

CITY OF PHOENIX, ARIZONA
Phoenix, Arizona

SINGLE AUDIT REPORTS
June 30, 2009

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**Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Honorable Mayor
Members of the City Council
City of Phoenix, Arizona

We have audited the financial statements of the governmental activities, the business type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Phoenix, Arizona (the "City") as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 19, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a significant deficiency in internal control over financial reporting: 2009-01.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency described above is not a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the City in a separate letter dated December 19, 2009.

The City's response to the finding, identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Honorable Mayor, Members of the City Council, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Clifton Gunderson LLP

Phoenix, Arizona
December 19, 2009

**Report on Compliance with Requirements
Applicable to Each Major Program and on Internal Control Over
Compliance in Accordance with OMB Circular A-133**

Honorable Mayor
Members of the City Council
City of Phoenix, Arizona

Compliance

We have audited the compliance of the City of Phoenix, Arizona (the "City") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2009-02, 2009-03 and 2009-04.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Honorable Mayor, Members of the City Council, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Clifton Gunderson LLP

Phoenix, Arizona
March 5, 2010



Report on Schedule of Expenditures of Federal Awards

Honorable Mayor
Members of the City Council
City of Phoenix, Arizona

We have audited the financial statements of the governmental activities, the business type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Phoenix, Arizona (the "City") as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 19, 2009. Our audit was performed for the purpose of forming our opinions on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Honorable Mayor, Members of the City Council, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Clifton Gunderson LLP

Phoenix, Arizona
December 19, 2009

**CITY OF PHOENIX, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2009**

Section I – Summary of Auditor’s Results (Continued)

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.850	Public and Indian Housing
14.871	Section 8 Vouchers
14.900	Lead Based Paint
14.907, 14.908	ARRA – Lead Based Paint Hazard Control, HUD Healthy Home
20.106	Airport Improvement Program
20.500, 20.507	Capital Improvement Cluster
20.205	Highway Planning and Construction
93.568	Low Income Home Energy Assistance Program
93.600	Head Start
93.044, 93.045, 93.053, 93.707	Older American Act AARA–Congregate Meals

Dollar threshold used to distinguish between
Type A and Type B programs:

\$3,000,000

Auditee qualified as low-risk auditee?

yes no

CITY OF PHOENIX, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2009

Section II – Financial Statement Findings

Finding 2009-01

Condition

A material prior period adjustment was identified by management related to the Aviation Department's capital assets.

Effect

Transactions that should have been expensed were capitalized and assets were not capitalized timely, thus depreciation expense was not properly recorded. This resulted in a prior period adjustment of \$176,521,000.

Cause

The Aviation Department did not perform a periodic review of the project activity to ensure they meet the City's capitalization policies, and ensure that projects that were substantially complete are properly capitalized, recorded and depreciated in the proper period.

Recommendation

We recommend that management segregate the accounting for determining rates and charges from the person responsible for recording capital assets. In addition, management should perform a periodic review of project activity to ensure that the projects are capitalized timely and in accordance with the City's capitalization policies.

Client Response

Concur. The Aviation Department Financial Management Division has developed a new organizational structure which ensures segregation of duties. In addition, they are finalizing procedures for performing a periodic review of project activity and a detailed review of all projects in "Assets under Construction" at the end of the year, which will also be reviewed by the Finance Department. These new policies and procedures will correct the noted deficiency and prevent it from occurring again in the future.

Contact Person

Brent Cagle, Deputy Aviation Director, (602) 273-3363

Questioned Costs

None

CITY OF PHOENIX, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2009

Section III – Federal Award Findings and Questioned Costs Section

Finding 2009-02

Airport Improvement Program CFDA 20.106, Department of Transportation

Condition

One of four OMB-272 Cash Transactions Report was not submitted timely. The OMB–272 Cash Transactions Reports are due no later than 30 days after the period-end.

Effect

Granting agencies may be unable to monitor federal expenditures.

Cause

The City did not submit one report timely.

Recommendation

We recommend that the City submit the OMB–272 on a timely basis, as required.

Client Response

A corrective action plan has been implemented to ensure that the SF272 quarterly reports will be submitted to the FAA on a timely basis. Due dates with reminder notifications have been posted in the accountant's Lotus Notes calendar and projected one year out. This procedure will be done on a continual basis at the beginning of each calendar year.

Contact Person

Donna Pickard, Accountant III, (602) 683-2610

Questioned Costs

None

CITY OF PHOENIX, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2009

Section III – Federal Award Findings and Questioned Costs Section (Continued)

Finding 2009-03

Section 8 vouchers, CFDA 14.871, Department of Housing and Urban Affairs

Condition

The City's control procedures include a periodic review of a sample of eligibility files. The supervisor audits of eligibility files were not always performed on a timely basis.

Effect

Participants receiving funds may not be eligible.

Cause

Established policies and procedures were not consistently followed.

Recommendation

We recommend that the City staff comply with the established policies and procedures and perform audits of eligibility files on a timely basis.

Client Response

The review and audit of files including eligibility files will be done on a monthly basis by supervisors. The Housing Manager will validate that audits are done on a timely basis through a reporting requirement for supervisors.

Contact Person

Elizabeth Morales, Housing Manager, (602) 262-7161

Questioned Costs

None

CITY OF PHOENIX, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2009

Section III – Federal Award Findings and Questioned Costs Section (Continued)

Finding 2009-04

Lead Based Paint, CFDA 14.900, Department of Housing and Urban Affairs

Condition

The City's Neighborhood Services Department is not requesting/receiving single audit reports from its sub-recipients.

Effect

Sub-recipients may not be properly reporting federal funds received by the City or reporting findings identified.

Cause

The City's Neighborhood Services Department relies on the sub-recipients to self-report and submit the single audit reports when they are required. However, the City's Neighborhood Services Department should be monitoring to ensure sub-recipients are compliant.

Recommendation

We recommend that the City's Neighborhood Services Department establish a system to monitor the receipt and review of single audit reports of sub-recipients that expend over \$500,000 in federal awards.

Client Response

Desk procedures have been updated to include the request of single audits from subrecipients annually. Copies will be saved on the hard drive as a pdf and those single audits posted on websites will be reviewed on-line.

Contact Person

Veronica Gonzalez, Accountant IV, (602) 262-4723

Questioned Costs

None

CITY OF PHOENIX, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2009

Section IV – Prior Year Federal Award Findings and Questioned Costs

Finding 2008-04

Community Development Book Grant CFDA 14-218, Department of Housing and Urban Development

Condition

The City did not submit timely, the SF-272 *Federal Cash Transactions Report*, as required, for three of the four quarters that were tested. SF-272 reports are due 15 days after the end of the quarter. Three of the four reports were submitted over a month after the due date.

Status

Corrected

Finding 2008-05

Public and Indian Housing CFDA 14.850, Department of Housing and Urban Development

Condition

The City provides Tenant Participation Funds to certain City Public Housing Units. 24 CFR section 964.150 requires that the City Public Housing Department have a written agreement with the resident councils. The written agreement dictates the per unit funding to be received and the allowable expenditures from the Tenant Participation Funds. The City did not have written agreements with the resident councils for which it was providing Tenant Participation Funds.

Status

Corrected

Finding 2008-06

HOPE VI CFDA 14.866, Department of Housing and Urban Development

Condition

The City was not able to provide supporting documentation for one of three reimbursement requests selected for review. 31 CFR section 205.12(b)(5) requires that all requests for reimbursement have supporting documentation showing that costs for which reimbursement was requested was paid prior to the date of the reimbursement request.

Status

The program has ended and no expenditures occurred in 2009.

CITY OF PHOENIX, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
Year Ended June 30, 2008

Section IV – Prior Year Federal Award Findings and Questioned Costs (Continued)

Finding 2008-07

Highway Planning and Construction CFDA 20.205, U. S. Department of Transportation

Condition

The Schedule of Expenditures of Federal Awards is reported on the accrual basis of accounting. The City improperly included \$4,344,580 of federal expenditures in current year that related to prior year.

Status

Corrected

CITY OF PHOENIX, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Agency/Program/Grant Title	Federal CFDA Number	Federal Grant/ State Pass-Through Number	2008/2009 Expenditures	Subrecipient's Share of Total Expenditures
I. DEPARTMENT OF TRANSPORTATION (D.O.T.)				
Federal Aviation Administration (F.A.A.)				
Sky Harbor - Residential Soundproofing & CNRP	20.106		\$ 3,639,391	
Sky Harbor - Rehabilitate Taxiway R	20.106		4,826,780	
Goodyear - Rehabilitate Apron Phase I	20.106		444,963	
Goodyear - Rehabilitate Apron Phase II	20.106		794,533	
Goodyear - Environmental Assessment	20.106		34,989	
Deer Valley- Improve Runway Safety Area	20.106		1,017,129	
Deer Valley- South Ramp Reconstruction	20.106		842,498	
ARRA-Sky Harbor - Rehabilitate Taxiway C	20.106		129,115	
Total - F.A.A. - Airport Improvement Program			\$ 11,729,398 *	
Federal Transit Administration (F.T.A.)				
Urbanized Area Formula Program - Section 5307				
AZ-90-X058	20.507		\$ 72,306	\$ -
AZ-90-X063	20.507		216,670	-
AZ-90-X068	20.507		1,246,927	977,568
AZ-90-X070	20.507		2,336,981	1,348,960
AZ-90-X074	20.507		3,628,526	3,561,898
AZ-90-X080	20.507		3,154,644	3,071,006
AZ-90-X084	20.507		2,259,963	2,259,963
AZ-90-X088	20.507		19,459,820	12,197,984
AZ-90-X096	20.507		5,148,232	-
AZ-95-X004	20.507		11,909,793	8,788,519
ARRA - AZ96-X002	20.507		2,031,744	-
Total - F.T.A. Urbanized Area Formula Program			\$ 51,465,606 *	\$ 32,205,898
Discretionary Capital Program - Section 5309				
AZ-03-0031	20.500		\$ 88,200,000	\$ 88,200,000
AZ-03-0039	20.500		57,151	-
AZ-04-0005	20.500		1,003,200	-
AZ-05-0201	20.500		1,859,375	1,790,072
Total - F.T.A. Discretionary Capital Program			\$ 91,119,726 *	\$ 89,990,072
Job Access and Reverse Commute Program - Section 3037				
AZ-37-X006	20.516		\$ 666,065	\$ 666,065
Total - F.T.A. Job Access and Reverse Commute Program			\$ 666,065	\$ 666,065
New Freedom - Section 5317				
AZ-57-X001	20.521		\$ 24,430	\$ 24,430
Alternatives Analysis - Section 5339				
AZ-39-0001	20.522		\$ 102,386	\$ 102,386
Total - F.T.A.			\$ 143,378,213	\$ 122,988,851
Federal Pass-Thru: Federal Highway Administration (F.H.A.)				
Arizona Department of Transportation (A.D.O.T.)				
Bridge System Maintenance	20.205	BR-PHX-0(213)A	\$ 2,461	
Bridge System Maintenance	20.205	CM PHX-0(221)	65,067	
2nd Av St.scape:Fillmore to Roosevelt	20.205	TEA PHX0(50)	338,213	
Rio Salado Parkway Design	20.205	HPS-PHX-0(055)	526,878	
Safety Islands	20.205	TEA PHX-0(53)	446	
19th Avenue and Thunderbird	20.205	CM-PHX-0(202)	242,158	
19th Avenue and Greenway	20.205	CM-PHX-0(215)A	218,496	
44th Street and Indian School Road	20.205	CM PHX-0(057)	682,117	
51st Avenue and Arizona Canal Tunnel	20.205	STP-PHX-0(48)A	16,593	
Isaac Pedestrian and Bikeway Bridge	20.205	AC-HPP PHX-0(210)	702	
Salt River: 24th St	20.205	CM-PHX-0(223)	55,248	

(continued)

CITY OF PHOENIX, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Agency/Program/Grant Title	Federal CFDA Number	Federal Grant/ State Pass-Through Number	2008/2009 Expenditures	Subrecipient's Share of Total Expenditures
Trail Environmental	20.205	STP-PHX-0(041)A	113,630	
2008 Alley Proofing	20.205	CM-PHX-0(211)	888,509	
2008 CMAQ Dirt Road	20.205	CM-PHX-0(214)A	203,450	
2008 CMAQ Dirt Roads	20.205	CM-PHX-0(216)	274,754	
2007 CMAQ Shoulder Proj	20.205	CM-PHX-0(217)	95,788	
Bridge Inspection Cycle A	20.205	Various awards	18,766	
Downtown Traffic Management System	20.205	CM-PHX-0(35)P	637	
HES-McDowell Rd and 35th Ave Upgrades	20.205	HES PHX-0(200)A	78,262	
Hatcher: 19th Ave-Cave Creek	20.205	HES PHX-0(206)A	54,991	
Phx Regional ITS FOB Phase II	20.205	STP-PHX-0(52)A	101,553	
FOB - Replace ITS/ATMS Phone Connect	20.205	CM-PHX-0(201)A	747,246	
Total - A.D.O.T			\$ 4,725,965 *	
Governor's Office of Community and Highway Safety (G.O.H.S.)				
GOHS - Printers and Scanner 07-08	20.215	2007-AL-014	2,175	
Total - F.H.A.			\$ 4,728,140	
Federal Pass-Thru: National Highway Traffic Safety Administration (N.H.T.S.A.)				
Governor's Office of Community and Highway Safety (G.O.H.S.)				
GOHS DUI EPRO Server 08-09	20.600	2009-AL-001	\$ 27,119	
GOHS	20.600	Various awards	83,437	
GOHS	20.601	Various awards	435,171	
GOHS TSRP Transportation Safety Resource Prosecutor 08-09	20.601	Various awards	182,374	
GOHS	20.604	Various awards	11,412	
Total - G.O.H.S.			\$ 739,513	
Total - N.H.T.S.A.			\$ 739,513	
Arizona Department of Public Safety				
Motor Carrier Safety Assistance	20.218	2005-206	\$ 107	
Total - D.P.S.			\$ 107	
TOTAL - DEPARTMENT OF TRANSPORTATION			\$ 160,575,371	\$ 122,988,851
II. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (H.U.D.)				
Community Development Block Grants (C.D.B.G.)				
2001 Entitlement Program	14.218		\$ 57,000	
2002 Entitlement Program	14.218		2,720	
2003 Entitlement Program	14.218		463,381	
2004 Entitlement Program	14.218		766,943	
2005 Entitlement Program	14.218		660,811	
2006 Entitlement Program	14.218		2,122,041	
2007 Entitlement Program	14.218		3,008,169	
2008 Entitlement Program	14.218		15,320,985	
Total - C.D.B.G.			\$ 22,402,050	
Office of Community Planning & Development				
ARRA09 Neighborhood Stabilization Program	14.256		\$ 317,544	
Total - Office of Community Planning & Development			\$ 317,544	
Lower Income Housing Assistance				
HOPWA 2005	14.241		\$ 59,557	
HOPWA 2006-2007	14.241		603,943	
HOPWA 2007-2008	14.241		693,613	
HOPWA 2008-2009	14.241		111,497	
Public and Indian Housing	14.850		7,401,566 *	
Resident Opportunities and Self-Sufficiency (ROSS)	14.870		247,743	
ROSS Neighborhood Networks	14.870		79,542	
ROSS Goals Grant	14.870		74,407	
Total - Lower Income Housing Assistance			\$ 9,271,868	

(continued)

CITY OF PHOENIX, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Agency/Program/Grant Title	Federal CFDA Number	Federal Grant/ State Pass-Through Number	2008/2009 Expenditures	Subrecipient's Share of Total Expenditures
Section 8 Housing Assistance				
Section 8 Sunnyslope Manor	14.195		\$ 556,932	
Section 8 Fillmore Gardens	14.195		705,642	
Section 8 Modernization Rehabilitation VII	14.249		644	
Section 8 Modernization Rehabilitation VIII	14.249		183,901	
Section 8 Modernization Rehabilitation III	14.856		30,119	
Section 8 Modernization Rehabilitation IX	14.856		104,376	
Section 8 Modernization Rehabilitation X	14.856		86,960	
Section 8 Vouchers	14.871		52,053,053 *	
Total - Section 8 Housing Voucher Program			\$ 53,721,627	
Public Housing - Capital Improvement Programs				
CFP Phase 50102	14.872		\$ 11,619	
CFP Phase 50105	14.872		1,609,172	
CFP Phase 50106	14.872		718,377	
CFP Phase 50107	14.872		119,515	
CFP Phase 50108	14.872		333,835	
ARRA-CFP 2009	14.885		17,300	
Total - Capital Improvement Programs			\$ 2,809,818	
HOME Program				
2002 Home Program	14.239		\$ 150,009	
2003 Home Program	14.239		978,647	
2004 Home Program	14.239		1,495,992	
2005 Home Program	14.239		1,492,320	
2006-2007 Home Program	14.239		907,796	
2007-2008 Home Program	14.239		1,811,991	
2009-2010 Home Program	14.239		984,679	
Substantial Housing Rehabilitation	14.239		428,675	
Total - HOME Program			\$ 8,250,109	
HUD Emergency Shelter Grant Program	14.231		\$ 67,285	\$ 25,716
HUD Emergency Shelter Grant Program	14.231		473,200	219,480
Subtotal CFDA #14.231			\$ 540,485	\$ 245,196
Youthbuild CY06	14.243		\$ 63,858	
Subtotal CFDA #14.243			\$ 63,858	
EDI Special Purpose Grant	14.251		\$ 176,436	
Subtotal CFDA #14.251			\$ 176,436	
Office of Healthy Homes and Lead Hazard Control				
Lead Based Paint Hazard Control Round 13	14.900		\$ 672,087 *	
Lead Based Paint Hazard Control Round 16	14.900		114,913 *	
ARRA09 HUD Lead Based Paint Hazard Control	14.907		31,511 *	
ARRA09 HUD Healthy Homes	14.908		13,210 *	
Total - Office of Healthy Homes and Lead Hazard Control			\$ 831,721	
Fair Housing Assistance Program (FHAP)				
HUD Type I-FHAP	14.401		\$ 127,333	
Total - F.H.A.P.			\$ 127,333	
Other Grant Programs				
Hope VI - Krohn West	14.866		\$ 155,953	
Rio Salado	14.Unknown		162,433	
Total - Other Grant Programs			\$ 318,386	
Total - Federal Direct Programs			\$ 98,831,235	\$ 245,196
TOTAL - DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (H.U.D.)			\$ 98,831,235	\$ 245,196

(continued)

CITY OF PHOENIX, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Agency/Program/Grant Title	Federal CFDA Number	Federal Grant/ State Pass-Through Number	2008/2009 Expenditures	Subrecipient's Share of Total Expenditures
III. U.S. DEPARTMENT OF THE INTERIOR				
Bureau of Reclamation				
Phoenix Metro/Agua Fira Recharge Program	15.504		\$ 8,030	\$ 6,786
(HET) in a Residential Retrofit Program	15.530		25,000	
SISP Memorial Hall - Rio Salado	15.929		380,259	-
Total - Bureau of Reclamation			\$ 413,289	\$ -
Bureau of Land Management				
TOTAL - U. S. DEPARTMENT OF THE INTERIOR			\$ 413,289	\$ 6,786
IV. CORPORATION FOR NATIONAL AND COMMUNITY SERVICE (C.N.C.S.)				
Senior Companion Program	94.016		\$ 332,793	
Senior Companion Program	94.016		42,783	
MLK, Jr. Day of Service	94.004		47,322	
TOTAL - CORPORATION FOR NATIONAL AND COMMUNITY SERVICE (C.N.C.S.)			\$ 422,898	
V. DEPARTMENT OF HOMELAND SECURITY				
Federal Emergency Management Agency (FEMA)				
2007 USAR Grant	97.025		\$ 21,941	
2008 USAR Grant	97.025		1,000,534	
2009 USAR Grant	97.025		48,800	
Tropical Storm Dolly	97.Unknown		8,467	
Hurricane Gustav	97.Unknown		500,715	
Republican Convention	97.Unknown		11,655	
Hurricane Ike	97.Unknown		883,911	
Total - Federal Emergency Management Agency			\$ 2,476,023	
TSA Canine Program	97.072		\$ 141,162	
2006 Transit Security Grant Program	97.075		233,605	
2007 Transit Security Grant Program	97.075		71,214	
Law Enforcement Officer Reimbursement Program	97.090		864,850	
In-Line EDS Baggage Handling System (TSA)	97.100		18,473,622	
			\$ 19,784,453	
Total - Federal Direct Programs			\$ 22,260,476	
Arizona Department of Emergency Management				
2008 Interoperability Emergency Communications Grant Program (IECGP)	97.001	2008-GE-T8-0021	\$ 35,700	
UASI 06 - Regional Response Teams	97.008	2006-GE-T6-0007	68,156	
UASI 06-Management & Administration	97.008	2006-GE-T6-0007	10,912	
UASI 06	97.008	2006-GE-T6-0007	126,337	
UASI 07-TLO	97.008	2007-GE-T7-0006	17,444	
UASI 07-CERT	97.008	2007-GE-T7-0006	964	
UASI 07 - Rapid Response Team	97.008	2007-GE-T7-0006	59,778	
UASI 08 - Rapid Response Team	97.008	2008-GE-T8-0021	185,420	
UASI 08-TLO	97.008	2008-GE-T8-0021	56,458	
UASI 08-CERT	97.008	2008-GE-T8-0021	2,473	
UASI 08-Volunteer Reception Centers	97.008	2008-GE-T8-0021	10,957	
2006 Metropolitan Medical Response (MMRS)	97.071	2006-GE-T6-0007	199,622	
2007 Metropolitan Medical Response (MMRS)	97.071	2007-GE-T7-0006	167,932	
2008 Metropolitan Medical Response (MMRS)	97.071	2008-GE-T8-0021	109,475	
2006 SHSGP-RRT Vehicle	97.073	2006-GE-T6-0007	30,727	
2007 SHSGP-IST/RRT Logistical Support Vehicle	97.073	2007-GE-T7-0006	199,016	
2006 SHSGP-IMT Equipment I	97.073	2006-GE-T6-0007	26,164	
2006 SHSGP-IMT Equipment II	97.073	2006-GE-T6-0007	98,335	
2007 SHSGP-IST Training	97.073	2007-GE-T7-0006	109,279	
2007 SHSGP-Citizen Corp	97.073	2007-GE-T7-0006	41,261	
2008 SHSGP-Citizen Corp	97.073	2008-GE-T8-0021	4,143	

(continued)

CITY OF PHOENIX, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Agency/Program/Grant Title	Federal CFDA Number	Federal Grant/ State Pass-Through Number	2008/2009 Expenditures	Subrecipient's Share of Total Expenditures
2008 SHSGP-AHIMT Training	97.073	2008-GE-T8-0021	322,610	
2008 SHSGP-CENS	97.073	2008-GE-T8-0021	153,591	
Buffer Zone Protection Plan (BZPP)	97.078	2007-BZ-T7-0014	618,169	
Total - Arizona Department of Emergency Management			2,654,923	
Arizona State Land Department				
North Carolina Wild Fire	97.016	KR94-1244-LNR	\$ 191,839	
Total - Arizona State Land Department			\$ 191,839	
Arizona Department of Public Safety				
Law Enforcement Terrorism Prevention Program (LETPP) 2006	97.074	2006-GE-T6-0007	\$ 7,810	
Law Enforcement Terrorism Prevention Program (LETPP) 2007	97.074	2007-GE-T7-0005	428,428	
Law Enforcement Terrorism Prevention Program (LETPP) 2008	97.074	2008-GE-T8-0021	1,027,731	
Total - Arizona Department of Public Safety			\$ 1,463,969	
Arizona Department of Homeland Security				
Urban Area Security Initiative 2007	97.008	2007-GE-T7-0006	\$ 2,856,972	
Urban Area Security Initiative 2008	97.008	2008-GE-T8-0021	1,583,163	
Urban Area Security Initiative (UASI) 2007	97.067	2007-GE-T7-0006	197,573	
State Homeland Security Grant Program 2006	97.067	2006-GE-T6-0007	39,305	
State Homeland Security Grant Program 2007	97.067	2007-GE-T7-0006	435,725	
Total - Arizona Department of Homeland Security			\$ 5,112,738	
Maricopa County Department of Emergency Management				
2006 Citizen Emergency Response Team (CERT)-Citizen Corp	97.067	None	\$ 5,271	
Total - Maricopa County Department of Emergency Management			\$ 5,271	
TOTAL - DEPARTMENT OF HOMELAND SECURITY			\$ 31,689,216	
VI. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Headstart Year "41"	93.600		\$ 933	
Headstart Year "42"	93.600		1,429,097	\$ 837,397
Headstart Year "43"	93.600		20,032,375	10,911,152
Subtotal CFDA #93.600			\$ 21,462,405	\$ 11,748,549
Total - H.H.S. - Federal Direct			\$ 21,462,405	\$ 11,748,549
Arizona Department of Health Services				
ADHS 07 Immunization Program	93.268	C-86-03-089-2	\$ 8,099	
ADHS 08 Immunization Program	93.268	C-86-03-089-2	9,990	
Total - Arizona Department of Health Services			\$ 18,089	
Arizona Department of Economic Security				
TANF Homeless 08-09	93.558	DEO-71131-001	\$ 77,313	\$ 77,313
TANF 08-09	93.558	E6306004	1,403,135	-
LIHEAP Energy Asst Prog 08-09	93.568	E6306004	6,903,443 *	-
Community Service Block Grant 08-09	93.569	E6306004	1,429,886	-
Social Services Block Grant 08-09	93.667	E6306004	195,278	-
DES/Emergency Shelter Grant (ESG) 08-09	93.Unknown	DEO-71131-001	45,237	14,882
Total - Arizona Department of Economic Security			\$ 10,054,292	\$ 92,195
Other Pass-thru Programs				
Older American Act - Title IIB	93.044	2009-37-COP	\$ 322,521 *	
Older American Act - Title IIC2	93.045	2008-37-COP	765,560 *	
Older American Act - NSIP	93.053	2008-37-COP	221,221 *	
Older American Act - SSBG	93.667	2009-37-COP	212,155	
ELOA	93.577	CT115126	(6,717)	

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CITY OF PHOENIX, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Agency/Program/Grant Title	Federal CFDA Number	Federal Grant/ State Pass-Through Number	2008/2009 Expenditures	Subrecipient's Share of Total Expenditures
AARA-Congregate Meals	93.707	2009-37-PHX	131,363 *	
Total Other Pass-thru Programs			\$ 1,646,103	
TOTAL - DEPARTMENT OF HEALTH AND HUMAN SERVICES			\$ 33,180,889	\$ 11,840,744
VI. DEPARTMENT OF EDUCATION				
<i>Federal Pass-Through</i>				
<i>Arizona Department of Education</i>				
21st Century Community Learning Centers	84.287	CTDS 074403000	\$ 417,993	
TOTAL - DEPARTMENT OF EDUCATION			\$ 417,993	
VIII. DEPARTMENT OF JUSTICE				
<i>Civil Rights Division</i>				
Immigration-Related Employment Discrimination Public Education Grant	16.110		\$ 34,237	
<i>Office of Victims of Crime</i>				
Crime Victim's Rights	16.747		\$ 161,500	
Maryvale Weed and Seed 2007	16.595		\$ 79,572	
Capital Mall Weed and Seed 2007	16.595		63,866	
Canyon Corridor Weed and Seed 2006	16.595		25,456	
Canyon Corridor Weed and Seed 2007	16.595		59,576	
Subtotal - CFDA #16.595			\$ 228,470	
Community Oriented Policing Services-COPS Universal Hiring - Phase III	16.710		\$ 1,073,390	
Community Oriented Policing Services-COPS Software	16.710		31,668	
Community Oriented Policing Services-COPS FY08 Technology	16.710		4,125	
COPS Technology 2004	16.710		670	
COPS Technology 2005	16.710		133,921	
COPS Technology 2006 PACE	16.710		8,253	
COPS Technology 2007	16.710		5,342,471	
COPS Technology 2008	16.710		89,600	
Subtotal - CFDA #16.710			\$ 6,684,098	
G.R.E.A.T - Regional	16.737		\$ 278,435	
G.R.E.A.T - Local	16.737		148,546	
Subtotal - CFDA #16.737			\$ 426,981	
Human Trafficking	16.320		\$ 89,037	
Internet Crimes Against Children	16.543		330,068	
BJA/BYRNE Multi-Jurisdictional Gang Task Force	16.580		167,680	
NIJ Solving Cold Cases with DNA	16.564		92,436	
Coverdell Forensic Science Improvement Program	16.742		142,393	
Project Safe Neighborhoods	16.744		28,560	
Cannabis Eradication 2009	16.Unknown		54,140	
Subtotal - Other Federal Direct Programs			\$ 904,314	
Total - Federal Direct Programs - Department of Justice			\$ 8,439,600	
<i>Federal Pass-Through</i>				
<i>Governor's Office for Children</i>				
Juvenile Account Incentive block Grant 07-09	16.540	JB-CSG-08-9273-05	\$ 96,828	
Juvenile Delinquency Prevention Program 07-08	16.540	J2-CSG-07-8182-00	2,914	
Juvenile Delinquency Prevention Program 08-09	16.540	J2-CSG-07-8182-00Y2	51,000	
Total - Governor's Office for Children			\$ 150,742	
<i>Arizona Criminal Justice Commission (A.C.J.C)</i>				
ACJC Victim's Assistance 07/08	16.582	VA-08-039	\$ 4,892	
ACJC Victim's Assistance 08/09	16.582	VA-09-039	34,000	
Project Safe Neighborhoods (PSN)	16.609	Various awards	60,074	
Byrne Justice Assistance Grant (JAG) 2007	16.738	AL-08-030	10,020	

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CITY OF PHOENIX, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Agency/Program/Grant Title	Federal CFDA Number	Federal Grant/ State Pass-Through Number	2008/2009 Expenditures	Subrecipient's Share of Total Expenditures
Gerald Hardt Memorial Criminal Justice Records Improvement Prgm	16.738	Various awards	57,771	
DNA Backlog	16.741	DNB06-07-102	122,318	
DNA Backlog IV, V	16.741	Various awards	362,589	
DNA Capacity Enhancement	16.741	DNC06-07-202	154,191	
National Forensic Sciences Formula V	16.742	Various awards	76,289	
HIDTA 16	16.Unknown	HT16-06-1211	88,361	
HIDTA 17	16.Unknown	Various awards	14,503	
HIDTA 18	16.Unknown	Various awards	1,133,013	
HIDTA 19	16.Unknown	Various awards	252,017	
Total - A.C.J.C.			\$ 2,370,038	
Arizona Department of Public Safety				
Victims of Crime Assistance Grant 2008	16.575	2007-408	\$ 202,260	
VOCA Advocacy Services 08-09	16.582	2008-113	90,456	
VOCA Elder Abuse Advocate 2007-2008	16.582	2007-164	1,282	
VOCA Elder Abuse Advocate 2008-2009	16.582	2008-112	61,672	
Total - Arizona Department of Public Safety			\$ 355,670	
Arizona Governor's Office of Highway Safety				
STOP Violence Against Women	16.588	Various Awards	\$ 111,237	
Governor's Office of Highway Safety (GOHS)	16.727	Various Awards	84,803	
Total - Arizona Governor's Office of Highway Safety			\$ 196,040	
Pima County Sheriff's Department				
HIDTA 15	16.Unknown	01-11-P-136431-1004	\$ 44,232	
Total - Pima County Sheriff's Department			\$ 44,232	
Maricopa County				
Byrne Justice Assistance Grant (JAG) 2007	16.738	2007-DJ-BX-0588	\$ 113,711	
Byrne Justice Assistance Grant (JAG) 2008	16.738	2008-DJ-BX-0500	30,518	
Total - Maricopa County			\$ 144,229	
Neighborhood Services				
Weed and Seed	16.595	Various Awards	\$ 354,652	
TOTAL - DEPARTMENT OF JUSTICE			\$ 12,055,203	
IX. DEPARTMENT OF LABOR				
Youthbuild CY08	17.274		\$ 550,873	\$ 195,435
Total - Department of Labor (Federal Direct)			\$ 550,873	\$ 195,435
Arizona Department of Economic Security - Other				
Workforce Investment Act - Adult 2007-08	17.258	DE070301001	\$ 707,036	\$ 79,239
Workforce Investment Act - Adult 2008-09	17.258	DE081294001	1,634,934	-
ARRA - Workforce Investment Act - Adult	17.258	DE091198001	693	-
Workforce Investment Act - Youth 2007-08	17.259	DE070301001	1,863,493	311,731
Workforce Investment Act - Youth 2008-09	17.259	DE081294001	1,424,181	1,890,222
ARRA - Workforce Investment Act - Youth	17.259	DE091198001	180,211	-
Workforce Investment Act - Dislocated Worker 2007-08	17.260	DE070301001	829,582	-
Workforce Investment Act - Dislocated Worker 2008-09	17.260	DE081294001	1,645,189	-
Workforce Investment Act - Incentive Fund	17.267	DE081021-001	209,246	-
Total - Arizona Department of Economic Security - Other			\$ 8,494,565	\$ 2,281,192
TOTAL - DEPARTMENT OF LABOR			\$ 9,045,438	\$ 2,476,627
XI. DEPARTMENT OF ENERGY (D.O.E.)				
Federal Pass-Through (D.O.E.)				
Arizona Department of Energy				
Weatherization - DOE 2008-09	81.042	C059-08	\$ 165,670	
Weatherization - LIHEAP 2007-08	81.042	C068-07	200	

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CITY OF PHOENIX, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Agency/Program/Grant Title	Federal CFDA Number	Federal Grant/ State Pass-Through Number	2008/2009 Expenditures	Subrecipient's Share of Total Expenditures
Weatherization - LIHEAP 2008-09	81.042	C059-08	553,156	
Weatherization - LIHEAP 2009-10	81.042	C052-09-06	52,179	
ARRA09 Weatherization	81.042	C037-09-06	679	
<i>Total - Arizona Department of Energy</i>			<u>\$ 771,884</u>	
TOTAL - DEPARTMENT OF ENERGY (D.O.E.)			\$ 771,884	
XII. INSTITUTE OF MUSEUM AND LIBRARY SERVICES				
<i>Federal Pass-Through (Library, Archives & Public Records)</i>				
AZest for the West	45.310	381-11-01-(08)	\$ 5,185	
21 Century Learning	45.310	381-42-01-(01)	7,321	
TOTAL - INSTITUTE OF MUSEUM AND LIBRARY SERVICES			<u>\$ 12,506</u>	
XIV. ENVIRONMENTAL PROTECTION AGENCY				
Brownsfield Job Training Grant	66.818		\$ 33,744	
TOTAL - ENVIRONMENTAL PROTECTION AGENCY			\$ 33,744	
XV. DEPARTMENT OF COMMERCE				
Economic Development	11.303		\$ 17,628	
TOTAL - DEPARTMENT OF COMMERCE			\$ 17,628	
GRAND TOTAL FEDERAL ASSISTANCE PROGRAMS			<u>\$ 347,467,294</u>	<u>\$ 137,558,204</u>

*Denotes major program.

See accompanying notes to schedule.

CITY OF PHOENIX, ARIZONA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2009

Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a portion of the operations of the City, it is not intended to and does not present the financial position, results of operations and cash flows of the City of Phoenix, Arizona.

Federal awards provided to subrecipients are treated as an expenditure when paid to the subrecipient.

Catalog of Federal Domestic Assistance (CFDA) Numbers

The program titles and CFDA numbers were obtained from the Catalog of Federal Domestic Assistance.