
La Paz County, Arizona

Single Audit Reporting Package

June 30, 2013

REDW^{LLC}

CPAs | Business & Financial Advisors

La Paz County, Arizona

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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 Auditor General of the State of Arizona
The Board of Supervisors of
La Paz 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 Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and aggregate remaining fund information of La Paz County, Arizona (the "County") as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 21, 2014.

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) to determine 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 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 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 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.

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 did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control described in the accompanying Schedule of Findings and Questioned Costs as items 2013-001 and 2013-002 that we consider to be significant deficiencies.

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 determination of financial statement amounts. 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item 2013-003.

La Paz County Response to Findings

La Paz County's responses to the findings identified in our audit are presented on pages 11 through 13. The County's responses were not subjected to the 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.

REDW LLC

Phoenix, Arizona
January 21, 2014

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 OMB Circular A-133

The Auditor General of the State of Arizona
The Board of Supervisors of
La Paz County, Arizona

Report on Compliance for Each Major Federal Program

We have audited La Paz County, Arizona's (the "County") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013. The County's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. 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 Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, La Paz County complied, in all material respects, with the types of 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, 2013.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance that is required to be reported in accordance with OMB Circular A-133 and that is described in the accompanying Schedule of Findings and Questioned Costs as item 2013-004. Our opinion on each major federal program is not modified with respect to this matter.

La Paz County's response to the noncompliance finding identified in our audit is presented on page 14. The County's responses were not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on them.

Report on Internal Control Over Compliance

The County's management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's 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 first paragraph in this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2013-004 and 2013-005 that we consider to be significant deficiencies.

La Paz County's responses to the internal control over compliance findings identified in our audit are presented on pages 14 through 16. The County's responses were not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on them.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and aggregate remaining fund information of the County as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated January 21, 2014, that contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming 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 OMB Circular A-133 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, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

REDW LLC

Phoenix, Arizona
January 21, 2014

Schedule of Expenditures of Federal Awards

La Paz County, Arizona
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal CFDA Number	Pass-Through Entity or Other Identifying Number	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	149-10	\$ 4,310
Total U.S. Department of Housing and Urban Development			<u>4,310</u>
U.S. Department of the Interior			
Payments in Lieu of Taxes	15.226		1,800,102
Total U.S. Department of the Interior			<u>1,800,102</u>
U.S. Department of Justice			
Passed through Arizona Criminal Justice Commission			
Crime Victim Assistance	16.575	VA 13-023	17,600
Crime Victim Compensation	16.576	VC 13-055	34,765
ARRA – Recovery Act Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to Units of Local Government	16.804	DC 10-037	77,435
Total U.S. Department of Justice			<u>129,800</u>
U.S. Department of Labor			
Passed through Mohave County Board of Supervisors			
		88389441; 88389445; 88389442; 88389446; 88289457; 88489445;	
WIA – Adult Program (WIA Cluster)	17.258	88489442; 88489446 88389451; 88389455; 88489451;	82,090
WIA – Youth Activities (WIA Cluster)	17.259	88489455	53,891
WIA – Dislocated Workers (WIA Cluster)	17.260	88389476; 88389470; 88489476; 88489470	12,862
Total WIA Cluster			<u>148,843</u>
Passed through Colorado River Indian Tribes			
Native American Employment and Training	17.265	None	7,000
Total U.S. Department of Labor			<u>155,843</u>
U.S. Department of Transportation			
Passed through Arizona Governor's Office of Highway Safety			
State and Community Highway Safety	20.600	2012-AL-023; 2012-OP-012; 2013- AL-040	38,144
Total U.S. Department of Transportation			<u>38,144</u>
Environmental Protection Agency			
Passed through Arizona Department of Environmental Quality			
Water Quality Cooperative Agreements	66.463	EV-09-0180	2,914
Total Environmental Protection Agency			<u>2,914</u>
U.S. Department of Energy			
Passed through Arizona Governor's Office of Energy Policy			
Energy Conservation Block Grant	81.128	RFGA#EW-ESA-12-2213-00	48,281
Total U.S. Department of Energy			<u>48,281</u>
U.S. Department of Education			
Passed through the Arizona Department of Education			
Adult Education – Basic Grants to States	84.002	V002A000003	87,231
Improving Teacher Quality State Grants	84.367	11FAAAZE-170677-01A	61,798
Total U.S. Department of Education			<u>149,029</u>

(continued)

La Paz County, Arizona
Schedule of Expenditures of Federal Awards — continued
For the Year Ended June 30, 2013

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal CFDA Number	Pass-Through Entity or Other Identifying Number	Expenditures
U.S. Election Assistance Commission			
Passed through Arizona Secretary of State			
Help America Vote Act Requirements Payments	90.401	None	\$ 4,725
Total U.S. Election Assistance Commission			<u>4,725</u>
U.S. Department of Health and Human Services			
Passed through Western Arizona Council of Governments			
Special Programs for Aging Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	E86-0445604-401-13	35,295
Passed through Arizona Department of Health Services			
Public Health Emergency Preparedness	93.069	HG754198	204,197
Project Grants and Cooperative Agreements for Tuberculosis Control Program	93.116	854554	5,850
Family Planning-Services	93.217	HG854250	3,483
Immunization Cooperative Agreements	93.268	HG854287	64,382
National Public Health Improvement Initiative	93.507	CDC-RFA-CD10-101103PPHF12	26,936
Teenage Pregnancy Prevention Program	93.297	HG861255	90,450
Passed through Arizona Department of Economic Security			
Child Support Enforcement	93.563	DE111166001	194,189
Total U.S. Department of Health and Human Services			<u>624,782</u>
U.S. Department of Homeland Security			
Passed through Arizona Governor's Office of Highway Safety			
Homeland Security Grant Program	97.036	11-AZDOHS-HSGP-88508-01	149,465
Passed through Arizona Department of Homeland Security			
Homeland Security Grant Program	97.067	10-AZDOHS-OPSG-777423-01	45,900
Passed through Arizona Department of Emergency and Military Affairs			
FEMA Hazard Mitigations Grant	97.039	HMPG#1888-11	22,500
Emergency Management Performance Grants	97.042	None	72,853
Total U.S. Department of Homeland Security			<u>290,718</u>
Total expenditures of federal awards			<u>\$ 3,248,648</u>

La Paz County, Arizona
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

1) Basis of Accounting

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of La Paz County, Arizona (the “County”) and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

2) Catalog of Federal Domestic Assistance (CFDA) Number

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or the 2013 *Catalog of Federal Domestic Assistance*.

3) Subrecipients

The County did not provide any federal awards to subrecipients during the year ended June 30, 2013.

Schedule of Findings and Questioned Costs

La Paz County, Arizona
Schedule of Findings and Questioned Costs
Year Ended June 30, 2013

Section I — Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified?	Yes
Noncompliance material to financial statements noted?	Yes

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified?	Yes
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	Yes

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
15.226	Payments in Lieu of Taxes

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
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La Paz County, Arizona
Schedule of Findings and Questioned Costs — continued
For the Year Ended June 30, 2013

Section I — Summary of Auditors' Results — continued

Auditee qualified as low-risk auditee? No

Other Matters

Auditee's summary schedule of prior audit findings
required to be reported in accordance with
Circular A-133 section 315(b)? Yes

La Paz County, Arizona
Schedule of Findings and Questioned Costs — continued
For the Year Ended June 30, 2013

Section II — Financial Statement Findings

2013-001 — Lack of Adequate Asset Safeguards (Significant Deficiency; Repeat Finding)

Criteria or Specific Requirement: County assets must be appropriately safeguarded from theft and other misappropriation. Additionally, the Uniform Accounting Manual for Arizona Counties (UAMAC), section VI-C, published by the Auditor General's office requires Counties to develop and adhere to written policies and procedures to safeguard assets.

Condition: Adequate safeguards were not in place to protect assets in the following areas:

- ◆ Unreconciled Bank Accounts – We identified two bank accounts which were not properly reconciled.
- ◆ Health Department Cash Management – Daily cash bag drawer was left unlocked and the safe containing cash is accessible by all employees at the Health Department. The Health Department does not maintain proper segregation of duties over cash handling. Additionally, deposits with the Treasurer's office are not made on frequent and/or regular basis.

Cause and Effect:

- ◆ Unreconciled Bank Accounts – Other departments within the County are performing reconciliation procedures over bank accounts owned by those departments. One department did not have proper bank reconciliation procedures in place which could result in a misstatement of the financial statements or may prevent the department from detecting misappropriation of assets.
- ◆ Health Department Cash Management – The Health Department daily cash bag drawer is not securely locked during time that it is not in use and the employee responsible for receiving cash is also responsible for preparing and reconciling the deposit. Further, deposits are not made timely. We noted elapsed time between deposits exceeding one month. With the cash drawer being left unlocked the risk related to theft is greatly increased. Depositing cash receipts timely is imperative to the reconciliation of accounts and mitigating the inherent risk associated with cash receipts.

Auditors' Recommendations: The County Finance department should assist other departments with proper bank reconciliation procedures. Cash receipts from the Health Office should be deposited daily and proper internal controls over cash handling should be implemented.

Management's Response: The Finance department will assist the other departments with proper bank reconciliation and cash handling procedures. The County Administrator will ensure cash receipts from the Health Office will be deposited daily and proper internal controls over cash handling be implemented with the aid of the Finance Department.

La Paz County, Arizona
Schedule of Findings and Questioned Costs — continued
For the Year Ended June 30, 2013

Section II — Financial Statement Findings — continued

2013-002 — Budgetary Control (Significant Deficiency)

Criteria or Specific Requirement: Arizona Revised Statutes (A.R.S.) §42-17101-42-17107 require the County to prepare and adopt a balanced budget for each governmental fund on an annual basis. The Board of Supervisors must approve such operating budgets on or before the third Monday in July to allow sufficient time for the legal announcements and hearings required for the adoption of the property tax levy on the third Monday in August. A.R.S. §42-17106(A) prohibits the expenditure of funds or the creation of liabilities in excess of the adopted budget for the fiscal year. Expenditures may not legally exceed appropriations at the department level. In certain instances, transfers of appropriations between departments or from the contingency account to a department may be made upon the Board of Supervisors' approval.

Condition: There were several instances where budgetary line items were over-expended in fiscal year 2013.

Cause and Effect: An effective budget monitoring process was not in place at the County for the current fiscal year. As such, the County over-expended funds contrary to Arizona Revised Statutes.

Auditors' Recommendations: Implement internal controls to review and compare budget to actual expenditures and to make appropriate budget modifications. This process should occur on a regular and ongoing basis to ensure compliance with legal requirements.

Management's Response: An effective budget monitoring process was in place for FY 2012-2013. As such, certain departments, when notified of their department's financial status, chose not to address the matter. The majority of the over-reaching expenditures occurred in departments run by elected officials not subject to the ordinary employee recourse. These departments either chose not to bring their expenditures into check or were unable to control some aspects of their budgets.

La Paz County, Arizona
Schedule of Findings and Questioned Costs — continued
For the Year Ended June 30, 2013

Section II — Financial Statement Findings — continued

2013-003 — Compliance – Budget for Property Tax Levy Funds

Criteria or Specific Requirement: A.R.S. §42-17151(A)(1) requires the County to fix, levy, and assess the amount to be raised from primary property taxation and secondary property taxation. This amount, plus all other sources of revenue, as estimated, and restricted and unrestricted unencumbered balances from the preceding fiscal year, shall equal the total of amounts proposed to be spent in the budget for the current fiscal year.

Condition: The General fund was not budgeted for a zero ending fund balance.

Cause: The County does not have policies and procedures in place to ensure that the County's budget is in statutory compliance.

Effect: Lack of such policies and procedures could create a situation whereby the County could levy additional property taxes that could result in the County exceeding the primary property levy limit. If the primary property levy limit is exceeded the County would have to reduce the primary property tax levy in the subsequent year.

Auditors' Recommendations: The County should implement and develop procedures to ensure that the County's budget is in compliance with Arizona Revised Statutes.

Management's Response: The County will implement procedures ensuring its budget is in compliance with all Arizona Revised Statutes.

La Paz County, Arizona
Schedule of Findings and Questioned Costs — continued
For the Year Ended June 30, 2013

Section III — Federal Award Findings and Questioned Costs

2013-004 — Capital Asset Inventory

Federal program information:

Funding agency:	Department of Interior
Title:	Payments in Lieu of Taxes
CFDA number:	15.226
Award period and number:	July 1, 2012 through June 30, 2013

Criteria: Per the Uniform Accounting Manual for Arizona Counties (UAMAC), section VI-E, to satisfy the standard required for recipients of federal monies, a physical inventory of furniture, equipment, and vehicles purchased with federal monies costing \$5,000 or more, and having useful lives over 1 year should be conducted and reconciled to the capital asset list at least once every two years to be in compliance with A-102 Common Rule §__.32, as codified by each federal funding agency in its title of the Code of Federal Regulations for all federal funding.

Condition: The County did not perform an inventory count in fiscal year 2013.

Questioned Costs: N/A

Context: No inventory count evidence was obtained by the auditor during the single audit for the County.

Cause and Effect: The County did not aggregate enough time to complete inventory count planning and observation into the fiscal year 2013. As a result, the County's inventory count observation was not completed as required by the federal government.

Auditors' Recommendations: To complete an inventory count in fiscal year 2014 to be in compliance with the compliance requirements set forth in the 2013 Compliance Supplement.

Management's Response: An inventory count will be complete during FY 2014 to come into compliance with federal and UAMAC requirements.

La Paz County, Arizona
Schedule of Findings and Questioned Costs — continued
For the Year Ended June 30, 2013

Section III — Federal Award Findings and Questioned Costs — continued

2013-005 — Lack of Adequate Asset Safeguards (Significant Deficiency; Repeat Finding)

Federal program information:

Funding agency:	Department of Interior
Title:	Payments in Lieu of Taxes
CFDA number:	15.226
Award period and number:	July 1, 2012 through June 30, 2013

Criteria or Specific Requirement: County assets must be appropriately safeguarded from theft and other misappropriation. Additionally, the Uniform Accounting Manual for Arizona Counties (UAMAC), section VI-C, published by the Auditor General's office requires Counties to develop and adhere to written policies and procedures to safeguard assets.

Condition: Adequate safeguards were not in place to protect assets in the following areas:

- ◆ Unreconciled Bank Accounts – We identified two bank accounts which were not properly reconciled.
- ◆ Health Department Cash Management – Daily cash bag drawer was left unlocked and the safe containing cash is accessible by all employees at the Health Department. The Health Department does not maintain proper segregation of duties over cash handling. Additionally, deposits with the Treasurer's office are not made on frequent and/or regular basis.

Questioned Costs: N/A

Cause and Effect:

- ◆ Unreconciled Bank Accounts – Other departments within the County are performing reconciliation procedures over bank accounts owned by those departments. One department did not have proper bank reconciliation procedures in place which could result in a misstatement of the financial statements or may prevent the department from detecting misappropriation of assets.
- ◆ Health Department Cash Management – The Health Department daily cash bag drawer is not securely locked during time that it is not in use and the employee responsible for receiving cash is also responsible for preparing and reconciling the deposit. Further, deposits are not made timely. We noted elapsed time between deposits exceeding one month. With the cash drawer being left unlocked the risk related to theft is greatly increased. Depositing cash receipts timely is imperative to the reconciliation of accounts and mitigating the inherent risk associated with cash receipts.

La Paz County, Arizona
Schedule of Findings and Questioned Costs — continued
For the Year Ended June 30, 2013

Section III — Federal Award Findings and Questioned Costs — continued

2013-005 — Lack of Adequate Asset Safeguards (Significant Deficiency; Repeat Finding) —
continued

Auditors' Recommendations: The County Finance department should assist other departments with proper bank reconciliation procedures. Cash receipts from the Health Office should be deposited daily and proper internal controls over cash handling should be implemented.

Management's Response: The Finance department will assist the other departments with proper bank reconciliation and cash handling procedures. The County Administrator will ensure cash receipts from the Health Office will be deposited daily and proper internal controls over cash handling be implemented with the aide of the Finance Department.

La Paz County, Arizona
Corrective Action Plan
For the Year Ended June 30, 2013

Audit Finding	Corrective Action Plan	Persons Responsible	Estimated Completion Date
2013-001	See management's response at the finding	Finance Director	March 2014
2013-002	See management's response at the finding	Finance Director	July 2013
2013-003	See management's response at the finding	Finance Director	July 2013
2013-004	See management's response at the finding	Finance Director	June 2013
2013-005	See management's response at the finding	Finance Director	March 2014

La Paz County, Arizona
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2013

Prior Audit Findings	Current Status
Financial Statement Findings	
FS 12-1 — Lack of Adequate Safeguards	Partially Resolved
FS 12-2 — Compensated Absences	Resolved
FS 12-3 — Segregation of Duties, see current year finding 2013-001	Partially Resolved
FS 12-4 — Budgetary Control, see current year finding 2013-002	Unresolved
FS 12-5 — Improper Bank Reconciliation Procedures	Resolved
FS 12-6 — Reporting	Resolved
11-03 — Compensated Absences	Resolved
11-04 — Procedures for Handling Checks	Resolved
11-05 — Segregation of Duties – Treasurer’s Office, see current year finding 2013-001	Unresolved
11-06 — Segregation of Duties – Finance and Payroll	Resolved
11-10 — Improper Bank Reconciliation Procedures – Cash with Treasurer	Resolved

La Paz County, Arizona
Summary Schedule of Prior Audit Findings — continued
For the Year Ended June 30, 2013

Prior Audit Findings	Current Status
Federal Award Findings and Questioned Costs	
FA 12-1 — Payments in Lieu of Taxes Reporting	Resolved
FA 12-2 — Payments in Lieu of Taxes Lack of Adequate Safeguards	Resolved
FA 12-3 — Payments in Lieu of Taxes Compensated Absences	Resolved
FA 12-4 — Payments in Lieu of Taxes Segregation of Duties	Resolved
11-11 — Payments in Lieu of Taxes, Emergency Relief Program, ARRA – State Fiscal Stabilization Fund Government Services The County’s single audit reporting package was not submitted within nine months after the end of the audit period.	Resolved
11-14 — Payments in Lieu of Taxes, Emergency Relief Program, ARRA – State Fiscal Stabilization Fund Government Services Treasurer’s Office: Two employees responsible for reconciling the Treasurer’s bank accounts have the ability to process cash receipts and sign checks. See current year finding 2013-005 .	Unresolved

La Paz County, Arizona
Summary Schedule of Prior Audit Findings — continued
For the Year Ended June 30, 2013

Prior Audit Findings	Current Status
Federal Award Findings and Questioned Costs	
<p>11-15 — Payments in Lieu of Taxes, Emergency Relief Program, ARRA – State Fiscal Stabilization Fund Government Services</p> <p style="padding-left: 40px;">Segregation of Duties: Finance office and Payroll</p>	Resolved
<p>11-17 — Payments in Lieu of Taxes, Emergency Relief Program, ARRA – State Fiscal Stabilization Fund Government Services</p> <p style="padding-left: 40px;">At June 30, 2011, the County Treasurer had warrants that were outstanding for more than a year totaling \$51,159.</p>	Resolved
<p>2010-2,09-02, 08-2, 07-1, 06-1, 05-2, 04-2 —</p> <p style="padding-left: 40px;">Community Development Block Grants/State’s program and Non-Entitlement Grants in Hawaii, Payments in Lieu of Taxes, ARRA – Recovery Act – Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to Units of Local Government, Child Support Enforcement, Bioterrorism Training and Curriculum Development Program, Homeland Security Grant Program Cluster, Emergency Management Performance Grants, Citizens-Community Resilience Innovation Challenge, Homeland Security Grant Program</p> <p style="padding-left: 40px;">The County’s single audit reporting package was not submitted within nine months after the end of the audit period.</p>	Resolved