



# ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature  
Second Regular Session

Senate: GOV DP 4-2-2-0 | 3<sup>rd</sup> Read 16-12-2-0

House: GOV DP 5-4-0-0 | 3<sup>rd</sup> Read 31-29-0-0

Final Pass: 16-13-1-0

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## **SB 1473: agencies; single audit reports; penalty**

**Sponsor: Senator Kern, LD 27**

**Transmitted to the Governor**

### **Overview**

Outlines penalties for state agencies that submit a Schedule of Expenditures of Federal Awards (SEFA) late.

### **History**

[The Single Audit Act of 1984](#) establishes requirements for audits of states, local governments and Indian tribal governments that expend over \$750,000 in federal awards during one fiscal year. As part of a single audit, states, local governments and Indian tribal governments are required to prepare a SEFA, note disclosures, corrective action plans and a summary schedule of prior audit findings. A SEFA can include but is not limited to financial statement numbers, federal agency assistance listings numbers, program names and other information not typically found in the general ledger.

### **Provisions**

1. Stipulates a penalty of 1% of the amount of federal monies received annually by a state agency for every 30 days an agency required to comply with federal single audit requirements is late in submitting a SEFA to the Auditor General. (Sec. 1)
2. Mandates that if a state agency submits a SEFA late:
  - a) the Auditor General must notify the State Treasurer of the amount of the penalty; and
  - b) the State Treasurer must withhold the penalty from a state agency's appropriation for the following fiscal year. (Sec. 1)

Prop 105 (45 votes)

Prop 108 (40 votes)

Emergency (40 votes)

Fiscal Note