management considers the formation of this group a significant governance improvement toward resolving IT-related audit findings.

During the year, the County experienced leadership transitions within the Information Technology Department, including the retirement of the Chief Information Officer and the resignation of the Deputy CIO. While this created some temporary challenges related to continuity and resource capacity, the County continued making progress on risk management initiatives and maintained coordination between departments to advance corrective actions.

Progress during FY2025 included improvements to access controls, expanded use of multi-factor authentication, enhancements to change management processes, initial development of an IT Continuity of Operations Plan (COOP), an update of the County wide COOP, and implementation of tools to support data identification and classification. These efforts represent foundational steps toward establishing a more formalized annual IT risk assessment process.

The County recognizes additional work is needed to fully formalize and document its entity-wide IT risk assessment, including comprehensive risk identification, data classification, and recovery prioritization processes. The County will continue building on progress made by further integrating these efforts with the County's Enterprise Risk Management program and continuing coordination between Financial Services, IT, Risk Management, and Administration.

Yuma County remains committed to continuing these efforts during FY2026 through ongoing CAP group meetings, continued development of risk assessment processes, and further strengthening of IT governance and risk management practices.

**Title:** Information Technology (IT) - Controls  
**Finding No.:** 2024-002 (This finding initially occurred in fiscal year 2018)  
**Status:** Not corrected  
**County Discussion:** Yuma County acknowledges this recurring finding and remains committed to strengthening internal controls over IT systems and data through improved documentation, monitoring, and governance practices. During FY2025, the County continued making progress toward formalizing processes related to user access management, policy compliance monitoring, system change controls, and contingency planning.

As part of these efforts, the County continued coordination through the cross functional Corrective Action Plan (CAP) working group consisting of County Administration, Financial Services, Information Technology, and Risk Management. This group has met periodically to review progress toward remediation of IT audit findings and will continue meeting to support implementation efforts. Management considers the formation of this group a significant governance improvement toward resolving IT-related audit findings.

During the year, the County experienced leadership transitions within the Information Technology Department, including the retirement of the CIO and resignation of the Deputy CIO. While this created some temporary challenges related to continuity and prioritization of initiatives, work continued on strengthening IT control processes and documentation.

Progress during FY2025 included implementation of periodic user access reviews, expansion of multi-factor authentication for privileged users, improvements to physical access reviews for the data center, enhancements to change management workflows, and expansion of monitoring capabilities for administrative system activity. The County also continued development of its IT Continuity of Operations Plan (COOP) in coordination with the County wide COOP, including planning for restoration of critical systems and identification of alternative operating locations.

Additionally, the County continued strengthening IT policy governance through annual policy review processes, employee acknowledgment requirements, and required cybersecurity training. Efforts are also underway to further formalize vendor management processes and centralize documentation of system configurations.

While progress has been made in strengthening controls, the County recognizes additional work is needed to fully document, standardize, and consistently evidence these processes to fully satisfy audit requirements. The County will continue building on progress made by further formalizing procedures, expanding documentation practices, and continuing coordination between IT, Financial Services, Risk Management, and Administration.

Yuma County remains committed to continuing these improvements during FY2026 through ongoing CAP working group oversight, continued process documentation, and strengthening IT governance and compliance monitoring practices.