



City of Maricopa, Arizona
Single Audit Reporting Package
Year Ended June 30, 2019

**CITY OF MARICOPA, ARIZONA
SINGLE AUDIT REPORTING PACKAGE
FOR THE YEAR ENDED JUNE 30, 2019**

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**Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with
*Government Auditing Standards***

Independent Auditor's Report

Honorable Mayor and Members of the City Council
City of Maricopa, Arizona

We have audited, in accordance with the auditing standards generally accepted in the United States of America 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, each major fund, and the aggregate remaining fund information of City of Maricopa, Arizona, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise City of Maricopa, Arizona's basic financial statements, and have issued our report thereon dated January 30, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Maricopa, Arizona'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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Maricopa, Arizona's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Maricopa, Arizona'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 a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's 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. 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Maricopa, Arizona's 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Tucson, Arizona
January 30, 2020

**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 the Uniform Guidance**

Independent Auditor's Report

Honorable Mayor and Members of the City Council
City of Maricopa, Arizona

Report on Compliance for Each Major Federal Program

We have audited City of Maricopa, Arizona's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of City of Maricopa, Arizona's major federal programs for the year ended June 30, 2019. City of Maricopa, Arizona's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City of Maricopa, Arizona'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 auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 City of Maricopa, Arizona'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 City of Maricopa, Arizona's compliance.

Opinion on Each Major Federal Program

In our opinion, City of Maricopa, Arizona 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, 2019.

Report on Internal Control Over Compliance

Management of City of Maricopa, Arizona 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 City of Maricopa, Arizona'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 Uniform Guidance, 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 City of Maricopa, Arizona'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 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 of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City of Maricopa, Arizona as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise City of Maricopa, Arizona's basic financial statements. We issued our report thereon dated January 30, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of 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 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 auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Tucson, Arizona
January 30, 2020

CITY OF MARICOPA, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fiscal Period 7/1/2018 - 6/30/2019

<i>Federal Awarding Agency/Program Title</i>	<i>Federal CFDA Number</i>	<i>Name of Funder Pass-Through Entity</i>	<i>Identifying Number Assigned By Funder Pass-Through Entity</i>	<i>Federal Expenditures</i>	<i>Federal Program Total</i>	<i>Cluster Name</i>	<i>Cluster Total</i>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS	14.218	ARIZONA DEPARTMENT OF HOUSING	N/A	\$161,095	\$161,095	CDBG - ENTITLEMENT GRANTS CLUSTER	\$161,095
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				<u>\$161,095</u>			
DEPARTMENT OF JUSTICE							
JUVENILE JUSTICE AND DELINQUENCY PREVENTION_ALLOCATION TO STATES	16.540	ARIZONA DEPARTMENT OF PUBLIC SAFETY	N/A	\$6,059	\$6,059	N/A	\$0
CRIME VICTIM ASSISTANCE	16.575	ARIZONA DEPARTMENT OF PUBLIC SAFETY	N/A	\$266,490	\$287,252	N/A	\$0
CRIME VICTIM ASSISTANCE	16.575	ARIZONA DEPARTMENT OF PUBLIC SAFETY	N/A	\$20,762	\$287,252	N/A	\$0
CRIME VICTIM ASSISTANCE/DISCRETIONARY GRANTS	16.582	ARIZONA DEPARTMENT OF PUBLIC SAFETY	N/A	\$5,376	\$5,376	N/A	\$0
BULLETPROOF VEST PARTNERSHIP PROGRAM	16.607			\$3,401	\$7,979	N/A	\$0
BULLETPROOF VEST PARTNERSHIP PROGRAM	16.607			\$4,578	\$7,979	N/A	\$0
PUBLIC SAFETY PARTNERSHIP AND COMMUNITY POLICING GRANTS	16.710			\$42,018	\$187,739	N/A	\$0
PUBLIC SAFETY PARTNERSHIP AND COMMUNITY POLICING GRANTS	16.710			\$145,721	\$187,739	N/A	\$0
TOTAL DEPARTMENT OF JUSTICE				<u>\$494,405</u>			
DEPARTMENT OF TRANSPORTATION							
HIGHWAY PLANNING AND CONSTRUCTION	20.205	ARIZONA DEPARTMENT OF TRANSPORTATION	MAR-0(205)T	\$75,440	\$131,957	HIGHWAY PLANNING AND CONSTRUCTION CLUSTER	\$131,957
HIGHWAY PLANNING AND CONSTRUCTION	20.205	ARIZONA DEPARTMENT OF TRANSPORTATION	N/A	\$56,517	\$131,957	HIGHWAY PLANNING AND CONSTRUCTION CLUSTER	\$131,957
FORMULA GRANTS FOR RURAL AREAS	20.509	ARIZONA DEPARTMENT OF TRANSPORTATION	N/A	\$46,347	\$198,675	N/A	\$0
FORMULA GRANTS FOR RURAL AREAS	20.509	ARIZONA DEPARTMENT OF TRANSPORTATION	N/A	\$152,328	\$198,675	N/A	\$0
STATE AND COMMUNITY HIGHWAY SAFETY	20.600	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2019-405D-059	\$13,737	\$31,048	HIGHWAY SAFETY CLUSTER	\$80,238
STATE AND COMMUNITY HIGHWAY SAFETY	20.600	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2018-OP-006	\$123	\$31,048	HIGHWAY SAFETY CLUSTER	\$80,238
STATE AND COMMUNITY HIGHWAY SAFETY	20.600	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2018-AL-018	\$1,467	\$31,048	HIGHWAY SAFETY CLUSTER	\$80,238
STATE AND COMMUNITY HIGHWAY SAFETY	20.600	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2018-AI-007	\$1,950	\$31,048	HIGHWAY SAFETY CLUSTER	\$80,238
STATE AND COMMUNITY HIGHWAY SAFETY	20.600	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2018-OP-008	\$2,489	\$31,048	HIGHWAY SAFETY CLUSTER	\$80,238
STATE AND COMMUNITY HIGHWAY SAFETY	20.600	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2018-PTS-035	\$711	\$31,048	HIGHWAY SAFETY CLUSTER	\$80,238
STATE AND COMMUNITY HIGHWAY SAFETY	20.600	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2019-OP-007	\$7,300	\$31,048	HIGHWAY SAFETY CLUSTER	\$80,238

STATE AND COMMUNITY HIGHWAY SAFETY	20.600	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2019-OP-009	\$858	\$31,048	HIGHWAY SAFETY CLUSTER	\$80,238
STATE AND COMMUNITY HIGHWAY SAFETY	20.600	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2019-PTS-027	\$2,413	\$31,048	HIGHWAY SAFETY CLUSTER	\$80,238
NATIONAL PRIORITY SAFETY PROGRAMS	20.616	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2018-405H-005	\$28	\$49,190	HIGHWAY SAFETY CLUSTER	\$80,238
NATIONAL PRIORITY SAFETY PROGRAMS	20.616	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2019-405D-023	\$26,884	\$49,190	HIGHWAY SAFETY CLUSTER	\$80,238
NATIONAL PRIORITY SAFETY PROGRAMS	20.616	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2019-405H-007	\$1,673	\$49,190	HIGHWAY SAFETY CLUSTER	\$80,238
NATIONAL PRIORITY SAFETY PROGRAMS	20.616	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2019-405D-059	\$20,605	\$49,190	HIGHWAY SAFETY CLUSTER	\$80,238
TOTAL DEPARTMENT OF TRANSPORTATION				<u>\$410,870</u>			
INSTITUTE OF MUSEUM AND LIBRARY SERVICES OR NATIONAL ENDOWMENT FOR THE ARTS OR NATIONAL ENDOWMENT FOR THE HUMANITIES							
GRANTS TO STATES	45.310	ARIZONA STATE LIBRARY, ARCHIVES AND PUBLIC RECORDS	2017-0010-E-00	\$2,681	\$5,681	N/A	\$0
GRANTS TO STATES	45.310	ARIZONA STATE LIBRARY, ARCHIVES AND PUBLIC RECORDS	2018-0260-B	\$3,000	\$5,681	N/A	\$0
TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES OR NATIONAL ENDOWMENT FOR THE ARTS OR NATIONAL ENDOWMENT FOR THE HUMANITIES				<u>\$5,681</u>			
DEPARTMENT OF HOMELAND SECURITY							
ASSISTANCE TO FIREFIGHTERS GRANT	97.044			\$457,654	\$457,654	N/A	\$0
HOMELAND SECURITY GRANT PROGRAM	97.067	ARIZONA DEPARTMENT OF TRANSPORTATION	EMW-2018-SS-00004-S01	\$27,530	\$27,530	N/A	\$0
STAFFING FOR ADEQUATE FIRE AND EMERGENCY RESPONSE (SAFER)	97.083			\$167,358	\$207,687	N/A	\$0
STAFFING FOR ADEQUATE FIRE AND EMERGENCY RESPONSE (SAFER)	97.083			\$40,329	\$207,687	N/A	\$0
TOTAL DEPARTMENT OF HOMELAND SECURITY				<u>\$692,871</u>			
TOTAL EXPENDITURE OF FEDERAL AWARDS				<u><u>\$1,764,922</u></u>			

Please Note:
Italicized award lines indicate pass-through funding

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of the schedule.

CITY OF MARICOPA, ARIZONA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fiscal Period 7/1/2018 - 6/30/2019

Significant Accounting Policies Used in Preparing the SEFA

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of City of Maricopa, Arizona under programs of the federal government for the year ended June 30, 2019. The information in the Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City. Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the applicable Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Any negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

10% De Minimis Cost Rate

The auditee did not use the de minimis cost rate.

Catalogue of Federal Domestic Assistance Numbers

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or the 2019 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.

**CITY OF MARICOPA, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Significant deficiency(ies) identified: No
- Material weakness(es) identified: No

Noncompliance material to financial statements noted: No

Federal Awards

Internal control over major programs:

- Significant deficiency(ies) identified: No
- Material weakness(es) identified: No

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

Any audit findings disclosed that are required to be reported in accordance with §200.516 of Uniform Guidance: No

Identification of major programs:

CFDA Numbers

16.575

97.044

Name of Federal Program or Cluster

Crime Victim Assistance

Assistance to Firefighter Grant

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee: No

Findings Related to Financial Statements Reported in Accordance with *Government Auditing Standards*: No

Findings and Questioned Costs Related to Federal Awards: No

Summary Schedule of Prior Audit Findings required to be reported: Yes

January 30, 2020

To Whom It May Concern:

The accompanying Summary Schedule of Prior Audit Findings has been prepared as required by U.S. Office of Management and Budget Uniform Guidance. The status for each finding included in the prior year audit's Schedule of Findings and Questioned Costs has been provided.

Sincerely,

Angele A. Ozoemelum
Finance Services Manager

**CITY OF MARICOPA, ARIZONA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019**

**Status of Findings Related to Financial Statements Reported in Accordance with
*Government Auditing Standards***

Finding Number: FS-2018-001
Status: Fully corrected.

Finding Number: FS-2017-001
Status: Fully corrected.