



HEINFELD, MEECH & CO. P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

**CITY OF TUCSON, ARIZONA  
SINGLE AUDIT REPORTING PACKAGE  
FOR THE YEAR ENDED JUNE 30, 2007**

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FOR THE YEAR ENDED JUNE 30, 2007**

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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 and Members of the City Council  
City of Tucson, Arizona

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Tucson, Arizona as of and for the year ended June 30, 2007, which collectively comprise City of Tucson, Arizona's basic financial statements and have issued our report thereon dated November 21, 2007. 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 City of Tucson, Arizona's internal control over financial reporting as a basis for designing our auditing procedures 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 of Tucson, Arizona's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Tucson, Arizona's internal control over financial reporting.

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.

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 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 internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Tucson, Arizona's 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 City of Tucson, Arizona in a separate letter dated November 21, 2007.

This report is intended solely for the information and use of the management, City Council, others within the entity and 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.

*Heinfeld, Meech & Co., P.C.*

HEINFELD, MEECH & CO., P.C.  
Certified Public Accountants

November 21, 2007



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**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 and Members of the City Council  
City of Tucson, Arizona

Compliance

We have audited the compliance of City of Tucson, Arizona 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, 2007. City of Tucson, Arizona's major federal programs are identified in the summary of auditors' 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 City of Tucson, Arizona's management. Our responsibility is to express an opinion on City of Tucson, Arizona'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 City of Tucson, Arizona'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 City of Tucson, Arizona's compliance with those requirements.

In our opinion, City of Tucson, Arizona 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, 2007.

Internal Control Over Compliance

The management of City of Tucson, Arizona 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 City of Tucson, Arizona'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 City of Tucson, Arizona'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 of this section and would not necessarily identify all deficiencies in 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.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Tucson, Arizona as of and for the year ended June 30, 2007, and have issued our report thereon dated November 21, 2007. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise City of Tucson, Arizona's basic financial statements. 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 management, City Council, others within the entity and 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.

*Heinfeld, Meech & Co., P.C.*

HEINFELD, MEECH & CO., P.C.  
Certified Public Accountants

November 21, 2007

**CITY OF TUCSON, ARIZONA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FISCAL YEAR ENDED JUNE 30, 2007**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</b>				
<b>COMMUNITY PLANNING AND DEVELOPMENT:</b>				
Direct programs:				
Community Development Block Grants/Entitlement Grants	14.218	B-04-MC-04-0505	\$ 7,456,000	\$ 366,754
Community Development Block Grants/Entitlement Grants	14.218	B-05-MC-04-0505	7,061,282	6,818,619
Total Federal Program 14.218			<u>14,517,282</u>	<u>7,185,373</u>
Emergency Shelter Grants Program	14.231	S-05-MC-04-0505	272,706	267,795
Emergency Shelter Grants Program	14.231	S-06-MC-04-0505	271,603	5,842
Total Federal Program 14.231			<u>544,309</u>	<u>273,637</u>
Supportive Housing Program	14.235	AZ01B901002/3	2,232,366	(540,923)
Supportive Housing Program	14.235	AZ01B201002	1,483,174	(184,227)
Supportive Housing Program	14.235	AZ01B301007	175,392	(11,766)
Supportive Housing Program	14.235	AZ01B301008	120,591	(1,287)
Supportive Housing Program	14.235	AZ01B401009	728,237	728,237
Supportive Housing Program	14.235	AZ01B501004	87,188	87,188
Supportive Housing Program	14.235	AZ01B501006	740,022	740,022
Supportive Housing Program	14.235	AZ01B501015	60,385	60,385
Pass through program from Southern Arizona Aids Foundation:				
Supportive Housing Program	14.235	AZ01B401012 / AZ01B501002	161,404	107,126
Total Federal Program 14.235			<u>5,788,759</u>	<u>984,755</u>
Direct program:				
Shelter Plus Care	14.238	AZ39C801002	2,834,580	90,727
Shelter Plus Care	14.238	AZ01C301001	774,812	55,645
Shelter Plus Care	14.238	AZ01C301010	663,600	(22,800)
Shelter Plus Care	14.238	AZ01C401001	745,440	180,876
Shelter Plus Care	14.238	AZ01C401015	691,032	(49,798)
Shelter Plus Care	14.238	AZ01C501018	711,840	659,841
Total Federal Program 14.238			<u>6,421,304</u>	<u>924,491</u>
Direct programs:				
HOME Investment Partnerships Program	14.239	M99-DC040229 – M06-DC040229	34,353,044	3,421,880
Pass through programs from Pima County:				
Housing Opportunities for Persons with AIDS (HOPWA)	14.241	A-ZH-01-F005	520,951	174,902
Housing Opportunities for Persons with AIDS (HOPWA)	14.241	A-ZH-05/06-F002	779,000	358,996
Total Federal Program 14.241			<u>1,299,951</u>	<u>533,900</u>
Direct programs:				
Section 8 Moderate Rehabilitation Single Room Occupancy	14.249	SF-527K(04) / AZ004MR0004	94,471	93,005

CITY OF TUCSON, ARIZONA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FISCAL YEAR ENDED JUNE 30, 2007

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</b>				
<b>PUBLIC AND INDIAN HOUSING:</b>				
Direct programs:				
Public and Indian Housing	14.850	SF-225	3,670,733	3,256,787
Lower Income Housing Assistance-Section 8 Moderate Rehab	14.856	SF-527K(01) / AZ004MR0001	13,250	13,140
Lower Income Housing Assistance-Section 8 Moderate Rehab	14.856	SF-527K(02) / AZ004MR0002	111,860	110,057
Lower Income Housing Assistance-Section 8 Moderate Rehab	14.856	SF-527K(03) / AZ004MR0003	217,046	214,799
Total Federal Program 14.856			<u>342,156</u>	<u>337,966</u>
 Demolition and Revitalization of Severely Distressed Public Housing (HOPE VI)	 14.866	 AZ20URD004H104	 9,825,000	 1,015,690
Resident Opportunity and Supportive Services	14.870	AZ02RSV004P0108	198,500	(6,185)
Resident Opportunity and Supportive Services	14.870	AZ004REF002A004	350,000	79,852
Resident Opportunity and Supportive Services	14.870	AZ004RFS008A006	26,007	8,193
Total Federal Program 14.870			<u>574,507</u>	<u>81,860</u>
 Section 8 Housing Choice Vouchers	 14.871	 SF-527V / AZ004VO	 22,636,637	 22,168,244
Pass through program from Pima County:				
Section 8 Housing Choice Vouchers	14.871	SF-526V / AZ033VO	4,669,893	4,585,313
Section 8 Housing Choice Vouchers	14.871	SF-526DV / AZ033VO	220,639	218,952
Pass through program from Other Housing Authorities:				
Section 8 Housing Choice Vouchers	14.871	Various HA Contracts	221,356	221,356
Total Federal Program 14.871			<u>27,748,525</u>	<u>27,193,865</u>
 Direct programs:				
Public Housing Capital Fund (CFP)	14.872	AZ20P00450103	1,378,669	7,192
Public Housing Capital Fund (CFP)	14.872	AZ20P00450104	1,809,522	198,664
Public Housing Capital Fund (CFP)	14.872	AZ20P00450105	1,732,375	1,118,005
Public Housing Capital Fund (CFP)	14.872	AZ20P00450106	1,666,707	1,432,958
Total Federal Program 14.872			<u>6,587,273</u>	<u>2,756,819</u>
<b>TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			<b>\$ <u>111,767,314</u></b>	<b>\$ <u>48,062,028</u></b>

**CITY OF TUCSON, ARIZONA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FISCAL YEAR ENDED JUNE 30, 2007**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
<b>DEPARTMENT OF TRANSPORTATION:</b>				
<b>FEDERAL HIGHWAY ADMINISTRATION:</b>				
Pass through programs from Arizona Department of Transportation (Surface Transportation Program):				
Highway Planning and Construction	20.205	HPS-TUC-0(205)A	\$ 103,678	\$ 12,360
Highway Planning and Construction	20.205	STP-TUC-0(037)P	429,000	(372,000)
Highway Planning and Construction	20.205	STP-TUC-0(038)A	445,789	6,285
Highway Planning and Construction	20.205	STP-TUC-0(044)A	1,780,000	(30,814)
Highway Planning and Construction	20.205	STP-TUC-0(048)A	11,353,000	11,010,961
Highway Planning and Construction	20.205	STP-TUC-0(047)A FY05	100,000	(2,588)
Highway Planning and Construction	20.205	STP-TUC-0(049)A	100,000	(1,194)
Highway Planning and Construction	20.205	STP-TUC-0(052)A	703,329	262,420
Highway Planning and Construction	20.205	STP-TUC-0(057)A	1,345,490	1,191,990
Highway Planning and Construction	20.205	STP-TUC-0(063)A	43,607	2,401
Highway Planning and Construction	20.205	STP-TUC-0(202)A	1,974,588	1,974,559
Highway Planning and Construction	20.205	STP-TUC-0(204)X	3,015,537	18,678
Highway Planning and Construction	20.205	STP-TUC-0(209)A	10,845	10,824
Highway Planning and Construction	20.205	STP-TUC-0(212)A	1,550,000	53,439
Highway Planning and Construction	20.205	TEA/STP-TUC-0(061)A	4,047,616	1,832,377
Highway Planning and Construction	20.205	TEA-TUC-0(053)A FY06	490,000	(7,211)
Highway Planning and Construction	20.205	TEA-TUC-0(054)A	113,500	8,180
Highway Planning and Construction	20.205	TEA-TUC-0(055)A	1,369,675	692,348
Highway Planning and Construction	20.205	TEA-TUC-0(060)A	434,800	3,085
Highway Planning and Construction	20.205	TEA-TUC-010-D(001)A	500,000	9,367
Highway Planning and Construction	20.205	JPA 01-78 ITS-9904 (009)	1,925,641	1,228,521
Highway Planning and Construction	20.205	2004-2005 Overlay Labor	220,000	(107,807)
Highway Planning and Construction	20.205	TRACS # H6191-01D TEA 019-A(011)	1,409,979	336,398
Highway Planning and Construction	20.205	TRACS # H6348-01D	25,000	11,041
Pass through program from Arizona Department of Transportation and Pima Association of Governments:				
Highway Planning and Construction	20.205	State Contract #T00 49A 0011 FY06	494,269	(15,120)
Highway Planning and Construction	20.205	PAG OWP 5100	241,000	195,697
Highway Planning and Construction	20.205	PAG OWP 5100	205,000	56,069
Highway Planning and Construction	20.205	PAG OWP 5100	26,000	25,408
Highway Planning and Construction	20.205	PAG OWP 5100	26,000	26,000
Highway Planning and Construction	20.205	PAG OWP 5100	135,000	120,417
Highway Planning and Construction	20.205	PAG OWP 5100	126,000	107,117
Highway Planning and Construction	20.205	PAG OWP 5300	170,000	134,125
Total Federal Program 20.205			<u>34,914,343</u>	<u>18,793,333</u>
<b>FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION:</b>				
Pass through program from Arizona Department of Public Safety: National Motor Carrier Safety				
	20.218	DPS Contract #2006-093	57,300	57,300

**CITY OF TUCSON, ARIZONA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FISCAL YEAR ENDED JUNE 30, 2007**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
<b>DEPARTMENT OF TRANSPORTATION:</b>				
<b>FEDERAL TRANSIT ADMINISTRATION:</b>				
Direct programs:				
Federal Transit-Capital Investment Grants	20.500	AZ-03-0044	6,639,832	127,478
Federal Transit-Capital Investment Grants	20.500	AZ-03-0047	6,893,201	3,436,064
Total Federal Program 20.500			13,533,033	3,563,542
Pass through program from Arizona Department of Transportation and Pima Association of Governments:				
Federal Transit-Metropolitan Planning Grants	20.505	PAG OWP 5200	103,200	103,200
Federal Transit-Metropolitan Planning Grants	20.505	PAG OWP 5200	20,000	19,320
Federal Transit-Metropolitan Planning Grants	20.505	PAG OWP 5200	32,000	20,665
Total Federal Program 20.505			155,200	143,185
Direct programs:				
Federal Transit-Formula Grants	20.507	AZ-90-X051	8,368,088	319,227
Federal Transit-Formula Grants	20.507	AZ-90-X059	9,111,664	222,259
Federal Transit-Formula Grants	20.507	AZ-90-X062	9,745,069	841,002
Federal Transit-Formula Grants	20.507	AZ-90-X066	13,554,143	1,326,044
Federal Transit-Formula Grants	20.507	AZ-90-X071	9,873,309	3,404,517
Federal Transit-Formula Grants	20.507	AZ-90-X073	10,596,159	1,323,914
Federal Transit-Formula Grants	20.507	AZ-90-X078	9,737,468	863,399
Federal Transit-Formula Grants	20.507	AZ-90-X085	10,230,078	1,515,200
Federal Transit-Formula Grants	20.507	AZ-90-X090	757,143	742,001
Total Federal Program 20.507			81,973,141	10,557,563
Job Access / Reverse Commute Project (JARC)	20.516	AZ-37-X005	997,800	439,088
<b>NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION:</b>				
Pass through programs from Arizona Governor's Office of Highway Safety:				
State and Community Highway Safety	20.600	2007-OP-006	4,400	4,400
State and Community Highway Safety	20.600	2006-ID-DTN-001	88,272	45,269
State and Community Highway Safety	20.600	2006-PT-007	40,000	40,000
State and Community Highway Safety	20.600	2006-OP-002	69,506	63,382
State and Community Highway Safety	20.600	2006-AL-011	26,308	1,500
State and Community Highway Safety	20.600	2005-AL-012	160,000	56,727
State and Community Highway Safety	20.600	2005-RS-002	173,000	66,904
State and Community Highway Safety	20.600	2000-AL-002	119,057	17,839
Pass through program from Pima County Dept of Transportation:				
State and Community Highway Safety	20.600	01-04-T-138151-0606	255,645	64,789
Total Federal Program 20.600			936,198	360,810
Pass through programs from Arizona Governor's Office of Highway Safety:				
Alcohol Traffic Safety & Drunk Driving Prevention	20.601	2007-K8HV-017	100,000	29,891
Occupant Protection	20.602	2005-163-034	4,900	4,900
<b>TOTAL DEPARTMENT OF TRANSPORTATION</b>			<b>\$ 132,671,915</b>	<b>\$ 33,949,612</b>

**CITY OF TUCSON, ARIZONA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FISCAL YEAR ENDED JUNE 30, 2007**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
<b>DEPARTMENT OF HOMELAND SECURITY:</b>				
<b>OFFICE FOR DOMESTIC PREPAREDNESS:</b>				
Pass through program from Arizona Office of Emergency Management:				
State Domestic Preparedness Equipment Support Program	97.004	01-01-T-135777-0305	\$ 55,000	\$ 22,703
State Domestic Preparedness Equipment Support Program	97.004	2004-GE-T4-0051	2,155,000	71,574
State Domestic Preparedness Equipment Support Program	97.004	2005-GE-T5-0030	1,070,090	640,835
State Domestic Preparedness Equipment Support Program	97.004	Homeland SWAT	108,625	54,769
State Domestic Preparedness Equipment Support Program	97.004	ADEM	2,988	2,988
Total Federal Program 97.004			<u>3,391,703</u>	<u>792,969</u>
Homeland Security Preparedness Technical Assistance	97.007	2004 State H-S Grant Program	589,420	95,653
Direct program:				
Disaster Grants - Public Assistance	97.036	FEMA-3241-EM-AZ-019-77000-00	1,677,459	603,813
Direct program:				
Assistance to Firefighters	97.044	EMW-2006-FG-01793	287,321	287,321
Pass through program from Arizona Office of Emergency Management:				
Homeland Security Grant Program	97.057	Operation Stone Garden Phase 4	65,000	60,725
Pass through program from Arizona Dept of Emergency & Military Affairs:				
Homeland Security Grant Program	97.067	2006-GE-T6-0007	85,000	12,310
Total Federal Program 97.067			<u>150,000</u>	<u>73,035</u>
Pass through program from Arizona Dept of Emergency & Military Affairs:				
Metropolitan Medical Response System	97.071	2006-GE-T6-0007	225,360	995
<b>FEDERAL EMERGENCY MANAGEMENT AGENCY:</b>				
Direct program:				
Metropolitan Medical Response System	97.071	EMW-2004-GR-0713	550,000	198,500
Metropolitan Medical Response System	97.071	233-03-097	280,000	150,475
Total Federal Program 97.071			<u>1,055,360</u>	<u>349,970</u>
Pass through program from Arizona Dept of Emergency & Military Affairs:				
Law Enforcement Terrorism Prevention	97.074	2006-GE-T6-0007	191,500	25,042
Pass through program from Arizona Dept of Emergency & Military Affairs:				
Buffer Zone Protection Program	97.078	Buffer Zone Protection Plan	60,519	54,444
Pass through program from Space & Naval Warfare Systems Center:				
Regional Information Sharing & Collaboration	97.Unknown	N65236-05-D-6854	208,669	34,167
<b>TOTAL DEPARTMENT OF HOMELAND SECURITY</b>			<b>\$ <u>7,611,951</u></b>	<b>\$ <u>2,316,414</u></b>

**CITY OF TUCSON, ARIZONA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FISCAL YEAR ENDED JUNE 30, 2007**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
<b>DEPARTMENT OF JUSTICE:</b>				
<b>BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES:</b>				
Direct program:				
Alcohol, Tobacco, and Firearms Training Assistance	16.012	None	\$ 20,000	\$ 12,185
<b>OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION:</b>				
Pass through programs from Arizona Governor's Community Policy Office:				
Juvenile Accountability Incentive Block Grants (JAIBG)	16.523	JB-GRA-04-6273-12	37,186	20,820
Juvenile Accountability Incentive Block Grants (JAIBG)	16.523	JB-IGA-05-7273-07	28,448	15,868
Juvenile Accountability Incentive Block Grants (JAIBG)	16.523	JB-CSG-07-8274-01	29,889	1,258
Total Federal Program 16.523			<u>95,523</u>	<u>37,944</u>
<b>OFFICE OF JUSTICE PROGRAMS:</b>				
Direct program:				
National Institute of Justice Research, Evaluation, and Development Project Grants				
Development Project Grants	16.560	DNC05-06-204	105,395	42,960
Development Project Grants	16.560	DNAB04-06-104	133,798	123,137
Development Project Grants	16.560	DNAB04-06-105	28,453	28,453
Development Project Grants	16.560	DNAB05-07-104	95,784	19,224
Pass through programs from Arizona Criminal Justice Commission:				
Development Project Grants	16.560	FLL-06-306	13,041	2,197
Development Project Grants	16.560	FDL-06-206	8,750	4,176
Total Federal Program 16.560			<u>383,201</u>	<u>218,147</u>
Byrne Formula Grant Program				
	16.579	CRI-06-102	<u>29,062</u>	<u>11,999</u>
Pass through program from Maricopa County Sheriff's Department:				
Edward Byrne Memorial Grant/Az Methamphetamine Program	16.580	2000-DD-VX-0033 / C-50-03-525-3	<u>60,000</u>	<u>8,869</u>
Direct programs:				
Local Law Enforcement Block Grants Program	16.592	Boys & Girls Club	<u>18,000</u>	<u>4,874</u>
<b>EXECUTIVE OFFICE FOR WEED AND SEED:</b>				
Direct programs:				
Executive Office for Weed and Seed	16.595	2004-WS-Q4-0037	225,000	(119)
Executive Office for Weed and Seed	16.595	2005-WS-MU-0090	225,000	22,060
Executive Office for Weed and Seed	16.595	2005-WS-Q5-0254	175,000	119,685
Executive Office for Weed and Seed	16.595	2005-WS-Q5-0255	225,000	159,509
Executive Office for Weed and Seed	16.595	2006-WS-Q5-0159	200,000	67,541
Executive Office for Weed and Seed	16.595	2006-WS-Q6-0113	225,000	67,616
Executive Office for Weed and Seed	16.595	2006-WS-Q6-0177	200,000	62,283
Total Federal Program 16.595			<u>1,475,000</u>	<u>498,575</u>
<b>BUREAU OF JUSTICE ASSISTANCE:</b>				
Direct program:				
Bulletproof Vest Partnership Grant	16.607	None	<u>101,019</u>	<u>10,397</u>

**CITY OF TUCSON, ARIZONA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FISCAL YEAR ENDED JUNE 30, 2007**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
<b>DEPARTMENT OF JUSTICE:</b>				
<b>BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES:</b>				
Direct program:				
Community Prosecution and Project Safe Neighborhoods	16.609	None	60,000	42,304
<b>OFFICE OF JUSTICE PROGRAMS:</b>				
Pass through programs from Arizona Criminal Justice Commission:				
Community Prosecution and Project Safe Neighborhoods	16.609	PSN4-06-1018	24,000	20,437
Total Federal Program 16.609			<u>84,000</u>	<u>62,741</u>
<b>OFFICE OF COMMUNITY ORIENTED POLICING SERVICES:</b>				
Direct programs:				
Public Safety Partnership and Community Policing Grants	16.710	2003-CK-WX0014	1,987,000	47,931
Public Safety Partnership and Community Policing Grants	16.710	2004-CK-WX0007	989,477	6,494
Public Safety Partnership and Community Policing Grants	16.710	2005-CK-WX0010	369,991	62,350
Public Safety Partnership and Community Policing Grants	16.710	2006-CKWX-0434	246,807	195,716
Pass through program from Hispanic American Police Command Officers' Association:				
Public Safety Partnership and Community Policing Grants	16.710	None	9,750	5,593
Total Federal Program 16.710			<u>3,603,025</u>	<u>318,084</u>
<b>OFFICE OF JUSTICE PROGRAMS:</b>				
Direct programs:				
Gang Resistance Education and Training	16.737	2006-JV-FX-0084	238,481	195,835
Edward Byrne Memorial Justice Assistance Grant	16.738	2005-DJ-BX-1645	644,227	102,071
Edward Byrne Memorial Justice Assistance Grant	16.738	2006-DJ-BX-1015	361,396	36,497
Edward Byrne Memorial Justice Assistance Grant	16.738	AL-07-060	269,126	269,126
Edward Byrne Memorial Justice Assistance Grant	16.738	PL-07-060	93,441	93,441
Edward Byrne Memorial Justice Assistance Grant	16.738	FL-07-030	14,630	14,630
Total Federal Program 16.738			<u>1,382,820</u>	<u>515,765</u>
Pass through programs from Arizona Criminal Justice Commission:				
Paul Coverdeil Forensic Sciences Improvement Program	16.742	CVF06-07-309	12,344	6,409
<b>OFFICE OF NATIONAL DRUG CONTROL POLICY:</b>				
Pass through programs from Pima County Sheriff's Department:				
High Intensity Drug Trafficking Program	95.001	I5PSAP549	21,670	10,359
High Intensity Drug Trafficking Program	95.001	HT16-06-0715	9,888	259
High Intensity Drug Trafficking Program	95.001	HT16-06-1715	195,424	128,575
Total Federal Program 95.001			<u>226,982</u>	<u>139,193</u>
Direct programs:				
Law Enforcement Tribute Act	16.Unknown	2004-DD-BX-1157	82,550	51,800
DEA Tucson Taskforce Group	16.Unknown	FY 06-07 Allotment	15,573	7,604
DEA Tucson Taskforce Group	16.Unknown	FY 05-06 Allotment	15,144	2,991
Loya Wire Title !!! Operation Special Overtime	16.Unknown	None	75,730	75,730
C.N.A. / DEA Special Overtime	16.Unknown	None	2,946	2,946
Asset Forfeiture - Equitable Sharing	16.Unknown	FY 06-07 Allotment	115,161	115,161
<b>TOTAL DEPARTMENT OF JUSTICE</b>			<u>\$ 8,036,561</u>	<u>\$ 2,297,249</u>

**CITY OF TUCSON, ARIZONA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FISCAL YEAR ENDED JUNE 30, 2007**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES:</b>				
<b>ADMINISTRATION ON AGING:</b>				
Pass through programs from Area Agency on Aging, Pima Council on Aging (AAA-PCOA):				
Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers	93.044	City of Tucson/CSD/CCD 2006-07	\$ 159,541	\$ 159,541
Special Programs for the Aging-Title III, Part C-Nutrition Services	93.045	City of Tucson, Parks & Rec. 2006-07	242,164	216,752
<b>ADMINISTRATION FOR CHILDREN AND FAMILIES:</b>				
Direct programs:				
Assets for Independence Demonstration Program	93.602	90-EI-0068	45,000	21,198
Assets for Independence Demonstration Program	93.602	90-EI-0181	100,000	1,955
Total Federal Program 93.602			<u>145,000</u>	<u>23,153</u>
Pass through programs from Area Agency on Aging, Pima Council on Aging (AAA-PCOA):				
Social Services Program	93.667	City of Tucson, Parks & Rec. 2006-07	1,500	1,500
<b>TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<u>\$ 548,205</u>	<u>\$ 400,946</u>
<b>ENVIRONMENTAL PROTECTION AGENCY:</b>				
<b>OFFICE OF SOLID WASTE AND EMERGENCY RESPONSE:</b>				
Direct programs:				
Congressionally Mandated Projects	66.202	XP-96993301	\$ 723,200	\$ 174,700
Brownfields Job Training Cooperative Agreements	66.815	JT96950601-0	200,000	57,629
Brownfields Assessment & Cleanup Cooperative Agreements	66.818	BF-97975901-0	200,000	9,112
Brownfields Assessment & Cleanup Cooperative Agreements	66.818	BF-96915301-0	200,000	25,603
Brownfields Assessment & Cleanup Cooperative Agreements	66.818	BF-96955901-0 G900NY00	200,000	38,227
Brownfields Assessment & Cleanup Cooperative Agreements	66.818	BF-96955901-0 G900OR00	200,000	29,365
Total Federal Program 66.818			<u>800,000</u>	<u>102,307</u>
<b>TOTAL ENVIRONMENTAL PROTECTION AGENCY</b>			<u>\$ 1,723,200</u>	<u>\$ 334,636</u>

**CITY OF TUCSON, ARIZONA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FISCAL YEAR ENDED JUNE 30, 2007**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
<u>DEPARTMENT OF INTERIOR</u>				
BUREAU OF RECLAMATION:				
Direct program:				
Water Reclamation and Reuse Program	15.504	06FG320710	\$ 40,550	\$ 10,350
FISH AND WILDLIFE SERVICE:				
Pass through program from Arizona Game and Fish Department Cooperative Endangered Species Conservation Fund	15.615	KR04-0357-EQS	240,000	113,292
NATIONAL PARKS SERVICE:				
Pass through program from Arizona State Historic Preservation Office:				
Historic Preservation Fund Grants-in-Aid	15.904	AZ-04-018	9,594	2,771
Historic Preservation Fund Grants-in-Aid	15.904	AZ-05-019	10,000	4,815
Historic Preservation Fund Grants-in-Aid	15.904	AZ-05-020	7,250	7,250
Total Federal Program 15.904			<u>26,844</u>	<u>14,836</u>
TOTAL DEPARTMENT OF INTERIOR			\$ 307,394	\$ 138,478
<u>DEPARTMENT OF THE TREASURY:</u>				
Direct program:				
Asset Forfeiture - Equitable Sharing	21.Unknown	FY 06-07 Allotment	\$ 39,944	\$ 39,944
<u>DEPARTMENT OF AGRICULTURE:</u>				
FOOD AND NUTRITION SERVICE:				
Pass through program from Area Agency on Aging, Pima Council on Aging (AAA-PCOA): Nutrition Services Incentive (NSIP)	10.570	City of Tucson Parks & Rec. 2006-07	\$ 26,099	\$ 26,099
FOREST SERVICE:				
Pass through program from Arizona State Land Department: Urban and Community Forestry Program: Cooperative Forestry Assistance	10.664	ASLD Grant Agreement #L-5	10,000	3,959
TOTAL DEPARTMENT OF AGRICULTURE			\$ 36,099	\$ 30,058
<u>NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES:</u>				
OFFICE OF LIBRARY SERVICES:				
Pass through program from Arizona Department of Library, Archives and Public Records: Grants to States	45.310	261-1-1-01	\$ 3,000	\$ 2,939
<u>NATIONAL ARCHIVES &amp; RECORDS ADMINISTRATION:</u>				
NATIONAL HISTORICAL PUBLICATIONS & RECORDS COMMISSION:				
Pass through program from Arizona Department of Library, Archives and Public Records: National Historical Publications and Records Grants	89.003	Archive Pamphlet - AHRAB	\$ 1,100	\$ 572
TOTAL ALL AGENCIES			\$ 262,746,683	\$ 87,572,976

**CITY OF TUCSON, ARIZONA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2007**

**NOTE 1 - BASIS OF PRESENTATION**

The Schedule of Expenditures of Federal Awards includes the federal grant activity of City of Tucson, Arizona and is presented on the modified 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*.

**NOTE 2 - CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS**

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or the 2007 *Catalog of Federal Domestic Assistance*.

**NOTE 3 - NEGATIVE AMOUNTS**

The negative amounts in programs under the Department of Housing and Urban Development and Department of Justice grants arose from adjustments of cumulative totals of prior year expenditures to the related grant awards. Other adjustments under the Department of Transportation grants were a result of corrections of prior years' expenditures previously believed to be grant eligible but later deemed to be ineligible and/or unreimbursable.

**CITY OF TUCSON, ARIZONA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2007**

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified?        yes   X   no
- Significant deficiency(ies) identified that are not considered to be a material weakness(es)?        yes   X   none reported

Noncompliance material to financial statements noted?        yes   X   no

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?        yes   X   no
- Significant deficiency(ies) identified that are not considered to be a material weakness(es)?        yes   X   none reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?        yes   X   no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
14.850	Public and Indian Housing
14.871	Section 8 Housing Choice Vouchers
20.500	Federal Transit - Capital Investment Grants
20.507	Federal Transit - Formula Grants
20.516	Job Access - Reverse Commute

Dollar threshold used to distinguish between Type A and Type B programs: \$2,627,190

Auditee qualified as low-risk auditee?   X   yes        no

**CITY OF TUCSON, ARIZONA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2007**

**SECTION II - FINANCIAL STATEMENT FINDINGS**

We noted no significant deficiencies, material weaknesses or instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards*.

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

We noted no significant deficiencies, material weaknesses or instances of noncompliance related to the audit of major federal programs as required to be reported by OMB Circular A-133.

**CITY OF TUCSON, ARIZONA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2007**

**Status of Federal Award Findings and Questioned Costs**

The City had no findings or questioned costs related to federal awards noted in prior audits that require a status.