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BOARD OF EXECUTIVE CLEMENCY

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December 3, 2025

Lindsey Perry, CPA, CFE, Auditor General
Arizona Auditor General
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On behalf of the Arizona Board of Executive Clemency, attached is the response to the State Board Member Per Diem Compensation and Expense Reimbursements Review report finding and recommendations.

The audit recommendations are agreed to and the Board has already implemented a number of them. The Board extends its appreciation to the auditors for their professionalism and the time they spent in gaining an understanding of the Board's processes.

Respectfully,

A handwritten signature in black ink, appearing to read "Gretchen McClellan-Singh". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Gretchen McClellan-Singh
Executive Director

Finding 1: Arizona Department of Administration's Central Services Bureau (CSB) incorrectly processed some travel claim payments for 3 agencies and adjusted a travel claim without notifying another agency in sample of reimbursements we reviewed, and agencies did not verify payment amounts to identify errors/adjustment

Arizona Board of Executive Clemency response: The Auditor General's finding is agreed to.

Response explanation: The Board received an email communication from CSB that the travel claim was processed but there was no additional information received or requested by the Board to verify it was processed correctly.

Recommendation 7: Work with the CSB to correct the board member's travel claim payment error we identified, as applicable.

Arizona Board of Executive Clemency response: The audit recommendation will be implemented.

Response explanation: The Board worked with CSB to correct the payment error identified. The additional amount was processed by CSB on June 13, 2025. A screenshot verifying the payment was requested by the Board and received.

Develop and implement written policies and procedures for processing board member expense reimbursements, including requirements to:

Recommendation 8: Perform a detailed review and approval of board member claims to ensure reimbursements follow allowable rates outlined in the reimbursement schedule in State of Arizona Accounting Manual (SAAM) based on travel dates and location.

Arizona Board of Executive Clemency response: The audit recommendation will be implemented.

Response explanation: The Board will implement a two-level review of travel claims to ensure that reimbursements follow allowable rates outlined in the reimbursement schedule in SAAM. The review will be done by the Board's Operations Manager and the Executive Director. This two-level review will be conducted during the pre-authorization stage and at the time of submission of the claim.

Recommendation 9: Reconcile approved board member claims submitted to the CSB to amounts paid to ensure all board members were paid appropriately and follow up on any discrepancies.

Arizona Board of Executive Clemency response: The audit recommendation will be implemented.

Response explanation: The Board will be requesting verification (screenshot of the entry in the financial system) of all claims submitted to CSB to ensure the amount was processed correctly. The Board also now receives a 'Gross Pay Variance' communication from Central Payroll on a bi-weekly basis that will also serve as another source of confirmation that the correct amount was processed. The Board will use this additional information to reconcile the amount and promptly follow up on any discrepancies.

Finding 2: Arizona Board of Executive Clemency reimbursed board member for rental car and parking inconsistent with State policy, risking wasting public monies

Arizona Board of Executive Clemency response: The Auditor General's finding is agreed to.

Response explanation: The Board agrees that it did not follow State policy in reimbursing a Board member for rental car and parking costs.

Recommendation 1: Reimburse board members' travel expenses in accordance with SAAM.

Arizona Board of Executive Clemency response: The audit recommendation will be implemented.

Response explanation: The Board will implement a two-level review of travel claims to ensure that costs are allowable as outlined in SAAM.

Recommendation 2: Develop and implement written policies and procedures for processing board member expense reimbursements, including requirements to retain documentation for any exceptions made to SAAM travel policy to ensure exceptions are appropriate, such as renting vehicles when it is not cost effective, economical, or the only practical and available means of travel.

Arizona Board of Executive Clemency response: The audit recommendation will be implemented.

Response explanation: The Board will develop and implement written policies and procedures for processing Board member expense reimbursements, retain proper documentation for any exception to SAAM.