

**Yuma County, Arizona**  
**Single Audit Reporting Package**  
**Year Ended June 30, 2005**

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Single Audit Reporting Package  
Year Ended June 30, 2005

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ROBERT L. MILLER, C.P.A.  
(1931 - 1992)

**Independent Auditor's 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  
Yuma County, Arizona

We have audited the financial statements of the governmental activities, each major fund, and aggregate remaining fund information of Yuma County as of and for the year ended June 30, 2005, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 27, 2006. Our report was modified as to consistency because of the implementation of Governmental Accounting Standards Board Statement No. 40. We conducted our audit 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.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide an opinion on internal control over financial reporting. Our consideration of internal control over financial reporting would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over financial reporting and its operation that we consider to be material weaknesses.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's basic financial statements are free of 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 no instances of

noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the members of the Arizona State Legislature, the Auditor General of the State of Arizona, the Board of Supervisors, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

*Miller, Allen & Co., P.C.*

January 27, 2006

**MILLER, ALLEN & CO., P.C.**

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**Independent Auditor's Report on Compliance with Requirements  
Applicable to Each Major Program and on Internal Control over Compliance in  
Accordance with OMB Circular A-133**

The Auditor General of the State of Arizona

The Board of Supervisors of  
Yuma County, Arizona

**Compliance**

We have audited the compliance of Yuma County with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2005. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, Yuma County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005.

**Internal Control over Compliance**

The County's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on

a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of internal control over compliance would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over compliance and its operation that we consider to be material weaknesses.

### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the governmental activities, each major fund, and aggregate remaining fund information of Yuma County as of and for the year ended June 30, 2005, and have issued our report thereon dated January 27, 2006. Our report was modified as to consistency because of the implementation of Governmental Accounting Standards Board Statement No. 40. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Yuma 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 has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the members of the Arizona State Legislature, the Auditor General of the State of Arizona, the Board of Supervisors, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

  
January 27, 2006

Yuma County  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures
<u>U.S. Office of National Drug Control Policy</u>			
Passed through Pima County			
High Intensity Drug Trafficking Area Program	07.I1PSAP549, 07.I2PSAP549, 07.I3PSAP549, 07.I4PSAP549	01-11-Y-132422-1002, 01-11-Y-134152-1003, 01-11-0-128893-1000, 01-11-Y-130623-1001, 01-11-Y-134152-1003	\$ 291,941
Total U.S. Office of National Drug Control Policy			291,941
<u>U.S. Department of Agriculture</u>			
Water and Waste Disposal Systems for Rural Communities	10.760		1,599,977
Passed through the Arizona Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553	KR10358	24,098
National School Lunch Program	10.555	KR10358	37,234
			61,332
Passed through the Arizona Department of Health Services			
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	HG361072	866,567
State Administrative Matching Grants for Food Stamp Program	10.561	HI461238	338,366
Total U.S. Department of Agriculture			2,866,242
<u>U.S. Department of Housing and Urban Development</u>			
Public and Indian Housing	14.850		608,541
Section 8 Housing Choice Vouchers	14.871		2,217,316
Public Housing Capital Fund	14.872		325,023
Passed through the City of Yuma			
Community Development Block Grants/Entitlement Grants	14.218	H125-02, B01MC040508	7,672
Passed through the Governor's Office of Housing Development			
Community Development Block Grants/State's Program	14.228	109-03, 112-03, 172-05, 110-03, 186-04, 111-03, 173-05, 178-05	219,975
HOME Investment Partnerships Program	14.239	171-02H	68,623
Total U.S. Department of Housing and Urban Development			3,447,150
<u>U.S. Department of the Interior</u>			
Payments in Lieu of Taxes	15.226		1,909,810
<u>U.S. Department of Justice</u>			
Southwest Border Protection Initiative	16.Unknown		913,833
Federal Equitable Sharing Program	16.Unknown		2,891
Bulletproof Vest Partnership Program	16.607		1,657
Drug Court Discretionary Grant Program	16.585		131,244
Local Law Enforcement Block Grants Program	16.592		6,984
State Criminal Alien Assistance Program	16.606		217,921
Public Safety Partnership and Community Policing Grants	16.710		132,401
Passed through the Arizona Criminal Justice Commission			
Crime Victim Compensation	16.576	VC-05-063	16,497
Byrne Formula Grant Program	16.579	PC-040-05	253,622

(Continued)

See accompanying notes to schedule.

Yuma County  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2005  
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures
Passed through the Arizona Department of Public Safety Crime Victim Assistance	16.575	2003-054	197,871
Passed through the City of Yuma Community Capacity Development Office	16.595	2204-WS-Q4-0104	9,901
Passed through the Governor's Community Policy Office Juvenile Accountability Incentive Block Grants	16.523	JB-GRA-035273, JB-GRA-024182, JB-GRA-03532	50,297
Total U.S. Department of Justice			1,935,119
<u>U.S. Department of Labor</u>			
Passed through the Arizona Department of Economic Security Workforce Investment Act Cluster Workforce Investment Act – Adult Program	17.258	E5703014, E5704014, E5705014	3,477,814
Workforce Investment Act – Youth Activities	17.259	E5703014, E5704014, E5705014	3,285,544
Workforce Investment Act – Dislocated Workers	17.260	E5703014, E5704014, E5705014	1,211,473
Total U.S. Department of Labor			7,974,831
<u>U.S. Department of the Treasury</u>			
Federal Equitable Sharing Program	21.Unknown		23,416
<u>National Foundation on the Arts and the Humanities</u>			
Passed through Department of Library, Archives and Public Records State Library Program	45.310	241-6-1-(07), 241-3-1-(15)	30,689
<u>Environmental Protection Agency</u>			
Surveys, Studies, Investigations and Special Purpose Grants	66.606		1,410,347
<u>U.S. Department of Education</u>			
Passed through the Arizona Department of Education Title I Grants to Local Educational Agencies	84.010	05FAATTI-560112-02A	31,103
Special Education--Grants to States	84.027	05FESST2-570067-04A 05FESCBG-560112-01A 04FESSTT-470067-05A 05FESCBG-570067-02A 05FESCBG-570067-01A 05FESCBG-570887-05A	249,021
Reading First State Grants	84.357	05FSASRS-570067-05A	41,149
Improving Teacher Quality State Grants	84.367	05FAAT13-570067-03A 05FASTII-570887-01A 05FAATII-560112-03A	55,112

(Continued)

See accompanying notes to schedule.



Yuma County  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2005  
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures
Passed through the Arizona Supreme Court			
Title I Program for Neglected and Delinquent Children	84.013	05FAANAD-570887-03A	34,532
Total U.S. Department of Education			<u>410,917</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through the Arizona Department of Health Services			
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	HG352245	35,442
Immunization Grants	93.268	HG352245	478,323
Centers for Disease Control and Prevention-Investigations and Technical Assistance	93.283	252041	334,576
Child Abuse and Neglect State Grants	93.669	CFH178028131	775
HIV Care Formula Grants	93.917	HG352332, HG552273	158,957
HIV Prevention Activities - Health Department Based Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.940	HG352238, HG352232	26,165
Preventive Health and Health Services Block Grant	93.977	HG354256	30,965
Maternal and Child Health Services Block Grant	93.991	HG354187	30,938
Maternal and Child Health Services Block Grant to the States	93.994	HG361143, HG461413-007	127,689
Passed through the University of Arizona			
Centers for Disease Control and Prevention-Investigations and Technical Assistance	93.283	Y404840	34,425
Passed through the Arizona Department of Economic Security			
Child Support Enforcement	93.563	E7204027,E7203027	83,549
Passed through El Rio Santa Cruz Neighborhood Health Center			
Special Projects of National Significance	93.928	Unknown	58,955
Total U.S. Department of Health and Human Services			<u>1,400,759</u>
<u>U.S. Department of Homeland Security</u>			
Passed through the Arizona Department of Emergency and Military Affairs			
Homeland Security Grant Program Cluster			
State Domestic Preparedness Equipment Support Program (Grant Year 2003)	97.004	2003MU-T3-0034	402,230
State and Local Homeland Security Exercise Support (Grant Year 2003)	97.006	2003MU-T3-0034	103,532
Total U.S. Department of Homeland Security			<u>505,762</u>
Total Expenditures of Federal Awards			<u>\$ 22,206,983</u>

See accompanying notes to schedule.

Yuma County  
Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2005

**Note 1 - Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Yuma 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 this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**Note 2 - Catalog of Federal Domestic Assistance (CFDA) Numbers**

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or the 2005 *Catalog of Federal Domestic Assistance*. When no CFDA number had been assigned to a program, the two-digit federal agency identifier, a period, and the federal contract number were used. When there was no federal contract number, the two-digit federal agency identifier, a period, and the word "unknown" were used.

**Note 3 - Subrecipients**

From the federal expenditures presented in the schedule, the County awarded the following to subrecipients.

Program Title	CFDA Number	Amount
Workforce Investment Act – Adult Program	17.258	\$ 3,477,814
Workforce Investment Act – Youth Activities	17.259	3,285,544
Workforce Investment Act – Dislocated Workers	17.260	1,211,473

**Note 4 - Noncash Assistance**

Noncash assistance in the form of vaccines was received from the Arizona Department of Health Services. The federal value of \$354,960 is included in the schedule under federal program 93.268.

Yuma County  
 Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2005

**Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued:

**Unqualified**

YES      NO

Material weakness identified in internal control over financing reporting? \_\_\_\_\_ X \_\_\_\_\_

Reportable conditions identified not considered to be material weaknesses? \_\_\_\_\_ X \_\_\_\_\_ (none reported)

Noncompliance material to the financial statements noted? \_\_\_\_\_ X \_\_\_\_\_

**Federal Awards**

Material weakness identified in internal control over major programs? \_\_\_\_\_ X \_\_\_\_\_

Reportable conditions identified not considered to be material weaknesses? \_\_\_\_\_ X \_\_\_\_\_ (none reported)

Types of auditor's report issued on compliance for major programs:

**Unqualified**

Any audit findings disclosed that are required to be reported in accordance with Circular A-133 (section .510[a])? \_\_\_\_\_ X \_\_\_\_\_

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
10.760	Water and Waste Disposal Systems for Rural Communities
10.561	State Administrative Matching Grants for Food Stamp Program
14.850	Public and Indian Housing
14.872	Public Housing Capital Fund
16.Unknown	Southwest Border Protection Initiative
66.606	Surveys, Studies, Investigations and Special Purpose Grants
84.027	Special Education – Grants to States
Homeland Security Grant Program Cluster	
97.004	State Domestic Preparedness Equipment Support Program
97.006	State and Local Homeland Security Exercise Support

Dollar threshold used to distinguish between Type A and Type B programs: \_\_\_\_\_ \$ 666,209 \_\_\_\_\_

Auditee qualified as low-risk auditee? \_\_\_\_\_ X \_\_\_\_\_

**Other Matters**

Auditee's Summary Schedule of Prior Audit Findings required to be reported in accordance with Circular A-133 (section. 315[b])? \_\_\_\_\_ X \_\_\_\_\_