



Maricopa County

Internal Audit Department

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To: Maricopa County Board of Supervisors
From: Mike McGee, County Auditor
Subject: Audit Report: Legal Arizona Workers Act
Date: June 18, 2018

Objective: In accordance with the annual audit requirement under County Policy A1517, our objective was to select a County contractor and determine compliance with warranties made under contract to (a) comply with the federal immigration laws and regulations that relate to their employees, and (b) use E-Verify to confirm eligibility of new hires.

Conclusion: We determined that the County contractor selected complied in most respects with the Legal Arizona Workers Act and related contract provisions. We found a few instances where the I-9 Form was not signed by the employee; however, the form fields were completed and adequate verification was noted.

Observation: We randomly selected the Waste Tire Recycling, Removal, and Final Disposal contract (FY 2017 expenditures of \$5 million), and the awarded contractor CRM of America, LLC. We reviewed documentation for a randomly selected sample of employees. We found that while I-9 forms were completed at time of employment for all employees, a few forms were missing the employee signature. CRM management indicated this was an oversight and will obtain the appropriate signatures. We also found that the E-Verify system was used to verify employment eligibility for all employees tested. We appreciate the excellent cooperation demonstrated by the contractor during this engagement.

The Legal Arizona Workers Act (A.R.S. §§ 23-211 to 23-214) prohibits businesses from knowingly or intentionally hiring unauthorized aliens. It also requires employers to use the E-Verify system (a free web-based service offered by the Federal Department of Homeland Security) to verify the employment eligibility of all employees hired after December 31, 2007. A.R.S. § 41-4401 states that governments require contractors to comply with (a) federal immigration laws and regulations, and (b) E-Verify requirements. Random verification is required to ensure that contractors are complying with these requirements.

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.

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 Mike McGee, County Auditor, at 602-506-1585.