



Maricopa County

Internal Audit Department

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To: Maricopa County Board of Supervisors

From: Ross L. Tate, County Auditor

Subject: Audit Report: Private Investigator Services Contract

Date: September 19, 2016

Summary: We reviewed the Private Investigator Services Contract (#11041-S) for compliance with select contract provisions. All contracted vendors were properly licensed, and invoices reviewed were properly approved and adequately supported. However, discounts of \$5,618 were not taken, and there was no system in place to identify the individuals performing the investigative work.

Observation: In fiscal year (FY) 2015, the Office of Public Defense Services (OPDS) expended \$1,305,636 to 31 vendors under this contract. We reviewed 50 invoices totaling \$203,959 to 17 vendors. All expenditures were properly approved and adequately supported. However, discounts of \$5,618 were not taken during FYs 2014 - 2016.

All contracted vendors were properly licensed. However, there was no reliable system in place to (a) identify the private investigators within the licensed agencies who provided services for a specific case, and (b) ensure that the unidentified investigators were licensed. For 48 of 50 invoices reviewed, we identified 28 individuals who provided private investigator services. We verified that all 28 possessed a valid license. However, for two invoices, the vendor did not identify the individual(s) who performed the work and we were unable to verify licensing credentials.

Objective: Our primary objective was to determine that the contractors were properly licensed and costs were paid in accordance with the contract. Our audit period encompassed FY 2015 contract expenditures. We also reviewed expenditures totaling \$315,803 for three vendors offering discounts during FYs 2014 - 2016, to determine that prompt payment discounts were taken.

This report is intended primarily for the information and use of the County Board of Supervisors, County leadership, and other County stakeholders. However, this report is a public record and its distribution is not limited. We reviewed this information with OPDS management. OPDS management concurred with our recommendations and will strengthen controls in the areas discussed above.

This audit was approved by the Board of Supervisors and was conducted in conformance with International Standards for the Professional Practice of Internal Auditing. If you have any questions about this report, please contact Carla Harris, Audit Manager, at 602-506-6092.