

REPORT HIGHLIGHTS
 SINGLE AUDIT

Subject

Pinal County spent \$12.7 million of federal monies and additional required County matching monies this past year for 61 programs. The largest federal grants were for housing, health and welfare, family nutrition, and homeland security. In return, the County is responsible for demonstrating accountability for its use of both federal and state monies, maintaining strong internal controls, and complying with federal program requirements. As the auditors, our job is to determine whether the County met its responsibilities.

Our Conclusion

The County maintained adequate internal controls over, and substantially complied with the federal program requirements for the programs tested.



2004

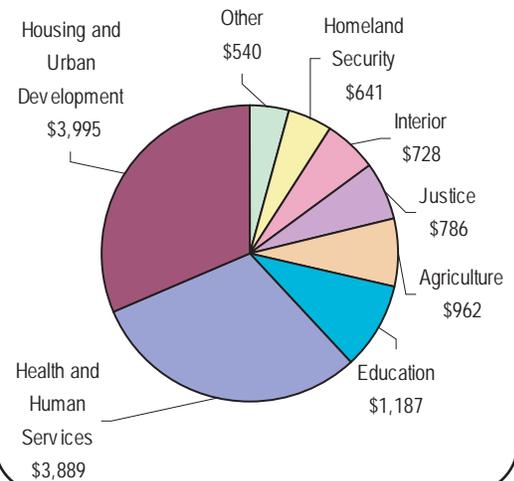
Year Ended June 30, 2004

The County Experienced an Overall Increase in Federal Award Expenditures

Most of the County's federal programs had increased expenditures from the prior year. Overall, expenditures of federal awards increased by approximately \$1.6 million over the prior year. The largest increases were attributable to the following programs:

- \$872 thousand increase in U.S. Department of Health and Human Services programs, mostly related to the Centers for Disease Control and Prevention—Investigations and Technical Assistance, Abstinence Education, Child Support Enforcement, Maternal and Child Health Services Block Grant to the States, Rural Health Outreach and Rural Network Development Program, and Immunization Grants programs.
- \$397 thousand increase in U.S. Department of Homeland Security programs, mostly related to the State Domestic Preparedness Equipment Support Program.
- \$190 thousand increase in U.S. Department of Justice programs, mostly related to the Violence Against Women Formula Grants.

Federal Expenditures by Awarding Agency
 Totaling \$12.7 Million
 Fiscal Year 2004
 (In Thousands)



The Single Audit Fact Sheet

- No weaknesses in financial reporting internal controls.
- One weakness in federal compliance internal controls.
- One instance of noncompliance with federal compliance requirements.
- No program costs were questioned as a result of our audit.



TO OBTAIN
MORE INFORMATION

A copy of the full report
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