

CITY OF TUCSON, ARIZONA

REPORT ON SINGLE AUDIT

JUNE 30, 2016

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**INDEPENDENT AUDITORS' 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 and Members of the City Council
City of Tucson, Arizona

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of The City of Tucson, Arizona (the City), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 27, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies as items 2016-001 and 2016-002.

Honorable Mayor and Members of the City Council
City of Tucson, Arizona

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from 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*.

City's Response to Findings

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Tucson, Arizona
January 27, 2017



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Honorable Mayor and Members of the City Council
City of Tucson, Arizona

Report on Compliance for Each Major Federal Program

We have audited the City of Tucson, Arizona's (the City's) compliance with the types of compliance requirements described in the Office of Management and Budget (*OMB*) *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2016. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 on compliance for each major federal programs. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2016.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2016-003, 2016-004, 2016-005, 2016-006, 2016-007, and 2016-008. Our opinion on each major federal program is not modified with respect to these matters.

The City's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2016-005 and 2016-008 that we consider to be significant deficiencies.

Honorable Mayor and Members of the City Council
City of Tucson, Arizona

The City's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Tucson, Arizona (the City) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 29, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements as a whole. The accompanying schedule of expenditures of federal awards, required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Purpose of this Report

The Purpose of this report on the schedule of expenditures of federal awards is to identify the federal awards expenditures by federal grantor in compliance with the Uniform Guidance. Accordingly, this report is not suitable for any other purposes.



CliftonLarsonAllen LLP

Tucson, Arizona
March 29, 2017 except for Report on the Schedule of
Expenditures of Federal Awards which is dated January 27, 2017

**CITY OF TUCSON, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2016**

Section I – Summary of Auditors’ Results

Financial Statements

- | | | |
|--|------------------|-------------------|
| 1. Type of auditors’ report issued: | Unmodified | |
| 2. Internal control over financial reporting: | | |
| • Material weakness(es) identified? | ___ yes | <u> x </u> no |
| • Significant deficiency(ies) identified? | <u> x </u> yes | ___ none reported |
| 3. Noncompliance material to financial statements noted? | ___ yes | <u> x </u> no |

Federal Awards

- | | | |
|---|------------------|-------------------|
| 1. Internal control over major federal programs: | | |
| • Material weakness(es) identified? | ___ yes | <u> x </u> no |
| • Significant deficiency(ies) identified? | <u> x </u> yes | ___ none reported |
| 2. Type of auditors’ report issued on compliance for major federal programs: | Unmodified | |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | <u> x </u> yes | ___ no |

Continued

**CITY OF TUCSON, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Section I – Summary of Auditors’ Results (Continued)

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
14.239	Home Investment Partnership Program
14.850	Public and Indian Housing
14.871, 14.879	Section 8 Housing Voucher Cluster
20.205	Highway Planning and Construction Cluster
20.500, 20.507, 20.526	Federal Transit Cluster
97.083	Staffing for Adequate Fire and Emergency Response

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

\$2,722,637

Auditee qualified as low-risk auditee?

_____ yes x no

**CITY OF TUCSON, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Section II – Financial Statement Findings

Significant Deficiencies in Internal Control over Financial Reporting

Finding 2016-001: Segregation of Duties

Criteria or Specific Requirement: Individuals responsible for preparing cash deposits should not also be responsible for posting deposits to the accounting records.

Condition: During our walkthrough over internal controls, a lack of segregation of duties surrounding the cash receipt process at the Fire Department was noted.

Questioned Costs: None

Context: At the Fire Department, the same employee who prepares cash deposits is responsible for making the corresponding entry into the accounting records.

Cause: The Fire Department was low on staffing and did not adequately segregate cash responsibilities.

Effect: Cash may be stolen and accounting records misstated.

Repeat Finding: No

Recommendation: We recommend that the City train and utilize other staff to adequately segregate duties surrounding cash.

Views of Responsible Officials and Corrective Actions:

Explanation of Disagreement with Audit Finding (if applicable): None

Actions Planned in Response to Finding: The Fire Department hired an additional employee to participate in the receipt and recordation of cash transactions. One individual will now be responsible for receiving cash and preparing the deposit while a separate individual will be responsible for entering receipts into the accounting system.

Responsible Party: Fire Department

Planned Completion Date for Corrective Action Plan: September 2016

Plan to Monitor Completion of Corrective Action Plan: Fire Department Finance Manager will periodically review the assignment of staff to ensure the duties are properly segregated.

**CITY OF TUCSON, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Section II – Financial Statement Findings (Continued)

Finding 2016-002: Asset Reconciliations

Criteria or Specific Requirement: Reconciliations of all assets should reconcile and support the ending asset balance as reflected on the trial balance.

Condition: During our testing over Mass Transit asset balances, we noted several instances of reconciliations not agreeing to ending balances as shown on the trial balance.

Questioned Costs: None

Context: The Mass Transit inventory listings do not reconcile to the inventory balance on the trial balance. The Mass Transit accounts receivable listing does not agree to the detailed sub ledger.

Cause: The Mass Transit inventory counts occur several weeks prior to year-end and the activity of the inventory subsequent to the counts is not reconciled to the ending balances on the trial balance. Cash collected by Mass Transit is not communicated timely to City Collections.

Effect: Mass Transit inventory, accounts receivable, and cash balances may be misstated.

Repeat Finding: No

Recommendation: We recommend that Mass Transit reconcile inventory activity subsequent to the inventory counts so that year-end inventory listings are complete and accurate. We recommend that Mass Transit communicate cash collections in a timely manner to City Collections to ensure cash and accounts receivable balances are accurately reported.

Views of Responsible Officials and Corrective Actions:

Explanation of Disagreement with Audit Finding (if applicable): None

Actions Planned in Response to Finding: The Transportation Department will provide inventory reports after the close of the fiscal year end. Sun Tran and Sun Van will submit all deposits to City Collections within five business days.

Responsible Party: Transportation Department

Planned Completion Date for Corrective Action Plan: June 2017

Plan to Monitor Completion of Corrective Action Plan: The activity will be monitored on a monthly basis by department staff. The Transportation Administrator will review asset inventory and cash deposits at year end.

**CITY OF TUCSON, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Section III – Findings and Questioned Costs – Major Federal Programs

2016-003

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Title: Public and Indian Housing

CFDA Number: 14.850

Award Period: Renewal; July 1, 2015 through June 30, 2016

Type of Finding:

- Other Matter

Criteria or Specific Requirement: The department reviews the move-in packet checklist to ensure all new tenants are selected from the waiting list in accordance with the department's tenant selection policies.

Condition: We noted instances of the move-in checklist not signed by both a preparer and a reviewer.

Questioned Costs: None

Context: For 2 of the 26 move-in packets inspected, we were unable to verify the move-in packet checklist was prepared by someone other than the reviewer.

Cause: The department was not aware of the error.

Effect: Tenants could be admitted without appropriate approvals.

Repeat Finding: No

Recommendation: We recommend that the department's review procedures be followed.

Views of Responsible Officials and Planned Corrective Actions:

Explanation of Disagreement with Audit Finding (if applicable): None

Actions Planned in Response to Finding: The peer to peer quality review has been amended so that each manager will run a weekly 50058 report on every action prior to rents being charged.

Responsible Party: Housing Department

Planned Completion Date for Corrective Action Plan: October 2016

Plan to Monitor Completion of Corrective Action Plan: Upon completing their weekly review, managers will email a copy of the signed report to the residential property manager confirming completion.

**CITY OF TUCSON, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2016-004

Federal Agency: U.S. Department of Transportation
Federal Program Title: Highway Planning and Construction Cluster
CFDA Number: 20.205
Award Period: July 2, 2012 through June 30, 2016
Type of Finding:

- Compliance – Other Matter

Criteria or Specific Requirement: Payroll charges must be supported by personnel activity reports such as time and attendance records and salary distribution reports.

Condition: We noted an instance of time charged to the program which was not included on the corresponding timecard.

Questioned Costs: None over \$10,000.

Context: For 1 of the 40 payroll charges tested, time charged to the program was not included on the corresponding timecard.

Cause: The department was not aware of the error.

Effect: The program may be charged for payroll expenditures relating to a different program.

Repeat Finding: No

Recommendation: We recommend that payroll reviewers verify that all payroll charges are supported by timecards.

Views of Responsible Officials and Planned Corrective Actions:

Explanation of Disagreement with Audit Finding (if applicable): None

Actions Planned in Response to Finding: Employees will enter labor data into Kronos and have it verified by the supervisor.

Responsible Party: Transportation Department

Planned Completion Date for Corrective Action Plan: October 2016

Plan to Monitor Completion of Corrective Action Plan: All labor distributions will be reviewed by a supervisor and will be monitored each pay period.

**CITY OF TUCSON, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2016-005

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Title: Housing Voucher Cluster

CFDA Number: 14.871, 14.879

Award Period: Renewal; July 1, 2015 through June 30, 2016

Type of Finding:

- Significant Deficiency in Internal Control over Compliance

Criteria or Specific Requirement: The department prepares and reviews the enrollment packets using a checklist to ensure all required documents have been obtained and the tenant meets the eligibility requirements for the program.

Condition: We noted instances of individual lease contracts and corresponding checklists not containing reviewer signatures.

Questioned Costs: None

Context: For 5 of the 60 enrollment packets reviewed, we noted missing reviewer signatures on the individual lease contract or corresponding checklist.

Cause: The department was not aware of the error.

Effect: Enrollment packets may not contain all required documents and approvals.

Repeat Finding: No

Recommendation: We recommend that the department's review procedures be followed.

Views of Responsible Officials and Planned Corrective Actions:

Explanation of Disagreement with Audit Finding (if applicable): None

Actions Planned in Response to Finding: Training will be provided to new and existing staff. Supervisors will randomly inspect 5 files per month to ensure all forms are signed.

Responsible Party: Housing Department

Planned Completion Date for Corrective Action Plan: December 2016

Plan to Monitor Completion of Corrective Action Plan: Random inspections will continue for 6 months or until no more missing signatures exist.

**CITY OF TUCSON, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2016-006

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Title: Housing Voucher Cluster

CFDA Number: 14.871, 14.879

Award Period: Renewal; July 1, 2015 through June 30, 2016

Type of Finding:

- Other Matter

Criteria or Specific Requirement: The department verifies that housing assistance payment contracts agree with the amount recorded on the housing assistance payment register and corresponding HUD-50058, and indicates their review with a signature.

Condition: We noted an instance of a certification missing a reviewer's signature.

Questioned Costs: None

Context: For 1 of the 60 disbursements tested, a signature was missing on a certification.

Cause: The department was not aware of the error.

Effect: Certifications may not contain all required approvals.

Repeat Finding: No

Recommendation: We recommend that the department's review procedures be followed.

Views of Responsible Officials and Planned Corrective Actions:

Explanation of Disagreement with Audit Finding (if applicable): None

Actions Planned in Response to Finding: Training will be provided to new and existing staff. Supervisors will randomly inspect 5 files per month to ensure all forms are signed.

Responsible Party: Housing Department

Planned Completion Date for Corrective Action Plan: December 2016

Plan to Monitor Completion of Corrective Action Plan: Random inspections will continue for 6 months or until no more missing signatures exist.

**CITY OF TUCSON, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2016-007

Federal Agency: U.S. Department of Homeland Security
Federal Program Title: Staffing for Adequate Fire and Emergency Response
CFDA Number: 97.083
Award Period: August 31, 2015 through August 30, 2017
Type of Finding:

- Other Matter

Criteria or Specific Requirement: Reimbursement requests are reviewed by a fund accountant prior to submission.

Condition: No supporting documentation of a review by the fund accountant prior to submission of the reimbursement request was noted.

Questioned Costs: None

Context: For 1 of 1 reimbursement requests tested, we were unable to verify a review occurred prior to submission.

Cause: No review procedure existed at the time of the reimbursement request.

Effect: Reimbursement requests could contain incomplete or inaccurate amounts.

Repeat Finding: No

Recommendation: We recommend that the department's review procedures be followed.

Views of Responsible Officials and Planned Corrective Actions:

Explanation of Disagreement with Audit Finding (if applicable): None

Actions Planned in Response to Finding: In June 2016, Tucson Fire Department began sending reimbursement requests to the City of Tucson Accounting Operations Finance Department for review prior to requesting the reimbursement draw.

Responsible Party: Tucson Fire Department

Planned Completion Date for Corrective Action Plan: In October 2016, Tucson Fire Department added a new full-time position to assist in the grant administration, including preparation of reimbursement draws and data entry.

Plan to Monitor Completion of Corrective Action Plan: The Finance Manager will review the documentation prepared prior to submission.

**CITY OF TUCSON, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2016-008

Federal Agency: U.S. Department of Homeland Security
Federal Program Title: Staffing for Adequate Fire and Emergency Response
CFDA Number: 97.083
Award Period: August 31, 2015 through August 30, 2017
Type of Finding:

- Significant Deficiency in Internal Control over Compliance

Criteria or Specific Requirement: Financial and performance reports are to be submitted within 30 days of the end of each reporting period.

Condition: We noted instances of reports being submitted after the 30 day time period.

Questioned Costs: None

Context: For 2 of the 3 reports inspected, they were submitted after the 30 days permitted from the end of the reporting period.

Cause: Reviewer frequently works outside of the office causing delays in obtaining review prior to submission.

Effect: The department may not be in compliance with submission deadlines.

Repeat Finding: No

Recommendation: We recommend all reports be submitted within the established deadlines.

Views of Responsible Officials and Planned Corrective Actions:

Explanation of Disagreement with Audit Finding (if applicable): None

Actions Planned in Response to Finding: Tasks have been scheduled within the Project and Finance Manager's calendar to ensure reports are submitted timely.

Responsible Party: Tucson Fire Department

Planned Completion Date for Corrective Action Plan: Plan has been implemented.

Plan to Monitor Completion of Corrective Action Plan: Finance Manager tracks all Tucson Fire Department grants on a monthly basis. Important dates and information have been updated to monitor upcoming due dates.

**CITY OF TUCSON, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Section IV – Prior Year Findings

Finding Reference: 2015-005

Federal Agency:	U.S. Department of Housing and Urban Development (HUD)
Compliance Requirement:	Program Income, Allowable Costs/Cost Principles, and Period of Availability
Type of Finding:	Significant Deficiency in Internal Control and NonCompliance
Federal Program:	14.850 – Public and Indian Housing (PIH), 14.871, 14.879 – Housing Voucher Cluster (HVC), 14.239 – Home Investment Partnership Program (HOME)

Condition/Context

Departments lack documentation of review processes for several programs as follows:

- PIH – Unable to verify if the rental agreement was reviewed and approved by a supervisor for 2 of the 60 tested.
- PIH – For 11 of the 40 disbursements tested, we were unable to verify if the property manager reviewed and approved the disbursement.
- HVC – Evidence of a quality control review was not available for inspection for 7 of the 60 items tested.
- HOME – Unable to verify the review and approval of disbursements for 7 of the 40 items tested.

Current Year Status

Resolved

Finding Reference: 2015-006

Federal Agency:	U.S. Department of Housing and Urban Development (HUD)
Compliance Requirement:	Special Test and Provisions
Type of Finding:	Material Weakness in Internal Control and Material NonCompliance
Federal Program:	14.239 – Home Investment Partnership Program (HOME)

Condition/Context

There were no Housing Quality Standards (HQS) inspections performed during the year.

Current Year Status

Resolved

**CITY OF TUCSON, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Section IV – Prior Year Findings (Continued)

Finding Reference: 2015-007

Federal Agency:	U.S. Department of Transportation
Compliance Requirement:	Earmarking
Type of Finding:	Significant Deficiency in Internal Control and NonCompliance
Federal Program:	20.500, 20.507, 20.526 – Federal Transit Cluster

Condition/Context

We were unable to verify who reviewed and approved the annual Federal Transit Authority (FTA) section 5307 security funds expended summary form. We were unable to recalculate the 5307 amount expended and reported for public transportation security projects.

Current Year Status

Resolved

**CITY OF TUCSON, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2016**

Fund	Type	CFDA	Agency	Office	Program Title	Pass Through Grantor	Award Number	Award	Current Expenditures	Pass-Through
Department Housing Urban Development										
025	Direct	14.218	HUD	Department Housing Urban Development	Community Development Block Grants/Entitlement		B-08-MN-04-0507	7,286,911.00	42,916.34	568.87
025	Direct	14.218	HUD	Department Housing Urban Development	Community Development Block Grants/Entitlement		B-11-MN-040507	2,083,771.00	32,672.45	4,252.22
025	Direct	14.218	HUD	Department Housing Urban Development	Community Development Block Grants/Entitlement		B-13-MC040505	5,231,416.00	12,614.09	11,174.09
025	Direct	14.218	HUD	Department Housing Urban Development	Community Development Block Grants/Entitlement		B-14-MC040505	5,113,873.00	1,877,882.83	1,753,019.49
025	Direct	14.218	HUD	Department Housing Urban Development	Community Development Block Grants/Entitlement		B-15-MC040505	5,118,094.00	2,548,907.68	1,717,604.05
					14.218			24,834,065.00	4,514,993.39	3,486,618.72
076	Direct	14.231	HUD	Department Housing Urban Development	Emergency Solutions Grants Program		E14MC040505	424,994.00	115,840.80	110,862.36
076	Direct	14.231	HUD	Department Housing Urban Development	Emergency Solutions Grants Program		E15MC040505	455,833.00	404,222.82	378,270.39
					14.231			880,827.00	520,063.62	489,132.75
076	Subrecipient	14.235	HUD	Department Housing Urban Development	Supportive Housing Program	Southern Arizona Aids Foundation	AZ01B001001	93,593.34	48,530.59	-
					14.235			93,593.34	48,530.59	-
074	Direct	14.239	HUD	Department Housing Urban Development	Home Investment Partnerships Program		M12-DC040229	2,494,633.00	734,602.14	621,918.04
074	Direct	14.239	HUD	Department Housing Urban Development	Home Investment Partnerships Program		M13-DC040229	2,507,550.00	638,135.22	564,966.89
074	Direct	14.239	HUD	Department Housing Urban Development	Home Investment Partnerships Program		M14-DC040229	2,625,360.00	401,846.08	393,804.00
074	Direct	14.239	HUD	Department Housing Urban Development	Home Investment Partnerships Program		M15-DC040229	2,375,365.00	631,326.72	356,304.75
074	Direct	14.239	HUD	Department Housing Urban Development	Home Investment Partnerships Program		Program Income	-	629,617.14	481,455.47
					14.239			10,002,908.00	3,035,527.30	2,418,449.15
076	Direct	14.241	HUD	Department Housing Urban Development	Housing Opportunities for Persons with AIDS		AZH-14-F002	453,077.00	99,153.18	160,495.58
076	Direct	14.241	HUD	Department Housing Urban Development	Housing Opportunities for Persons with AIDS		AZH-15-F002	451,530.00	381,963.67	375,056.12
076	Subrecipient	14.241	HUD	Department Housing Urban Development	Housing Opportunities for Persons with AIDS	Pima County	01-39-T-160602-0602	234,326.03	196,949.17	-
					14.241			1,138,933.03	678,066.02	535,551.70
076	Direct	14.267	HUD	Department Housing Urban Development	Continuum of Care Program		AZ0025L9T011407	657,190.00	643,729.45	548,827.78
076	Direct	14.267	HUD	Department Housing Urban Development	Continuum of Care Program		AZ0147L9T011300	61,535.00	32,674.65	31,894.51
076	Direct	14.267	HUD	Department Housing Urban Development	Continuum of Care Program		AZ0038L9T011407	123,225.00	114,251.78	111,193.13
076	Direct	14.267	HUD	Department Housing Urban Development	Continuum of Care Program		AZ0038L9T011508	129,561.00	41.46	-
076	Direct	14.267	HUD	Department Housing Urban Development	Continuum of Care Program		AZ0106L9T011406	647,151.00	614,012.52	581,935.18
076	Direct	14.267	HUD	Department Housing Urban Development	Continuum of Care Program		AZ0044L9T011407	726,236.00	672,071.92	649,614.67
					14.267			2,344,898.00	2,076,781.78	1,923,465.27

**CITY OF TUCSON, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Fund	Type	CFDA	Agency	Office	Program Title	Pass Through Grantor	Award Number	Award	Current Expenditures	Pass-Through
110	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-30011015D	490,787.00	243,997.00	-
110	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-30011016D	349,996.00	262,417.00	-
111	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-40011115D	596,424.00	296,502.00	-
111	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-40011116D	452,827.00	339,517.00	-
112	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-50011215D	761,948.00	378,311.00	-
112	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-50011216D	548,348.00	411,136.00	-
113	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-60011315D	678,788.00	337,726.00	-
113	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-60011316D	484,805.00	363,493.00	-
114	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-00004815D	1,067,123.00	530,948.00	-
114	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-00004816D	690,896.00	518,014.00	-
115	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-10011515D	115,174.00	57,203.00	-
115	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-10011516D	76,306.00	57,212.00	-
117	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-00005115D	517,369.00	257,797.00	-
117	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-00005116D	321,836.00	241,304.00	-
118	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-00604015D	117,674.00	58,372.00	-
118	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-00604016D	88,566.00	66,405.00	-
119	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-00006515D	75,674.00	37,698.00	-
119	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-00006516D	54,749.00	41,049.00	-
120	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-70012015D	222,716.00	111,003.00	-
120	Direct	14.850	HUD	Department Housing Urban Development	Public and Indian Housing		AZ004-70012016D	195,278.00	117,059.00	-
					14.850			7,907,284.00	4,727,163.00	-
073	Direct	14.856	HUD	Department Housing Urban Development	Lower Income Housing Assistance - Section 8		AZ004-MOD I	15,442.00	15,603.00	-
073	Direct	14.856	HUD	Department Housing Urban Development	Lower Income Housing Assistance - Section 8		AZ004-MOD II	167,099.00	177,651.00	-
073	Direct	14.856	HUD	Department Housing Urban Development	Lower Income Housing Assistance - Section 8		AZ004-MOD III	237,270.00	287,467.00	-
					14.856			419,811.00	480,721.00	-
					Total Section 8 Project Cluster			419,811.00	480,721.00	-
073	Direct	14.871	HUD	Department Housing Urban Development	Section 8 Housing Choice Vouchers		AZ004-TUC	29,322,406.36	29,505,092.00	-
073	Direct	14.871	HUD	Department Housing Urban Development	Section 8 Housing Choice Vouchers		AZ033-PIMA	5,363,629.96	5,325,902.08	-
					14.871			34,686,036.32	34,830,994.08	-
073	Direct	14.879	HUD	Department Housing Urban Development	Mainstream Vouchers		AZ033-MS	200,273.08	202,818.00	-
					14.879			200,273.08	202,818.00	-
					Total Housing Voucher Cluster			34,886,309.40	35,033,812.08	-
076	Direct	14.870	HUD	Department Housing Urban Development	Resident Opportunity and Supportive Services		AZ004RPS102A013	240,000.00	67,038.44	-
					14.870			240,000.00	67,038.44	-
110-120	Direct	14.872	HUD	Department Housing Urban Development	Public Housing Capital Fund		AZ20P004501-14	1,294,901.00	542,472.21	-
110-120	Direct	14.872	HUD	Department Housing Urban Development	Public Housing Capital Fund		AZ20P004501-15	1,303,715.00	797,347.00	-
					14.872			2,598,616.00	1,339,819.21	-
					Total CFP Cluster			2,598,616.00	1,339,819.21	-
076	Direct	14.896	HUD	Department Housing Urban Development	Family Self-Sufficiency Program		AZ004FSH036A014	204,368.86	92,768.86	-
076	Direct	14.896	HUD	Department Housing Urban Development	Family Self-Sufficiency Program		AZ004FSH680A015	206,680.00	79,650.05	-
					14.896			411,048.86	172,418.91	-
122	Direct	14.900	HUD	Department Housing Urban Development	Lead-Based Paint Hazard Control in Privately-Owned		AZLHB051612	2,452,678.23	188,245.26	127,687.68
					14.900			2,452,678.23	188,245.26	127,687.68
Total Department Housing Urban Development								88,210,971.86	52,883,180.60	8,980,905.27

**CITY OF TUCSON, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Fund	Type	CFDA	Agency	Office	Program Title	Pass Through Grantor	Award Number	Award	Current Expenditures	Pass-Through
Department of Justice										
092	Direct	16.013	DOJ	Department of Justice	Violence Against Women Court Training/Improvement		2012-WC-AX-0006	430,899.00	59,774.15	-
					16.013			430,899.00	59,774.15	-
092	Direct	16.320	DOJ	Department of Justice	Services for Trafficking Victims		2015-VT BX K048	743,212.00	191,258.75	-
					16.320			743,212.00	191,258.75	-
092	Subrecipient	16.543	DOJ	Department of Justice	Missing Children's Assistance	Arizona Internet Crimes Against Children Task Force	21SY FY15/16	15,000.00	9,781.70	-
092	Subrecipient	16.543	DOJ	Department of Justice	Missing Children's Assistance	Arizona Internet Crimes Against Children Task Force	21UT FY15/16	8,500.00	7,827.38	-
					16.543			23,500.00	17,609.08	-
092	Direct	16.580	DOJ	Department of Justice	BJA CNA Title 3		2010-DD-BX-0564	400,000.00	5,082.74	-
					16.580			400,000.00	5,082.74	-
092	Direct	16.710	DOJ	Department of Justice	Public Safety Partnership/Community Policing		2011-UL-WX-0001	6,187,850.00	758,919.47	-
092	Direct	16.710	DOJ	Department of Justice	Public Safety Partnership/Community Policing		DEA 21SN	17,374.25	2,300.67	-
					16.710			6,205,224.25	761,220.14	-
092	Subrecipient	16.738	DOJ	Department of Justice	Edward Byrne Memorial Justice Assistance	Arizona Criminal Justice Commission (ACJC)	DC-13-034	315,018.00	224,606.45	-
092	Subrecipient	16.738	DOJ	Department of Justice	Edward Byrne Memorial Justice Assistance	Arizona Criminal Justice Commission (ACJC)	2012-DJ-BX-0877	377,901.00	61,215.63	-
092	Subrecipient	16.738	DOJ	Department of Justice	Edward Byrne Memorial Justice Assistance	Arizona Criminal Justice Commission (ACJC)	DC-14-001	59,471.00	2.44	-
092	Subrecipient	16.738	DOJ	Department of Justice	Edward Byrne Memorial Justice Assistance	Arizona Criminal Justice Commission (ACJC)	2013-DJ-BX-1165	349,799.00	103,026.31	-
092	Subrecipient	16.738	DOJ	Department of Justice	Edward Byrne Memorial Justice Assistance	Arizona Criminal Justice Commission (ACJC)	2014-DJ-BX-1126	385,004.00	49,952.80	-
092	Subrecipient	16.738	DOJ	Department of Justice	Edward Byrne Memorial Justice Assistance	Arizona Criminal Justice Commission (ACJC)	DC-16-013	567,478.00	298,545.40	-
092	Subrecipient	16.738	DOJ	Department of Justice	Edward Byrne Memorial Justice Assistance	Arizona Criminal Justice Commission (ACJC)	DC-16-071	58,078.00	22,493.95	-
092	Subrecipient	16.738	DOJ	Department of Justice	Edward Byrne Memorial Justice Assistance	Arizona Criminal Justice Commission (ACJC)	2015-DJ-BX-0945	339,277.00	18,017.88	-
					16.738			2,452,026.00	777,860.86	-
092	Direct	16.741	DOJ	Department of Justice	DNA Backlog Reduction Program		2013-DN-BX-0119	199,799.00	25,443.46	-
092	Direct	16.741	DOJ	Department of Justice	DNA Backlog Reduction Program		2014 DN BX 0005	228,366.00	133,836.55	-
092	Direct	16.741	DOJ	Department of Justice	DNA Backlog Reduction Program		2015-DN BX 0070	246,564.00	13,366.32	-
					16.741			674,729.00	172,646.33	-
Total Department of Justice								10,929,590.25	1,985,452.05	-

**CITY OF TUCSON, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Fund	Type	CFDA	Agency	Office	Program Title	Pass Through Grantor	Award Number	Award	Current Expenditures	Pass-Through
Department of Transportation (DOT)										
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	STP-TUC-0(225)	50,000.00	1,112.75	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	TUC SZ084 01C	750,000.00	328,927.56	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	STP-TUC-0(259)D	75,000.00	73,933.04	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	Pima Association of Governments	PAG OWP	450,000.00	246,434.38	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	Pima Association of Governments	PAG OWP - N/A	450,000.00	2,836.32	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	STP-TUC-0(227)A	132,677.00	30,116.27	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	TEA-TUC 0 (234) A	75,000.00	33,017.80	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	TAP TUC-0(237)D	75,000.00	28,166.05	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	TEA-TUC-0(054)A	113,500.00	353.85	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	STP-TUC-0(226)	2,512,348.00	1,089,089.80	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	STP-TUC-0(250)	1,200,000.00	501,331.34	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	TEA-TUC-0(218)D	38,086.00	3,518.35	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	HPP-TUC-0(238)	1,286,380.00	3,093.90	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	TEA TUC 0(219)	131,631.00	288,563.71	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	STP TUC-0 (228)	166,911.00	12,793.06	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	HSIP-TUC 0(247)	70,725.00	22,679.49	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	HPS-TUC-0(205)A	352,587.00	664,853.76	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	STP-TUC-0(228)A	277,020.00	32,736.40	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	STP-TUC-0(204)X	3,015,537.00	334,077.09	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	STP TUC-0 (244)	500,167.20	299,058.85	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	STP-TUC-0(213)	425,000.00	7.74	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	SRS-TUC-0(251)	97,000.00	44,762.15	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	SRTS TUC-0 (245)	89,000.00	2,519.79	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	SRS 999-A(347)	55,355.00	41,178.02	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	SRS TUC-0(248)	59,200.00	5,275.20	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	STP TUC-0 (256)	99,958.00	26,985.66	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	STP TUC-0 (261)D	250,000.00	144,929.96	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	HPP TUC-0(201)A	1,466,698.00	12,194.50	-
091	Subrecipient	20.205	DOT	Department of Transportation	Highway Planning and Construction	AZ Department of Transportation	TCSP-TUC-0(241)	651,846.83	74,459.61	-
					20.205			14,896,627.03	4,349,006.40	-
					Total Highway Planning and Construction Cluster			14,896,627.03	4,349,006.40	-
095	Direct	20.500	DOT	Department of Transportation	Federal Transit Capital Investment Grants		AZ-04-0023	5,617,650.00	1,212,572.58	-
095	Direct	20.500	DOT	Department of Transportation	Federal Transit Capital Investment Grants		AZ-03-0044	6,639,832.00	184,486.24	-
095	Direct	20.500	DOT	Department of Transportation	Federal Transit Capital Investment Grants		AZ-03-0047	6,893,201.00	124,203.50	-
					20.500			19,150,683.00	1,521,262.32	-

**CITY OF TUCSON, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Fund	Type	CFDA	Agency	Office	Program Title	Pass Through Grantor	Award Number	Award	Current Expenditures	Pass-Through
095	Direct	20.507	DOT	Department of Transportation	Federal Transit Formula Grants		AZ-90-X100	11,241,976.00	20,990.37	-
095	Direct	20.507	DOT	Department of Transportation	Federal Transit Formula Grants		AZ-90-X116	10,183,953.00	27,606.30	-
095	Direct	20.507	DOT	Department of Transportation	Federal Transit Formula Grants		AZ-90-X119	11,654,940.00	87,669.29	-
095	Direct	20.507	DOT	Department of Transportation	Federal Transit Formula Grants		AZ-90-X126	7,403,600.00	293,768.32	-
095	Direct	20.507	DOT	Department of Transportation	Federal Transit Formula Grants		AZ-90-X130	8,961,921.00	349,654.11	-
095	Direct	20.507	DOT	Department of Transportation	Federal Transit Formula Grants		AZ-90-X134	13,662,475.00	5,190,136.55	-
095	Direct	20.507	DOT	Department of Transportation	Federal Transit Formula Grants		AZ-90-X140	10,944,000.00	8,557,607.22	-
095	Direct	20.507	DOT	Department of Transportation	Federal Transit Formula Grants		1667-2016-1	530,000.00	530,000.00	-
095	Direct	20.507	DOT	Department of Transportation	Federal Transit Formula Grants		AZ-95-X029	722,617.00	722,617.13	-
					20.507			75,305,482.00	15,780,049.29	-
095	Direct	20.526	DOT	Department of Transportation	Bus and Bus Facilities Formula Program		AZ-34-0005	1,528,320.00	1,528,319.67	-
					20.526			1,528,320.00	1,528,319.67	-
					Total Federal Transit Cluster			95,984,485.00	18,829,631.28	-
095	Direct	20.513	DOT	Department of Transportation	Enhanced Mobility - Seniors/Disabilities		AZ-16-X001	1,058,235.00	219,000.00	-
					20.513			1,058,235.00	219,000.00	-
095	Direct	20.516	DOT	Department of Transportation	Job Access And Reverse Commute Program		AZ-37-X016	504,066.00	46,106.36	-
095	Direct	20.516	DOT	Department of Transportation	Job Access And Reverse Commute Program		AZ-37-X020	591,641.00	68,413.34	-
095	Direct	20.516	DOT	Department of Transportation	Job Access And Reverse Commute Program		AZ-37-X021	565,678.00	14,142.13	-
095	Direct	20.516	DOT	Department of Transportation	Job Access And Reverse Commute Program		AZ-37-X023	1,135,051.00	324,019.19	-
095	Direct	20.516	DOT	Department of Transportation	Job Access And Reverse Commute Program		AZ-37-X012	465,290.00	9,366.76	-
					20.516			3,261,726.00	462,047.78	-
095	Direct	20.521	DOT	Department of Transportation	New Freedom Program		AZ-57-X004	196,373.00	10,980.00	-
095	Direct	20.521	DOT	Department of Transportation	New Freedom Program		AZ-57-X006	223,339.00	5,793.00	-
095	Direct	20.521	DOT	Department of Transportation	New Freedom Program		AZ-57-X011	241,262.00	6,032.14	-
095	Direct	20.521	DOT	Department of Transportation	New Freedom Program		AZ-57-X015	278,098.00	6,953.00	-
095	Direct	20.521	DOT	Department of Transportation	New Freedom Program		AZ-57-X017	547,282.00	240,585.47	-
095	Direct	20.521	DOT	Department of Transportation	New Freedom Program		AZ-57-X019	277,535.00	57,600.00	-
					20.521			1,763,889.00	327,943.61	-
					Total Transit Services Programs Cluster			6,083,850.00	1,008,991.39	-

**CITY OF TUCSON, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Fund	Type	CFDA	Agency	Office	Program Title	Pass Through Grantor	Award Number	Award	Current Expenditures	Pass-Through
091	Subrecipient	20.600	DOT	Department of Transportation	State and Community Highway Safety	AZ Department of Transportation	STP-TUC-0(260)D	400,000.00	199,973.00	-
091	Subrecipient	20.600	DOT	Department of Transportation	State and Community Highway Safety	AZ Department of Transportation	SRS 999-M(91)	257,439.00	140,985.32	-
091	Subrecipient	20.600	DOT	Department of Transportation	State and Community Highway Safety	AZ Department of Transportation	TAP-TUC-0(252)D	99,958.00	17,866.70	-
092	Subrecipient	20.600	DOT	Department of Transportation	State and Community Highway Safety	AZ Governor's Office of Highway Safety	2015-AI-012	7,080.00	2,536.66	-
092	Subrecipient	20.600	DOT	Department of Transportation	State and Community Highway Safety	AZ Governor's Office of Highway Safety	2015-OP-009	53,654.70	15,239.59	-
092	Subrecipient	20.600	DOT	Department of Transportation	State and Community Highway Safety	AZ Governor's Office of Highway Safety	2015A-PS-0111	15,000.00	10,389.29	-
092	Subrecipient	20.600	DOT	Department of Transportation	State and Community Highway Safety	AZ Governor's Office of Highway Safety	2015A PT 069	30,000.00	19,890.54	-
092	Subrecipient	20.600	DOT	Department of Transportation	State and Community Highway Safety	AZ Governor's Office of Highway Safety	2015A 405d 039	140,000.00	1,655.72	-
092	Subrecipient	20.600	DOT	Department of Transportation	State and Community Highway Safety	AZ Governor's Office of Highway Safety	2015A AI 014	45,400.00	1,602.75	-
092	Subrecipient	20.600	DOT	Department of Transportation	State and Community Highway Safety	AZ Governor's Office of Highway Safety	2015-AL- 049	120,000.00	108,539.24	-
092	Subrecipient	20.600	DOT	Department of Transportation	State and Community Highway Safety	AZ Governor's Office of Highway Safety	2016-OP-022	4,378.00	4,523.10	-
092	Subrecipient	20.600	DOT	Department of Transportation	State and Community Highway Safety	AZ Governor's Office of Highway Safety	2016-OP-022	75,000.00	72,071.44	-
092	Subrecipient	20.600	DOT	Department of Transportation	State and Community Highway Safety	AZ Governor's Office of Highway Safety	2016-PS-004	30,000.00	24,838.90	-
092	Subrecipient	20.600	DOT	Department of Transportation	State and Community Highway Safety	AZ Governor's Office of Highway Safety	2016-PT-075	17,925.00	17,710.58	-
092	Subrecipient	20.600	DOT	Department of Transportation	State and Community Highway Safety	AZ Governor's Office of Highway Safety	2016-OP-007	40,000.00	25,068.79	-
092	Subrecipient	20.600	DOT	Department of Transportation	State and Community Highway Safety	AZ Governor's Office of Highway Safety	2016-CIOT-018	15,000.00	14,178.19	-
20.600								1,350,834.70	677,069.81	-
Total Highway Safety Cluster								1,350,834.70	677,069.81	-
Total Department of Transportation (DOT)								118,315,796.73	24,864,698.88	-
Environmental Protection Agency										
095	Direct	66.818	EPA	Environmental Protection Agency	Brownfields Assessment and Cleanup Coop		BF-99T19401-G900NY00	200,000.00	9,062.50	-
095	Direct	66.818	EPA	Environmental Protection Agency	Brownfields Assessment and Cleanup Coop		BF-99T19401-G900OR00	200,000.00	103,990.45	-
66.818								400,000.00	113,052.95	-
Total Environmental Protection Agency								400,000.00	113,052.95	-
Department of Education										
002	Subrecipient	84.033	ED	Department of Education	Federal Work Study Program	University of Arizona	21VL	7,300.00	1,847.52	-
84.033								7,300.00	1,847.52	-
Total Department of Education								7,300.00	1,847.52	-
Department of Health and Human Services (HHS)										
092	Direct	66.818	HHS	Department of Health and Human Services	Traumatic Brain Injury State Demonstration		1H79T1024220-01	750,000.00	164,586.70	-
93.234								750,000.00	164,586.70	-
092	Direct	93.243	HHS	Department of Health and Human Services	Substance Abuse and Mental Health Services		1H79SM061702-01	342,320.00	227,419.66	-
092	Direct	93.243	HHS	Department of Health and Human Services	Substance Abuse and Mental Health Services		1H79T1025026-01	319,902.00	181,699.14	-
092	Direct	93.243	HHS	Department of Health and Human Services	Substance Abuse and Mental Health Services		2015-FJ-AX-0008	497,062.00	96,217.66	-
93.243								1,159,284.00	505,336.46	-

**CITY OF TUCSON, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

Fund	Type	CFDA	Agency	Office	Program Title	Pass Through Grantor	Award Number	Award	Current Expenditures	Pass-Through
Total Department of Health and Human Services (HHS)								1,909,284.00	669,923.16	-
Corporation for National and Community Service										
092	Direct	94.025	CNCS	Corporation for National and Community Service	Operation AmeriCorps		15ACHAZ10010001	165,760.00	100,686.24	-
					94.025			165,760.00	100,686.24	-
Total Corporation for National and Community Service								165,760.00	100,686.24	-
Executive Office of the President										
092	Direct	95.001	EOP	Executive Office of the President	HIDTA 22		G12SA0007A	4,769,326.78	95,715.33	30,260.00
092	Direct	95.001	EOP	Executive Office of the President	HIDTA 23		G13SA0007A	4,245,956.00	820,466.47	-
160	Direct	95.001	EOP	Executive Office of the President	HIDTA 24		G14SA0007A	5,250,671.00	1,924,427.05	696,158.88
160	Direct	95.001	EOP	Executive Office of the President	HIDTA 25		G15SA0007A	5,360,735.00	3,011,496.88	2,079,677.84
160	Direct	95.001	EOP	Executive Office of the President	HIDTA 26		G16SA0007A	6,627,260.00	62,411.02	62,411.02
					95.001			26,253,948.78	5,914,516.75	2,868,507.74
Total Executive Office of the President								26,253,948.78	5,914,516.75	2,868,507.74
Department of Homeland Security (DHS)										
092	Direct	97.044	DHS	Department of Homeland Security	Assistance to Firefighters Grant		3016270	21,200.00	18,674.21	-
092	Direct	97.044	DHS	Department of Homeland Security	Assistance to Firefighters Grant		EMW-2013-FO-05888	319,770.00	296,514.79	-
					97.044			340,970.00	315,189.00	-
092	Subrecipient	97.067	DHS	Department of Homeland Security	Homeland Security Grant Program	Arizona Department of Homeland Security	DEA-21RY	17,374.25	9,201.47	-
092	Subrecipient	97.067	DHS	Department of Homeland Security	Homeland Security Grant Program	Arizona Department of Homeland Security	140407-01	19,500.00	1,120.42	-
092	Subrecipient	97.067	DHS	Department of Homeland Security	Homeland Security Grant Program	Arizona Department of Homeland Security	140407-02	10,000.00	219.08	-
092	Subrecipient	97.067	DHS	Department of Homeland Security	Homeland Security Grant Program	Arizona Department of Homeland Security	140407-03	6,900.00	6,900.00	-
092	Subrecipient	97.067	DHS	Department of Homeland Security	Homeland Security Grant Program	Arizona Department of Homeland Security	140407-04	8,060.00	732.38	-
092	Subrecipient	97.067	DHS	Department of Homeland Security	Homeland Security Grant Program	Arizona Department of Homeland Security	140407-05	90,000.00	90,000.00	-
092	Subrecipient	97.067	DHS	Department of Homeland Security	Homeland Security Grant Program	Arizona Department of Homeland Security	140407-08	577,500.00	304,020.26	-
092	Subrecipient	97.067	DHS	Department of Homeland Security	Homeland Security Grant Program	Arizona Department of Homeland Security	140407-09	221,940.00	117,292.93	-
092	Subrecipient	97.067	DHS	Department of Homeland Security	Homeland Security Grant Program	Arizona Department of Homeland Security	150409-01	62,000.00	61,863.54	-
092	Subrecipient	97.067	DHS	Department of Homeland Security	Homeland Security Grant Program	Arizona Department of Homeland Security	140407-10	21,750.00	21,330.83	-
092	Subrecipient	97.067	DHS	Department of Homeland Security	Homeland Security Grant Program	Arizona Department of Homeland Security	150409-02	586,894.00	246,094.80	-
092	Subrecipient	97.067	DHS	Department of Homeland Security	Homeland Security Grant Program	Arizona Department of Homeland Security	150409-03	68,940.00	14,100.56	-
092	Subrecipient	97.067	DHS	Department of Homeland Security	Homeland Security Grant Program	Arizona Department of Homeland Security	140406-01	81,600.00	33,526.20	-
092	Subrecipient	97.067	DHS	Department of Homeland Security	Homeland Security Grant Program	Arizona Department of Homeland Security	140406-02	46,592.00	-	-
092	Subrecipient	97.067	DHS	Department of Homeland Security	Homeland Security Grant Program	Arizona Department of Homeland Security	150408-01	19,750.00	14,795.72	-
092	Subrecipient	97.067	DHS	Department of Homeland Security	Homeland Security Grant Program	Arizona Department of Homeland Security	150408-02	74,300.00	54,170.88	-
					97.067			1,913,100.25	975,369.07	-
092	Direct	97.083	DHS	Department of Homeland Security	Staffing for Adequate Fire and Emergency Response		EMW-2014-FH-00471	8,582,760.00	2,930,644.13	-
					97.083			8,582,760.00	2,930,644.13	-
Total Department of Homeland Security (DHS)								10,836,830.25	4,221,202.20	-
GRAND TOTAL FEDERAL								257,029,481.87	90,754,560.35	11,849,413.01

**CITY OF TUCSON, ARIZONA
NOTES TO SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2016**

NOTE 1 BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 United States *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 Tucson, Arizona.

NOTE 2 CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS

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

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The City has not elected to use the 10-percent de minimus indirect cost rate as allowed under the Uniform Guidance.

NOTE 4 PASS – THROUGH

Represents amounts received from direct or subrecipient (indirect) awards passed through the City of Tucson to an external entity.