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# MEMORANDUM

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Date: May 19, 2022

To: The Honorable Chair and Members  
Pima County Board of Supervisors

From: Jan Leshner   
County Administrator

Re: **Development Services Financial Audit Engagement Details for FY 2021/22**

Attached please find a PowerPoint presentation covering the audit engagement details for Development Services FY 2021/22 financial audit that will be performed by Clifton Larson Allen.

At the beginning of each audit, auditors are required by their professional standards to communicate certain information to the governing body. This information includes such items as; the auditing standards they will follow, the responsibilities they have as auditors, and the planned scope and timing of the audit.

JKL/anc

Attachment

c: Carmine DeBonis, Deputy County Administrator for Public Works  
Yves Khawam, Assistant County Administrator  
Carla Blackwell, Director, Development Services  
Michelle Campagne, Director, Finance and Risk Management  
Andy Welch, Deputy Director, Finance and Risk Management



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# Pima County Development Services Enterprise Fund Fiscal Year 2022 - Financial Audit Entrance Conference

May 11, 2022

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING  
Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor

## Agenda

- About CLA
- Engagement Team
- Planned Scope of Work and Independence
- Required Communications – Governance and Management
- Communication
- Timeline
- Findings Process
- Other Matters and Questions

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## About CLA

- Professional services CPA firm with more than 60 years of quality, service and experience
  - Audit, Tax and Consulting
  - Wealth Advisory
  - Outsourcing
- More than 6,200 people
- Over 120 locations nationwide
- Unprecedented emphasis on serving governments and the private sector



## Industry Participation

- ✓ CLA Trainings and Seminars
  - ✓ Local and National Government Trainings
  - ✓ Quarterly Roundtables
  - ✓ Webinars
  - ✓ E-News Letters
  - ✓ Publications
- ✓ Industry Conferences
- ✓ Industry Leadership



# CLA Services

- Audit, review compilation
- Compliance audits
- Performance audits
- Cyber security and risk management
- Forensic audits
- Fraud and misconduct investigations
- Internal audit
- Risk assessments
- Telecom advisory services
- GASB implementation
- Information security
- ACA reporting
- Outsourcing
- HR and payroll assessments



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# Engagement Team

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## Planned Scope of Work & Independence

- We will audit the financial statements of Pima County Development Services Enterprise Fund as of and for the year ended June 30, 2022.
- CLA and the engagement team is independent with the County.



## Required Communications-Governance & Management

We will conduct our audit in accordance with U.S. GAAS, the standards for financial audits contained in *Government Auditing Standards*.

As part of our audit, we will:

Identify and assess the risks of material financial misstatement and noncompliance, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions.

Obtain an understanding of internal control over financial reporting and compliance to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinions on the effectiveness of the entity's internal control over compliance.

Communicate to you in writing any significant deficiencies or material weaknesses in internal control over financial reporting and compliance that we have identified during the audit.

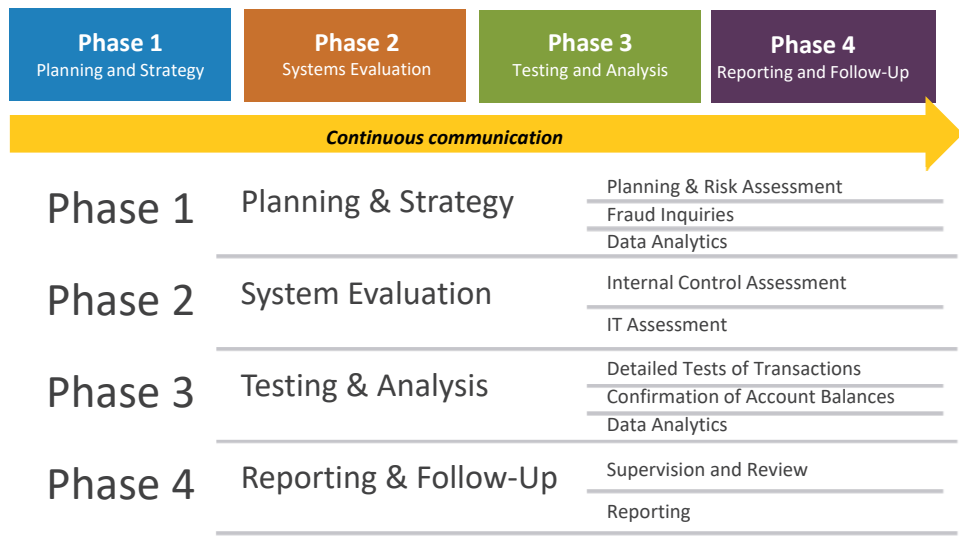


# Required Communications-Governance & Management

**AU-C 230: Auditor's Communication to Those Charged The With Governance** requires two-way communication between the auditor and Governance and management on your views about the following (to name a few):

- The attitudes, awareness, and actions of those charged with governance concerning (a) the entity's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control, and (b) the detection or the possibility of fraud.
- Matters you believe warrant particular attention during the audit and any areas for which you request additional procedures to be undertaken.
- Significant communications with regulators or knowledge of possible or actual violations or abuses of programs and controls occurring during the period being audited or the subsequent period.
- Your understanding of the risks of fraud and the controls in place to prevent and detect fraud, including your views on the following matters: 1. The fraud risks 2.Any actual, suspected or allegations of fraud affecting the entity or its federal award programs.

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## Timeline

- Planning and Interim Testing
  - General and IT Controls – Weeks of 9/05/2022
- Final Testing
  - Substantive Procedures – Weeks of 09/05/2022
- Reporting and Review
  - Weeks of 9/12/2022
- Issuance Target Date (early October)- 10/14/2022
- Exit Conferences – TBD (Before or after?)



## Findings Process

- Any identified issues will be communicated to the Management and discussed at the scheduled progress meetings.
- Draft written schedule of findings and questioned costs (SFQC) will be delivered by 10/14/2022.
- All responses to draft are due to CLA for final review by 9/19/2022.



## Other Matters & Questions

- Progress Meetings
- Onsite vs. Remote Fieldwork

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## Questions



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