

# YUMA COUNTY



**Single Audit Report  
(OMB A-133)  
For the Fiscal Year  
Ended June 30, 2002**



**Yuma County  
Administration Building  
198 Main Street  
Yuma, AZ 85364**

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# **Single Audit Report**

For the Fiscal Year  
Ended June 30, 2002

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**YUMA COUNTY, ARIZONA**  
**SINGLE AUDIT REPORTING PACKAGE**  
**JUNE 30, 2002**

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND  
ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF GENERAL-PURPOSE 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 general-purpose financial statements of Yuma County as of and for the year ended June 30, 2002, and have issued our report thereon dated October 3, 2002, which was modified due to our reliance on the report of the other auditors as described therein. 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.

Compliance

As part of obtaining reasonable assurance about whether the County's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of general-purpose 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 and the report of the other auditors disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the County's management in a separate letter dated October 3, 2002.

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 opinion on the general-purpose financial statements and not to provide assurance on internal control over financial reporting. Our consideration of internal control over financial reporting would not necessarily disclose all such internal control matters that might be material weaknesses. A material weakness is a 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 in amounts that would be material in relation to the general-purpose 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 and the report of the other auditors noted no matters involving the internal control over financial reporting and its operation that we and the other auditors consider to be material weaknesses. However, we noted other matters involving internal control over financial reporting that we have reported to County's management in a separate letter dated October 3, 2002.

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.

*Heinfeld, Meech & Co., P.C.*

HEINFELD, MEECH & CO., P.C.  
Certified Public Accountants

October 3, 2002



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**INDEPENDENT AUDITORS' 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, 2002, except for that portion of the federal programs administered by the Yuma Private Industry Council, which includes the Title V Senior Community Service Employment Program, Workforce Investment Act, Title I Grants to Local Educational Agencies, Special Education-Grants to States, Safe and Drug-Free Schools and Communities-State Grants, Eisenhower Professional Development State Grants and Innovative Education Program Strategies. The Yuma Private Industry Council was audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the Council's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement, is based solely on the report of the other auditors. The County's major federal programs are identified in the summary of auditors' 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 and the report of the other auditors.

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 and the report of the other auditors provide a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, based on our audit and the report of the other auditors, 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, 2002.

#### Internal Control Over Compliance

The County's management is responsible for establishing and maintaining effective internal control over compliance with 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 such internal control matters that might be material weaknesses. A material weakness is a 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 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 and the report of the other auditors noted no matters involving the internal control over compliance and its operation that we and the other auditors consider to be material weaknesses.

#### Schedule of Expenditures of Federal Awards

We have audited the County's general-purpose financial statements as of and for the year ended June 30, 2002, and have issued our report thereon dated October 3, 2002, which was modified due to our reliance on the report of other auditors as described therein. Our audit was made for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. 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 general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, based on our audit and the report of the other auditors, is fairly stated, in all material respects, in relation to the general-purpose 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.

*Heinfeld, Meech & Co., P.C.*

HEINFELD, MEECH & CO., P.C.  
Certified Public Accountants

October 3, 2002

**YUMA COUNTY, ARIZONA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2002**

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>CFDA/Identifying Number (Note 2)</u>	<u>Grantor's Number</u>	<u>Expenditures</u>
<b><u>U.S. Office of National Drug Control Policy</u></b>			
Passed through Pima County:			
High Intensity Drug Trafficking Area Program	07.I0PSAP549	01-11-O-127324-1099	\$ 432,662
	07.I1PSAP549	01-11-O-129020-1000	
	07.I2PSAP549	01-11-O-130623-1001	
<b>Total U.S. Office of National Drug Control Policy</b>			<b>432,662</b>
<b><u>U.S. Department of Agriculture</u></b>			
Water and Waste Disposal Systems for Rural Communities (B.E.F)	10.760	00-05, 00-07	325,755
Water and Waste Disposal Loans and Grants (Section 306C)	10.770	92-06	76,662
Passed through Arizona Department of Education:			
School Breakfast Program	10.553	KR10358	21,815
National School Lunch Program	10.555	KR10358	33,720
Passed through Arizona Department of Health Services:			
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	761139, 261060	830,742
Arizona Nutrition Network - Local Award	10.561	261097	36,366
<b>Total U.S. Department of Agriculture</b>			<b>1,325,060</b>
<b><u>U.S. Department of Housing and Urban Development</u></b>			
Public and Indian Housing	14.850	ACC#SF-1784	590,278
Public Housing-Comprehensive Improvement Assistance Program	14.851	ACC#SF-252	70,650
Public and Indian Housing Drug Elimination Program	14.854	AX20DEP0130101	38,915
Resident Opportunity and Supportive Services	14.870	AZ00RBD023R001	5,438
Section 8 Housing Choice	14.871	ACC#SF-532	1,826,309
Public Housing Capital Fund	14.872	ACC#SF-252	254,453
Pass-through program from City of Yuma:			
Community Development Block Grants/Entitlement Grants	14.218	H125-02, B01MC040508	22,980
Pass-through program from Arizona Department of Commerce:			
Community Development Block Grants/State's Program	14.228	060-01,059-01,055-99	788,854
HOME Investment Partnership Program	14.239	033-99	155,521
<b>Total U.S. Department of Housing and Urban Development</b>			<b>3,753,398</b>
<b><u>U.S. Department of the Interior</u></b>			
Payment in Lieu of Taxes	15.Unknown	Unknown	1,510,193
<b>Total U.S. Department of the Interior</b>			<b>1,510,193</b>
<b><u>U.S. Department of Justice</u></b>			
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580	2000-SP-CO-0003, 2001-PP-CX-0025	470,484
Drug Court Discretionary Grant Program	16.585	2001-DC-BX-0013	72,616
Local Law Enforcement Block Grants Program	16.592	1999-LB-VX8596,2000- LB-BX-0819,2001-LB- BX-1711	23,769
State Criminal Alien Assistance Program	16.606	2001-AP-BX-0846	347,262
Bulletproof Vest Partnership Program	16.607	Unknown	5,417
Public Safety Partnership and Community Policing Grants	16.710	2000SHWX0393	75,269
Federal Equitable Sharing Program	16.Unknown	AZ0140500	15,326

**YUMA COUNTY, ARIZONA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2002**  
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>CFDA/Identifying Number (Note 2)</u>	<u>Grantor's Number</u>	<u>Expenditures</u>
Passed through the Arizona Criminal Justice Commission:			
Crime Victim Compensation	16.576	VC-02-063	\$ 15,675
Byrne Formula Grant Program	16.579	PC040-02	305,307
Passed through the Arizona Department of Public Safety:			
Crime Victim Assistance	16.575	2000-909,2001-959, 2001-968	133,875
Passed through the City of Yuma:			
Byrne Formula Grant Program	16.579	AL-070-02	11,164
Passed through the Governor's Community Policy Office:			
Juvenile Accountability Incentive Block Grants	16.523	99JAIBG-14/03, 00JAIBG- 14,01JKAIBG-14	57,864
			<hr/>
<b>Total U.S. Department of Justice</b>			<b>1,534,028</b>
			<hr/>
<b><u>U.S. Department of Labor</u></b>			
Passed through the Arizona Department of Economic Security:			
Workforce Investment Act	17.255	E5702002,E5702015	7,598,250
Title V Senior Community Service Employment Program	17.235	E6201098	8,413
			<hr/>
<b>Total U.S. Department of Labor</b>			<b>7,606,663</b>
			<hr/>
<b><u>U.S. Department of Transportation</u></b>			
Passed through from Governor's Office of Community and Highway Safety:			
State and Community Highway Safety	20.600	2001-PT-003,2002-PT-018	10,570
			<hr/>
<b>Total U.S. Department of Transportation</b>			<b>10,570</b>
			<hr/>
<b><u>U.S. Department of the Treasury</u></b>			
Federal Equitable Sharing Program	21.Unknown	AZ0140500	6,305
			<hr/>
<b>Total U.S. Department of the Treasury</b>			<b>6,305</b>
			<hr/>
<b><u>National Foundation on the Arts and the Humanities</u></b>			
Passed through the Department of Library, Archives and Public Records:			
State Library Program	45.310	211-1-5-(02) 201-3-2-(10)	68,871
			<hr/>
<b>Total National Foundation on the Arts and the Humanities</b>			<b>68,871</b>
			<hr/>
<b><u>Federal Emergency Management Agency</u></b>			
Passed through the State of Arizona Division of Emergency Management:			
Hazard Mitigation Grant	83.548	HMGP Project 977-13	130,600
			<hr/>
<b>Total Federal Emergency Management Agency</b>			<b>130,600</b>
			<hr/>

**YUMA COUNTY, ARIZONA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2002**  
**(Concluded)**

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>CFDA/Identifying Number (Note 2)</u>	<u>Grantor's Number</u>	<u>Expenditures</u>
<b><u>U.S. Department of Education</u></b>			
Passed through the Arizona Department of Education:			
Title I Grants to Local Educational Agencies	84.010	02FASTTI-260112-06A	\$ 32,325
Migrant Education--Basic State Grant Program	84.011	02FASMSY-270067-05A	68,313
Special Education--Grants to States	84.027	02FESCDS-270067-11A 02FESISR-270067-07A 02FESPPT-270067-06A 02FESCBG-270067-01A 02FESPTA-270067-03A 04A,07A	246,434
Special Education--Preschool Grants	84.173	02FESCBP-270067-02A	2,490
Safe and Drug-Free Schools and Communities-State Grants	84.186	02FSSIVB-260112-03A	695
Fund for the Improvement of Education	84.215	02FAXPCB-270067-10A	33,332
Eisenhower Professional Development State Grants	84.281	02FASTII-260112-05A 02FASJSP-270750-02C	36,643
Innovative Education Program Strategies	84.298	02FASTVI-260112-04A	7,466
Classroom Size Reduction	84.340	01A	3,417
Passed through the Arizona Supreme Court:			
Title I Grants to Local Educational Agencies	84.010	None	<u>26,812</u>
<b>Total U.S. Department of Education</b>			<u><u>457,927</u></u>
<b><u>U.S. Department of Health and Human Services</u></b>			
Passed through the Arizona Department of Health Services:			
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	152072 1&2	25,439
Immunization Grants	93.268	152049	389,554
Centers for Disease Control and Prevention-Investigations and Technical Assistance	93.283	252041	17,485
HIV Care Formula Grants	93.917	152064	125,147
HIV Prevention Activities - Health Department Based	93.940	152020	38,399
Preventive Health Services--Sexually Transmitted Diseases Control Grants	93.977	52005	25,851
Preventive Health and Health Services Block Grant	93.991	952,024,261,111	56,925
Maternal and Child Health Services Block Grant to the States	93.994	861007, 961127	191,489
Passed through the Arizona Department of Economic Security:			
Child Support Enforcement	93.563	E7202027	72,283
Passed through the University of Arizona Board of Regents:			
Consolidated Knowledge Development & Application (KD&A) Program	93.230	Y701817	17,077
Passed through El Rio Santa Cruz Neighborhood Health Center:			
Special Projects of National Significance	93.928	Unknown	<u>15,614</u>
<b>Total U.S. Department of Health and Human Services</b>			<u><u>975,263</u></u>
<b>Total Expenditures of Federal Awards</b>			<b>\$ <u><u>17,811,540</u></u></b>

**YUMA COUNTY, ARIZONA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2002**

**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. Noncash assistance in the form of vaccines was received from the Arizona Department of Health Services. The federal value of \$389,554 is included in the schedule under federal program 93.268.

**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 2002 *Catalog of Federal Domestic Assistance*. When no CFDA number had been assigned to a program, the federal contract number was used.

**NOTE 3 - SUBRECIPIENTS**

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

<u>Program Title</u>	<u>CFDA Number</u>	<u>Amount</u>
Workforce Investment Act	17.255	\$7,598,250
Title V-Senior Community Service Employment Program	17.235	8,413

**YUMA COUNTY, ARIZONA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2002**

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditors' report issued: Unqualified

Internal control over financial reporting:  
 Material weakness(es) identified? \_\_\_\_\_ yes X no  
 Reportable condition(s) identified not considered  
 to be a material weakness(es)? \_\_\_\_\_ yes X none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes X no

**Federal Awards**

Internal control over major programs:  
 Material weakness(es) identified? \_\_\_\_\_ yes X no  
 Reportable condition(s) identified not considered  
 to be a material weakness(es)? \_\_\_\_\_ yes X none reported

Type of auditors' 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)? \_\_\_\_\_ yes X no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.760	Water and Waste Disposal Systems for Rural Communities (B.E.F.)
14.850	Public and Indian Housing
14.871	Section 8 Housing Choice
14.872	Public Housing Capital Fund
16.580	Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program
17.255	Workforce Investment Act

Dollar threshold used to distinguish between Type A and  
 Type B programs: \$534,346

Auditee qualified as low-risk auditee? X yes \_\_\_\_\_ no

**YUMA COUNTY, ARIZONA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2002**

**SECTION I - SUMMARY OF AUDITORS' RESULTS (Concl'd)**

Other Matters

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

\_\_\_\_\_ yes      X   no

**SECTION II - FINANCIAL STATEMENT FINDINGS**

We noted no reportable conditions, material weaknesses or instances of noncompliance related to the general-purpose financial statements that are required to be reported in accordance with *Government Auditing Standards*.

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

We noted no reportable conditions, material weaknesses or instances of noncompliance related to the audit of major federal programs as required to be reported by OMB Circular A-133.