



City of Buckeye, Arizona
Single Audit Reporting Package
Year Ended June 30, 2020

**CITY OF BUCKEYE, ARIZONA
SINGLE AUDIT REPORTING PACKAGE
FOR THE YEAR ENDED JUNE 30, 2020**

<u>CONTENTS</u>	<u>Page</u>
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
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	3
Schedule of Expenditures of Federal Awards	6
Notes to the Schedule of Expenditures of Federal Awards	8
Schedule of Findings and Questioned Costs	9
Auditee Response	
Cover Letter	12
Corrective Action Plan	13
Summary Schedule of Prior Audit Findings	14

**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 Buckeye, Arizona

We have audited, in accordance with 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, the business-type activities, each major fund, and the aggregate remaining fund information of City of Buckeye, Arizona, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise City of Buckeye, Arizona's basic financial statements, and have issued our report thereon dated December 17, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Buckeye, Arizona's internal control over financial reporting (internal control) as a basis for designing 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 Buckeye, Arizona's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Buckeye, Arizona's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings and questioned costs we identified a certain deficiency in internal control that we consider to be a material weakness and another to be a significant deficiency.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item FS-2020-002 to be a material weakness.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item FS-2020-001 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Buckeye, 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 financial statements. 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*.

City of Buckeye, Arizona's Response to Findings

City of Buckeye, Arizona's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. City of Buckeye, Arizona's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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.
Phoenix, Arizona
December 17, 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 Buckeye, Arizona

Report on Compliance for Each Major Federal Program

We have audited City of Buckeye, 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 Buckeye, Arizona's major federal programs for the year ended June 30, 2020. City of Buckeye, 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 Buckeye, 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 Buckeye, 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 Buckeye, Arizona's compliance.

Opinion on Each Major Federal Program

In our opinion, City of Buckeye, 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, 2020.

Report on Internal Control Over Compliance

Management of City of Buckeye, 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 Buckeye, 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 Buckeye, 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, the business-type activities, each major fund, and the aggregate remaining fund information of City of Buckeye, Arizona as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise City of Buckeye, Arizona's basic financial statements. We issued our report thereon dated December 17, 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.
Phoenix, Arizona
December 17, 2020

CITY OF BUCKEYE, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fiscal Period 7/1/2019 - 6/30/2020

<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	MARICOPA COUNTY HUMAN SERVICES DEPARTMENT	DG1701	\$689,000	\$689,000	CDBG - ENTITLEMENT GRANTS CLUSTER	\$689,000
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				<u>\$689,000</u>			
DEPARTMENT OF JUSTICE							
CRIME VICTIM ASSISTANCE/DISCRETIONARY GRANTS	16.582			\$140,527	\$140,527	N/A	\$0
BULLETPROOF VEST PARTNERSHIP PROGRAM	16.607			\$12,000	\$12,000	N/A	\$0
TOTAL DEPARTMENT OF JUSTICE				<u>\$152,527</u>			
DEPARTMENT OF TRANSPORTATION							
AIRPORT IMPROVEMENT PROGRAM	20.106			\$1,503,660	\$1,503,660	N/A	\$0
FEDERAL TRANSIT_FORMULA GRANTS	20.507	CITY OF PHOENIX	AZ-2020-009	\$150,106	\$150,106	FEDERAL TRANSIT CLUSTER	\$150,106
STATE AND COMMUNITY HIGHWAY SAFETY	20.600	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2019-AI-001	\$117	\$10,805	HIGHWAY SAFETY CLUSTER	\$18,305
STATE AND COMMUNITY HIGHWAY SAFETY	20.600	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2020-AI-001	\$10,688	\$10,805	HIGHWAY SAFETY CLUSTER	\$18,305
MINIMUM PENALTIES FOR REPEAT OFFENDERS FOR DRIVING WHILE INTOXICATED	20.608	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2019-405D-006	\$3,658	\$30,655	N/A	\$0
MINIMUM PENALTIES FOR REPEAT OFFENDERS FOR DRIVING WHILE INTOXICATED	20.608	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2020-405D-007	\$26,997	\$30,655	N/A	\$0
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION (NHTSA) DISCRETIONARY SAFETY GRANTS	20.614	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2019-PB-012	\$6,741	\$6,741	N/A	\$0
NATIONAL PRIORITY SAFETY PROGRAMS	20.616	GOVERNOR'S OFFICE OF HIGHWAY SAFETY	2020-PTS-007	\$7,500	\$7,500	HIGHWAY SAFETY CLUSTER	\$18,305
TOTAL DEPARTMENT OF TRANSPORTATION				<u>\$1,709,467</u>			
INSTITUTE OF MUSEUM AND LIBRARY SERVICES OR NATIONAL ENDOWMENT FOR THE ARTS OR NATIONAL ENDOWMENT FOR THE HUMANITIES							
GRANTS TO STATES	45.310	LIBRARY SERVICES AND TECHNOLOGY	2019-0010-1	\$20,000	\$23,420	N/A	\$0
GRANTS TO STATES	45.310	LIBRARY SERVICES AND TECHNOLOGY	2018-0260-1	\$3,420	\$23,420	N/A	\$0
TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES OR NATIONAL ENDOWMENT FOR THE ARTS OR NATIONAL ENDOWMENT FOR THE HUMANITIES				<u>\$23,420</u>			
ENVIRONMENTAL PROTECTION AGENCY							
CAPITALIZATION GRANTS FOR DRINKING WATER STATE REVOLVING FUNDS	66.468	WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA	920240-15	\$36,191	\$36,191	DRINKING WATER STATE REVOLVING FUND CLUSTER	\$36,191

TOTAL ENVIRONMENTAL PROTECTION AGENCY

\$36,191

DEPARTMENT OF HEALTH AND HUMAN SERVICES

<i>SPECIAL PROGRAMS FOR THE AGING_TITLE III, PART B_GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS</i>	93.044	AREA AGENCY ON AGING, REGION ONE, INC.	AAA	\$16,795	\$16,795	AGING CLUSTER	\$161,054
<i>SPECIAL PROGRAMS FOR THE AGING_TITLE III, PART C_NUTRITION SERVICES</i>	93.045	AREA AGENCY ON AGING, REGION ONE, INC.	AAA	\$132,449	\$132,449	AGING CLUSTER	\$161,054
<i>NUTRITION SERVICES INCENTIVE PROGRAM</i>	93.053	AREA AGENCY ON AGING, REGION ONE, INC.	AAA	\$11,810	\$11,810	AGING CLUSTER	\$161,054
<i>SOCIAL SERVICES BLOCK GRANT</i>	93.667	AREA AGENCY ON AGING, REGION ONE, INC.	AAA	\$11,603	\$11,603	N/A	\$0

TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES

\$172,657

EXECUTIVE OFFICE OF THE PRESIDENT

<i>HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM</i>	95.001	MARICOPA COUNTY SHERIFF'S OFFICE	C-50-19-049-3-00	\$10,526	\$49,604	N/A	\$0
<i>HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM</i>	95.001	MARICOPA COUNTY SHERIFF'S OFFICE	HT-20-2995	\$3,588	\$49,604	N/A	\$0
<i>HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM</i>	95.001	MARICOPA COUNTY SHERIFF'S OFFICE	HT-19-2919	\$26,050	\$49,604	N/A	\$0
<i>HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM</i>	95.001	MARICOPA COUNTY SHERIFF'S OFFICE	HT-18-2718	\$9,440	\$49,604	N/A	\$0

TOTAL EXECUTIVE OFFICE OF THE PRESIDENT

\$49,604

DEPARTMENT OF HOMELAND SECURITY

<i>HOMELAND SECURITY GRANT PROGRAM</i>	97.067	ARIZONA DEPARTMENT OF HOMELAND SECURITY	180801-01	\$28,230	\$44,493	N/A	\$0
<i>HOMELAND SECURITY GRANT PROGRAM</i>	97.067	ARIZONA DEPARTMENT OF HOMELAND SECURITY	180801-02	\$5,316	\$44,493	N/A	\$0
<i>HOMELAND SECURITY GRANT PROGRAM</i>	97.067	ARIZONA DEPARTMENT OF HOMELAND SECURITY	190800-01	\$8,464	\$44,493	N/A	\$0
<i>HOMELAND SECURITY GRANT PROGRAM</i>	97.067	ARIZONA DEPARTMENT OF HOMELAND SECURITY	190800-02	\$2,483	\$44,493	N/A	\$0

TOTAL DEPARTMENT OF HOMELAND SECURITY

\$44,493

TOTAL EXPENDITURE OF FEDERAL AWARDS

\$2,877,359

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

CITY OF BUCKEYE, ARIZONA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fiscal Period 7/1/2019 - 6/30/2020

Significant Accounting Policies Used in Preparing the SEFA

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the City of Buckeye, Arizona under programs of the federal government for the year ended June 30, 2020. The information in the Schedule is presented in accordance with the 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). 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 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 City has not elected to use the 10% de minimis indirect cost rate allowed under Uniform Guidance.

Catalog of Federal Domestic Assistance Numbers

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or through beta.sam.gov. If the three-digit CFDA extension is unknown, there is a U followed by a two-digit number in the CFDA extension to identify one or more Federal award lines from that program. The first Federal program with an unknown three-digit extension is indicated with U01 for all award lines associated with that program, the second is U02, etc.

**CITY OF BUCKEYE, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Significant deficiency(ies) identified: Yes
- Material weakness(es) identified: Yes

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:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
20.106	Airport Improvement Program

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*: Yes

Findings and Questioned Costs Related to Federal Awards: No

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

**CITY OF BUCKEYE, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Finding Number: FS-2020-001
Repeat Finding: Yes, FS-2019-001
Type of Finding: Significant Deficiency
Description: Audit Adjustments

CRITERIA

A good system of internal accounting control contemplates an adequate system for recording and processing entries material to the financial statements.

CONDITION

During the course of our audit, we proposed significant audit adjustments that would not have been identified as a result of the City's existing internal controls, and therefore could have resulted in a material misstatement of the City's financial statements.

CAUSE

The City's internal controls over financial reporting were not properly designed to prevent or detect material misstatements.

EFFECT

The City may not prevent or detect material misstatements to the financial statements.

CONTEXT

- The City did not properly account for \$1.7 million in Water Infrastructure Finance Authority (WIFA) loan proceeds. Additionally, WIFA loan forgiveness of \$1.0 million was unrecorded.
- The City improperly accrued \$838,000 of Public Safety Personnel Retirement System (PSPRS) contributions made after fiscal year end.
- The City misclassified \$1.0 million of long term compensated absences as due within one year.

RECOMMENDATION

The City should ensure these audit adjustments are added to the City's year end adjustment checklist. Additionally, the City should reconcile current amortization loan schedules from WIFA to the financial statements. Finally, the financial statements and footnote disclosures should be reviewed by a second person in order to detect errors and misstatements.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.

CITY OF BUCKEYE, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020

FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Finding Number: FS-2020-002
Repeat Finding: Yes, FS-2019-002
Type of Finding: Material Weakness
Description: Capital Assets

CRITERIA

Capital assets are a significant accounting area for the City. A strong internal control structure should be implemented over this area to ensure that all significant activity is properly identified and accounted for.

CONDITION

There were material misstatements of capital asset balances and related activity.

CAUSE

The City's capital assets policy and procedures have not been updated for several years. Additionally, the City's system to track capital assets is error prone.

EFFECT

The City may not prevent or detect material misstatements to the financial statements.

CONTEXT

During our review of capital assets, we noted the following:

- The capital asset policies and procedures have not been reviewed and updated for several years. Additionally, the City has not addressed in policy or practice the process of evaluating capital assets for impairment.
- The City did not properly apportion the Roosevelt Improvement District project over governmental activities, water, and wastewater. This resulted in infrastructure assets being overstated in governmental activities by approximately \$2.9 million.
- There were several clerical errors made to capital asset schedules.
- The land associated with current year and prior year developer contributions of infrastructure was not captured on the financial statements.

RECOMMENDATION

The City should update the capital assets policy/procedures. Additionally, the City should use Munis to record and report capital assets. The capital asset schedules should be reviewed for propriety by management. Finally, the City should ensure land associated with donated infrastructure is appropriately capitalized in the financial statements.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.



CITY OF BUCKEYE
FINANCE DEPARTMENT
530 E. MONROE AVENUE
BUCKEYE, AZ 85326
623.349.6000

December 17, 2020

To Whom It May Concern:

The accompanying Corrective Action Plan has been prepared as required by U.S. Office of Management and Budget Uniform Guidance. The name of the contact person responsible for corrective action, the planned corrective action, and the anticipated completion date for each finding included in the current year's Schedule of Findings and Questioned Costs have been provided.

In addition, we have also prepared the accompanying Summary Schedule of Prior Audit Findings which includes the status of audit findings reported in the prior year's audit.

Sincerely,

Sherri Meredith
Accounting Manager

**CITY OF BUCKEYE, ARIZONA
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2020**

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

Finding Number: FS-2020-001

Contact Person: William Kauppi/Sherri Meredith

Anticipated Completion Date: June 30, 2021

Planned Corrective Action: The Finance Department agrees with this finding and will work to establish effective internal controls by implementing the following:

- While Finance did update the original year-end checklist for and during fiscal year 2020, we will continue to add to the checklist to ensure all necessary adjustments and disclosures are made to the financial statements.
- Staff is being trained to assist with the reconciliation of accounts which will add an additional layer to the review process for management.

Finding Number: FS-2020-002

Contact Person: William Kauppi/Sherri Meredith

Anticipated Completion Date: June 30, 2021

Planned Corrective Action: The Finance Department agrees with this finding and has been working to implement the prior year's corrective action plan:

- The City will update its capital assets policy/procedures and ensure all employees involved in tracking and reporting capital assets are well trained.
- The City has extended the contract with a private CPA who specializes in capital assets and he will continue to evaluate our processes and provide recommendations for improvement.
- The City still is anticipating the move from tracking capital assets on an EXCEL spreadsheet to the Munis capital asset module. This will assist with avoiding clerical errors and assist with reconciling and provide assistance in capturing all capital accounts.

CITY OF BUCKEYE, ARIZONA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2020

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

Finding Number: 2018-A

Status: Partially corrected. See current year finding FS-2020-001.

Planned Corrective Action: The City is still working to establish effective internal controls with trainings, checklists, reconciliations and review.

Finding Number: 2018-B

Status: Partially corrected. See current year finding FS-2020-002.

Planned Corrective Action: The City wants to maintain its capital assets in the Munis software system. The hope is to have this implemented prior to the end of fiscal year 2021.

Finding Number: FS-2019-003

Status: Fully corrected.

Finding Number: FS-2019-004

Status: Fully corrected.

Status of Findings and Questioned Costs Related to Federal Awards

Finding Number: 2019-001

Program Name/CFDA Title: Aging Custer

CFDA Number: 93.044, 93.045, 93.053

Status: Fully corrected.

Finding Number: 2019-002

Program Name/CFDA Title: Aging Custer

CFDA Number: 93.044, 93.045, 93.053

Status: Fully corrected.