

## ***MARICOPA ASSOCIATION OF GOVERNMENTS INFORMATION SUMMARY... for your review***

**DATE:**

January 19, 2011

**SUBJECT:**

Status Update on the June 30, 2010 Single Audit and Management Letter Comments, MAG's Comprehensive Annual Financial Report and OMB Circular A-133 Reports (i.e., "Single Audit") for the Fiscal Year Ended June 30, 2010

**SUMMARY:**

The accounting firm of LarsonAllen, LLP has completed the audit of MAG's Comprehensive Annual Financial Report (CAFR) and Single Audit for the fiscal year ended June 30, 2010. An unqualified audit opinion was issued on November 22, 2010 on the financial statements of governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information. The independent auditors' report on compliance with the requirements applicable to major federal award programs, expressed an unqualified opinion on the Single Audit. The Single Audit report indicated there were no reportable conditions in MAG's internal control over financial reporting considered to be material weaknesses, no instances of noncompliance considered to be material and no questioned costs. The Single Audit report had no new or repeat findings.

The CAFR financial statements and related footnotes were prepared in accordance with the Government Finance Officers Association's (GFOA) standards for the Certificate of Achievement for Excellence in Financial Reporting awards program. Management intends to submit the June 30, 2010 CAFR to the GFOA awards program for review. If awarded the certificate for the June 30, 2010 CAFR, this would be the agency's 13th consecutive award.

**PUBLIC INPUT:**

None.

**PROS & CONS:**

PROS: MAG is required by its By-Laws and federal regulations to have an audit performed for all major federal programs on an annual basis. The audit must be performed in compliance with the provisions described in the U.S. Office of Management and Budget ("OMB") Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

CONS: None.

**TECHNICAL & POLICY IMPLICATIONS:**

TECHNICAL: LarsonAllen, LLP conducted the audit in accordance with Generally Accepted Auditing Standards (GAAS), and the standards applicable to financial audits contained in the Government Audit Standards, issued by the Comptroller General of the United States and the provisions of OMB Circular A-133. For the year ended June 30, 2010, the audit report indicates that MAG conducted its activities in conformance with the laws and regulations governing federal financial assistance programs and according to Generally Accepted Accounting Principles (GAAP).

POLICY: Pursuant to Article 12, Section 5 of the MAG By-Laws, the annual audit must be presented to the Regional Council.

**ACTION NEEDED:**

Acceptance of the audit opinion issued on the MAG Comprehensive Annual Financial Report and Single Audit Report for the year ended June 30, 2010.

**PRIOR COMMITTEE ACTIONS:**

On January 18, 2011, the Executive Committee recommended acceptance of the audit opinion issued on the MAG Comprehensive Annual Financial Report and Single Audit Report for the year ended June 30, 2010.

MEMBERS ATTENDING

- Mayor Thomas L. Schoaf, Litchfield Park, Chair
- Mayor Hugh Hallman, Tempe, Vice Chair
- \* Mayor Marie Lopez Rogers, Avondale
- \* Mayor Scott Smith, Mesa
- Councilwoman Peggy Neely, Phoenix
- Mayor Jim Lane, Scottsdale
- Mayor Michael LeVault, Youngtown

\* Those members not present.  
# Participated by telephone conference call.

On January 12, 2011, the Management Committee recommended acceptance of the audit opinion issued on the MAG Comprehensive Annual Financial Report and Single Audit Report for the year ended June 30, 2010.

MEMBERS ATTENDING

- Carl Swenson, Peoria, Chair
- Jeff Kulaga for Charlie Meyer, Tempe
- # George Hoffman, Apache Junction
- Charlie McClendon, Avondale
- Stephen Cleveland, Buckeye
- Gary Neiss, Carefree
- Wayne Anderson for Usama Abujbarah, Cave Creek
- Rich Dlugas, Chandler
- Spencer Isom, El Mirage
- Alfonso Rodriguez for Phil Dorchester, Fort McDowell Yavapai Nation
- Julie Ghetti for Rick Davis, Fountain Hills
- Rick Buss, Gila Bend
- \* David White, Gila River Indian Community
- Michelle Gramley for Collin DeWitt, Gilbert
- Ed Beasley, Glendale
- John Fischbach, Goodyear
- Bill Hernandez, Guadalupe
- Darryl Crossman, Litchfield Park
- Christopher Brady, Mesa
- \* Jim Bacon, Paradise Valley
- Karen Peters for David Cavazos, Phoenix
- John Kross, Queen Creek
- \* Bryan Meyers, Salt River Pima-Maricopa Indian Community
- David Richert, Scottsdale
- Michael Celaya for Mark Coronado, Surprise
- \* Reyes Medrano, Tolleson
- # Gary Edwards, Wickenburg
- Lloyce Robinson, Youngtown
- Steve Hull for John Halikowski, ADOT
- Kenny Harris for David Smith, Maricopa Co.
- Bryan Jungwirth for David Boggs, Valley Metro/RPTA

\* Those members neither present nor represented by proxy.  
# Participated by telephone conference call.      + Participated by videoconference call.

**CONTACT PERSON:**

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