



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

**CITY OF TUCSON, ARIZONA
SINGLE AUDIT REPORTING PACKAGE
FOR THE YEAR ENDED JUNE 30, 2008**

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**CITY OF TUCSON, ARIZONA
SINGLE AUDIT REPORTING PACKAGE
FOR THE YEAR ENDED JUNE 30, 2008**

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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, each major fund, and the aggregate discretely presented component units and remaining fund information of City of Tucson, Arizona as of and for the year ended June 30, 2008 which collectively comprise City of Tucson, Arizona's basic financial statements and have issued our report thereon dated December 5, 2008, which was modified as to consistency because of the implementation of Governmental Accounting Standards Board Statements No. 45, 48, and 50. 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 December 5, 2008.

This report is intended solely for the information and use of management, the 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

December 5, 2008



**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, 2008. 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, 2008.

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, each major fund, and the aggregate discretely presented component units and remaining fund information of City of Tucson, Arizona as of and for the year ended June 30, 2008, and have issued our report thereon dated December 5, 2008, which was modified as to consistency because of the implementation of Governmental Accounting Standards Board Statements No. 45, 48, and 50. Our audit was performed for the purpose of forming our 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 management, the 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

December 5, 2008

**CITY OF TUCSON, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2008**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:				
COMMUNITY PLANNING AND DEVELOPMENT:				
Direct programs:				
Community Development Block Grants/Entitlement Grants	14.218	B-04-MC-04-0505	\$ 7,456,000	\$ 528,408
Community Development Block Grants/Entitlement Grants	14.218	B-05-MC-04-0505	7,061,282	242,664
Community Development Block Grants/Entitlement Grants	14.218	B-06-MC-04-0505	6,348,684	2,864,780
Community Development Block Grants/Entitlement Grants	14.218	B-07-MC-04-0505	6,331,206	2,594,566
Total Federal Program 14.218			<u>27,197,172</u>	<u>6,230,418</u>
Emergency Shelter Grants Program	14.231	S-07-MC-04-0505	273,819	266,611
Total Federal Program 14.231			<u>273,819</u>	<u>266,611</u>
Supportive Housing Program	14.235	AZ01B501004	87,696	(333)
Supportive Housing Program	14.235	AZ01B601016	60,385	60,385
Supportive Housing Program	14.235	AZ01B601004	87,696	84,542
Supportive Housing Program	14.235	AZ01B601013	741,272	741,272
Supportive Housing Program	14.235	AZ01B701002	87,696	19,879
Total Federal Program 14.235			<u>1,064,745</u>	<u>905,745</u>
Direct program:				
Shelter Plus Care	14.238	AZ01C301001	774,812	230,399
Shelter Plus Care	14.238	AZ01C401001	745,440	209,531
Shelter Plus Care	14.238	AZ01C501018	711,840	259
Shelter Plus Care	14.238	AZ01C601018	745,584	729,875
Shelter Plus Care	14.238	AZ01C701023	742,020	103,166
Total Federal Program 14.238			<u>3,719,696</u>	<u>1,273,230</u>
Direct programs:				
HOME Investment Partnerships Program	14.239	M99-DC040229 – M06-DC040229	38,035,911	5,189,079
Total Federal Program 14.239			<u>38,035,911</u>	<u>5,189,079</u>
Pass through programs from Pima County:				
Housing Opportunities for Persons with AIDS (HOPWA)	14.241	A-ZH-01-F005	839,800	193,379
Housing Opportunities for Persons with AIDS (HOPWA)	14.241	A-ZH-/06-F002/07-F002	779,000	383,505
Total Federal Program 14.241			<u>1,618,800</u>	<u>576,884</u>
Direct programs:				
Section 8 Moderate Rehabilitation Single Room Occupancy	14.249	SF-527K(04) / AZ004MR0004	104,334	103,533
Total Federal Program 14.249			<u>104,334</u>	<u>103,533</u>

**CITY OF TUCSON, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2008**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:				
Direct Programs				
Public and Indian Housing	14.850	AZ004-00207D	3,670,733	1,871,796
Public and Indian Housing	14.850	AZ004-30011008D	378,791	188,144
Public and Indian Housing	14.850	AZ004-40001108D	1,990	1,383
Public and Indian Housing	14.850	AZ004-40011108D	527,077	250,397
Public and Indian Housing	14.850	AZ004-40111108D	1,383	1,383
Public and Indian Housing	14.850	AZ004-50011208D	580,197	319,568
Public and Indian Housing	14.850	AZ004-60011308D	475,628	330,635
Public and Indian Housing	14.850	AZ004-00004808D	1,214,233	563,047
Public and Indian Housing	14.850	AZ004-10011508D	111,353	65,020
Public and Indian Housing	14.850	AZ004-00005008D	218,135	110,673
Public and Indian Housing	14.850	AZ004-00005108D	173,721	83,005
Public and Indian Housing	14.850	AZ004-00604008D	73,909	38,475
Public and Indian Housing	14.850	AZ004-00006508D	55,722	37,148
Total Federal Program 14.850			<u>7,482,872</u>	<u>3,860,674</u>
Lower Income Housing Assistance-Section 8 Moderate Rehab	14.856	SF-527K(01) / AZ004MR0001	14,296	13,683
Lower Income Housing Assistance-Section 8 Moderate Rehab	14.856	SF-527K(02) / AZ004MR0002	118,779	115,535
Lower Income Housing Assistance-Section 8 Moderate Rehab	14.856	SF-527K(03) / AZ004MR0003	180,495	180,133
Total Federal Program 14.856			<u>313,570</u>	<u>309,351</u>
Demolition and Revitalization of Severely Distressed Public Housing (HOPE VI)	14.866	AZ20URD0041104	9,825,000	1,254,574
Total Federal Program 14.866			<u>9,825,000</u>	<u>1,254,574</u>
Resident Opportunity and Supportive Services	14.870	AZ004REF002A004	350,000	147,658
Resident Opportunity and Supportive Services	14.870	AZ004RFS008A006	26,007	17,814
Resident Opportunity and Supportive Services	14.870	AZ004RFS011A007	26,787	7,100
Total Federal Program 14.870			<u>402,794</u>	<u>172,572</u>
Section 8 Housing Choice Vouchers	14.871	SF-527V / AZ004VO	23,392,292	23,232,602
Pass through program from Pima County:				
Section 8 Housing Choice Vouchers	14.871	SF-526V / AZ033VO	4,503,372	4,581,010
Section 8 Housing Choice Vouchers	14.871	SF-528DV / AZ033VO	223,611	217,820
Pass through program from Other Housing Authorities:				
Section 8 Housing Choice Vouchers	14.871	Various HA Contracts	24,861	24,861
Total Federal Program 14.871			<u>28,144,136</u>	<u>28,056,293</u>
Direct programs:				
Public Housing Capital Fund (CFP)	14.872	AZ20P00450105	1,732,375	31,488
Public Housing Capital Fund (CFP)	14.872	AZ20P00450106	1,666,707	233,926
Public Housing Capital Fund (CFP)	14.872	AZ20P00450107	1,593,385	436,823
Total Federal Program 14.872			<u>4,992,467</u>	<u>702,237</u>
Lead Based Paint Hazard Control in Privately-Owned Housing	14.900	AZLHB037107	3,000,000	189,327
Total Federal Program 14.900			<u>3,000,000</u>	<u>189,327</u>
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>\$ 126,175,316</u>	<u>\$ 49,090,528</u>

CITY OF TUCSON, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2008

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
DEPARTMENT OF TRANSPORTATION:				
FEDERAL HIGHWAY ADMINISTRATION:				
Pass through programs from Arizona Department of Transportation (Surface Transportation Program):				
Highway Planning and Construction	20.205	HPS-TUC-0(205)A	\$ 103,678	\$ 74,035
Highway Planning and Construction	20.205	STP-TUC-01(041)A	266,000	266,000
Highway Planning and Construction	20.205	STP-TUC-0(044)A	2,200,000	2,118,371
Highway Planning and Construction	20.205	STP-TUC-0(046)A	14,353,000	2,247,224
Highway Planning and Construction	20.205	STP-TUC-0(057)A	1,345,490	93,792
Highway Planning and Construction	20.205	STP-TUC-0(058)A Help Loan	12,740,398	56,492
Highway Planning and Construction	20.205	STP-TUC-0(063)A	43,607	16,362
Highway Planning and Construction	20.205	STP-TUC-0(070)X	51,205	8,661
Highway Planning and Construction	20.205	STP-TUC-0(072)A	100,000	40,331
Highway Planning and Construction	20.205	STP-TUC-0(200)	125,000	55,889
Highway Planning and Construction	20.205	STP-TUC-0(204)X	3,015,537	188,556
Highway Planning and Construction	20.205	STP-TUC-0(207)A	314,862	202,258
Highway Planning and Construction	20.205	STP-TUC-0(210)A	45,814	29,860
Highway Planning and Construction	20.205	STP-TUC-0(211)A	1,000,000	789,076
Highway Planning and Construction	20.205	STP-TUC-0(212)A	1,550,000	1,045,642
Highway Planning and Construction	20.205	STP-TUC-0(222)A	300,000	17,041
Highway Planning and Construction	20.205	TEA 019-A(011)	1,409,979	266,977
Highway Planning and Construction	20.205	TEA/STP-TUC-0(061)A	4,047,816	1,744,552
Highway Planning and Construction	20.205	TEA-TUC-0(054)A	113,500	14,817
Highway Planning and Construction	20.205	TEA-TUC-0(060)A	434,800	34,082
Highway Planning and Construction	20.205	JPA 01-76 ITS-9904 (009)	1,925,641	234,801
Highway Planning and Construction	20.205	TRACS # H6348-01D	106,850	81,650
Pass through program from Arizona Department of Transportation and Pima Association of Governments:				
Highway Planning and Construction	20.205	PAG OWP 5100	253,000	130,644
Highway Planning and Construction	20.205	PAG OWP 5100	215,000	62,613
Highway Planning and Construction	20.205	PAG OWP 5100	26,000	18,130
Highway Planning and Construction	20.205	PAG OWP 5100	26,000	9,317
Highway Planning and Construction	20.205	PAG OWP 5100	135,000	91,248
Highway Planning and Construction	20.205	PAG OWP 5100	126,000	94,048
Total Federal Program 20.205			<u>46,373,677</u>	<u>10,032,469</u>
FEDERAL TRANSIT ADMINISTRATION:				
Direct programs:				
Federal Transit-Capital Investment Grants	20.500	AZ-04-0007	8,415,000	1,079,984
Federal Transit-Capital Investment Grants	20.500	AZ-03-0044	6,639,832	423,092
Federal Transit-Capital Investment Grants	20.500	AZ-03-0047	6,893,201	26,070
Federal Transit-Capital Investment Grants	20.500	AZ-03-0052	3,644,169	547,376
Total Federal Program 20.500			<u>25,592,202</u>	<u>2,076,522</u>
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	20,000
Federal Transit-Metropolitan Planning Grants	20.505	PAG OWP 5200	32,000	32,000
Total Federal Program 20.505			<u>155,200</u>	<u>155,200</u>

**CITY OF TUCSON, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2008**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
DEPARTMENT OF TRANSPORTATION:				
Direct programs:				
Federal Transit-Formula Grants	20.507	AZ-95-X002	822,263	607,406
Federal Transit-Formula Grants	20.507	AZ-90-X048	7,817,669	1,049,583
Federal Transit-Formula Grants	20.507	AZ-90-X051	8,368,088	141,291
Federal Transit-Formula Grants	20.507	AZ-90-X059	9,111,684	68,196
Federal Transit-Formula Grants	20.507	AZ-90-X062	9,745,069	509,313
Federal Transit-Formula Grants	20.507	AZ-90-X066	13,554,143	806,173
Federal Transit-Formula Grants	20.507	AZ-90-X071	9,873,309	59,444
Federal Transit-Formula Grants	20.507	AZ-90-X073	10,596,159	4,382,269
Federal Transit-Formula Grants	20.507	AZ-90-X078	9,737,468	198,667
Federal Transit-Formula Grants	20.507	AZ-90-X085	10,230,078	1,306,401
Federal Transit-Formula Grants	20.507	AZ-90-X090	757,143	15,142
Federal Transit-Formula Grants	20.507	AZ-90-X100	11,241,976	2,109,432
Total Federal Program 20.507			101,855,049	11,253,317
Job Access / Reverse Commute Project (JARC)	20.516	AZ-37-X005	997,800	279,707
Total Federal Program 20.516			997,800	279,707
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION:				
Pass through programs from Arizona Governor's Office of Highway Safety:				
State and Community Highway Safety	20.600	2006-ID-DTN-001	88,272	43,003
State and Community Highway Safety	20.600	2007-PT-026	25,000	25,000
State and Community Highway Safety	20.600	2007-PS-002	25,000	24,786
Pass through program from Pima County Dept of Transportation:				
State and Community Highway Safety	20.600	01-04-T-138151-0606	255,645	104,397
Pass through programs from Arizona Governor's Office of Highway Safety:				
State and Community Highway Safety	20.600	2007-KA-007	133,292	112,309
Total Federal Program 20.600			527,209	309,495
Direct programs:				
Alcohol Traffic Safety & Drunk Driving Prevention	20.601	2007-K8-040	1,980	1,980
Alcohol Traffic Safety & Drunk Driving Prevention	20.601	2007-410-004	180,000	113,457
Alcohol Traffic Safety & Drunk Driving Prevention	20.601	2007-K8HV-017	140,000	78,556
Total Federal Program 20.601			321,980	193,993
Occupant Protection	20.602	2008-OP-011	9,000	8,671
Total Federal Program 20.602			9,000	8,671
TOTAL DEPARTMENT OF TRANSPORTATION			\$ 175,832,117	\$ 24,309,374

**CITY OF TUCSON, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2008**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
DEPARTMENT OF HOMELAND SECURITY:				
OFFICE FOR DOMESTIC PREPAREDNESS:				
Pass through program from Arizona Office of Emergency Management:				
State Domestic Preparedness Equipment Support Program	97.004	01-01-T-135777-0305	\$ 55,000	\$ 1,833
State Domestic Preparedness Equipment Support Program	97.004	2004-GE-T4-0051	2,155,000	(2,529)
State Domestic Preparedness Equipment Support Program	97.004	2005-GE-T5-0030	1,098,005	311,102
State Domestic Preparedness Equipment Support Program	97.004	ADEM	3,189	200
Total Federal Program 97.004			<u>3,311,194</u>	<u>310,606</u>
Direct program:				
Disaster Grants - Public Assistance	97.036	FEMA-3241-EM-AZ-019-77000-00	1,525,606	275,365
Total Federal Program 97.036			<u>1,525,606</u>	<u>275,365</u>
Pass through program from Arizona Office of Emergency Management:				
Homeland Security Grant Program	97.067	Operation Stone Garden Phase 4	131,028	70,303
Homeland Security Grant Program	97.067	Operation Stone Garden Phase 5	172,000	150,582
Pass through program from Arizona Dept of Emergency & Military Affairs:				
Homeland Security Grant Program	97.067	2006-GE-T6-0007	120,000	92,885
Pass through program from Arizona Dept of Homeland Security:				
Homeland Security Grant Program	97.067	333426-01	258,145	91
Homeland Security Grant Program	97.067	333900-05	100,000	99,149
Homeland Security Grant Program	97.067	333900-03	100,000	4,049
Urban Area Security Initiative - Enhance CBRNE Response	97.067	2007-GE-T7-0008	99,000	99,000
Total Federal Program 97.067			<u>980,173</u>	<u>516,059</u>
Pass through program from Arizona Dept of Emergency & Military Affairs:				
Metropolitan Medical Response Team	97.071	2006-GE-T6-0007	225,360	200,403
Total Federal Program 97.071			<u>225,360</u>	<u>200,403</u>
Direct program:				
Disaster Housing Assistance Program	97.109	DHAP AZ004F	84,541	84,541
Total Federal Program 97.109			<u>84,541</u>	<u>84,541</u>
FEDERAL EMERGENCY MANAGEMENT AGENCY:				
Direct program:				
Assistance to Firefighters Grants	97.044	EMW-2007-FO-03192	255,680	252,582
Total Federal Program 97.044			<u>255,680</u>	<u>252,582</u>
Pass through program from Arizona Dept of Emergency & Military Affairs:				
Law Enforcement Terrorism Prevention	97.074	2006-GE-T6-0007	191,500	166,458
Law Enforcement Terrorism Prevention	97.074	None	3,465	3,465
Total Federal Program 97.074			<u>194,965</u>	<u>169,923</u>
TOTAL DEPARTMENT OF HOMELAND SECURITY			<u>\$ 6,577,519</u>	<u>\$ 1,809,479</u>

**CITY OF TUCSON, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2008**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
DEPARTMENT OF JUSTICE:				
OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION:				
Pass through programs from Arizona Governor's Community Policy Office:				
Juvenile Accountability Incentive Block Grants (JAIBG)	16.523	JB-IGA-05-7273-07	\$ 28,448	\$ 7,019
Juvenile Accountability Incentive Block Grants (JAIBG)	16.523	JB-CSG-07-8274-01	29,889	15,447
Total Federal Program 16.523			<u>58,337</u>	<u>22,466</u>
Pass through program from Arizona Governor's of Highway Safety:				
Combating Underage Drinking	16.727	2007-QJDP-006	40,000	11,322
Total Federal Program 16.727			<u>40,000</u>	<u>11,322</u>
OFFICE OF JUSTICE PROGRAMS:				
Direct program:				
National Institute of Justice Research, Evaluation, and				
Development Project Grants	16.560	DNC05-06-204	80,395	31,132
Development Project Grants	16.560	DNAB05-07-104	95,764	76,540
Development Project Grants	16.560	2007-DN-BX-K138	449,727	5,788
Total Federal Program 16.580			<u>625,886</u>	<u>113,458</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	60,000	3,021
Total Federal Program 16.580			<u>60,000</u>	<u>3,021</u>
Direct programs:				
Local Law Enforcement Block Grants Program				
Total Federal Program 16.592	16.592	Boys & Girls Club	18,000	(236)
			<u>18,000</u>	<u>(236)</u>
EXECUTIVE OFFICE FOR WEED AND SEED:				
Direct programs:				
Executive Office for Weed and Seed	16.595	2003-WS-Q3-0010	225,000	143
Executive Office for Weed and Seed	16.595	2006-WS-Q5-0159	200,000	132,459
Executive Office for Weed and Seed	16.595	2006-WS-Q6-0113	225,000	158,871
Executive Office for Weed and Seed	16.595	2006-WS-Q6-0177	200,000	137,717
Executive Office for Weed and Seed	16.595	2007-WS-Q7-0126	125,000	46,850
Executive Office for Weed and Seed	16.595	2007-WS-Q7-0122	200,000	84,911
Executive Office for Weed and Seed	16.595	2007-WS-Q7-0136	200,000	66,937
Total Federal Program 16.595			<u>1,375,000</u>	<u>605,888</u>
BUREAU OF JUSTICE ASSISTANCE:				
Direct program:				
Bulletproof Vest Partnership Program	16.607	None	101,019	23,247
Pass through program from Space & Naval Warfare Systems Center:				
Regional Information Sharing & Collaboration	16.610	N65238-05-D-8854	208,669	133,804
Total Federal Program 16.610			<u>208,669</u>	<u>133,804</u>
BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES:				
Direct program:				
Community Prosecution and Project Safe Neighborhoods	16.609	None	75,000	64,111
Total Federal Program 16.609			<u>75,000</u>	<u>64,111</u>

**CITY OF TUCSON, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2008**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
DEPARTMENT OF JUSTICE:				
OFFICE OF COMMUNITY ORIENTED POLICING SERVICES:				
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	265,126
Public Safety Partnership and Community Policing Grants	16.710	2005-CK-WX0010	369,991	297,965
Public Safety Partnership and Community Policing Grants	16.710	2006-CKWX-0434	246,807	51,006
Total Federal Program 16.710			<u>3,593,275</u>	<u>566,166</u>
OFFICE OF JUSTICE PROGRAMS:				
Direct programs:				
Edward Byrne Memorial Justice Assistance Grant	16.738	2005-DJ-BX-1645	644,227	185,495
Edward Byrne Memorial Justice Assistance Grant	16.738	2006-DJ-BX-1015	361,396	147,055
Edward Byrne Memorial Justice Assistance Grant	16.738	2007-DJ-BX-0361	586,338	160,765
Edward Byrne Memorial Justice Assistance Grant	16.738	PL-08-060	311,518	129,202
Pass through program from Arizona Criminal Justice Commission:				
Drug Control & System Improvement Grant	16.738	AL-08-060	303,242	303,242
Drug Control & System Improvement Grant	16.738	FL-08-030	18,260	18,260
Total Federal Program 16.738			<u>2,224,981</u>	<u>944,019</u>
Pass through programs from Arizona Criminal Justice Commission:				
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	CVF07-08-308	14,457	3,009
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	CVF08-07-309	12,344	5,935
Total Federal Program 16.742			<u>26,801</u>	<u>8,944</u>
Pass through programs from Arizona Criminal Justice Commission:				
Forensic Casework DNA Backlog Reduction Program	16.743	DNB06-07-104	77,765	17,014
Total Federal Program 16.743			<u>77,765</u>	<u>17,014</u>
Pass through program from Arizona Criminal Justice Commission:				
Anti-Gang Initiative	16.744	PSNA-08-3013	77,979	21,305
Total Federal Program 16.744			<u>77,979</u>	<u>21,305</u>
Direct programs:				
DEA Tucson Taskforce Group	16.Unknown	FY 06-07 Allotment	15,573	1,990
DEA Tucson Taskforce Group	16.Unknown	FY 07-08 Allotment	15,854	3,494
State and Local Anti-Terrorism Training	16.614	66F-PX-A54566-S/LLMOU	15,854	14,720
TOTAL DEPARTMENT OF JUSTICE			<u>\$ 8,609,993</u>	<u>\$ 2,554,733</u>

**CITY OF TUCSON, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2008**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
DEPARTMENT OF ENERGY:				
OFFICE OF ENERGY EFFICIENCY & RENEWABLE ENERGY:				
Direct Programs:				
Energy Efficiency & Renewable Energy Information Dissemination, Training & Tech Analysis/Assistance	81.117	DE-FC36-07G017066	\$ 200,000	\$ 47,416
TOTAL DEPARTMENT OF ENERGY			<u>\$ 200,000</u>	<u>\$ 47,416</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES:				
ADMINISTRATION ON AGING:				
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 Total Federal Program 93.044	93.044	City of Tucson/CSD/CCD 2006-07	\$ 192,196	\$ 189,997
			<u>192,196</u>	<u>189,997</u>
Special Programs for the Aging-Title III, Part C-Nutrition Services Total Federal Program 93.045	93.045	City of Tucson, Parks & Rec. 2007-08	312,296	267,136
			<u>312,296</u>	<u>267,136</u>
Direct program:				
Medicare Enrollment Assistance Program	93.071	02T100017601D	94,000	7,588
Medicare Enrollment Assistance Program	93.071	233-03-0097	280,000	27,323
Total Federal Program 93.071			<u>374,000</u>	<u>34,911</u>
CENTERS FOR DISEASE CONTROL:				
Pass through program from Pima County Department of Health Services Centers for Disease control and Prevention-Investigations and Technical Assistance Total Federal Program 93.283				
	93.283	HG754202	5,000	65
			<u>5,000</u>	<u>65</u>
ADMINISTRATION FOR CHILDREN AND FAMILIES:				
Direct programs:				
Assets for Independence Demonstration Program	93.602	90-EI-0088	45,000	11,018
Assets for Independence Demonstration Program	93.602	90-EI-0181	100,000	32,026
Total Federal Program 93.602			<u>145,000</u>	<u>43,044</u>
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>\$ 1,028,492</u>	<u>\$ 535,153</u>
ENVIRONMENTAL PROTECTION AGENCY:				
OFFICE OF SOLID WASTE AND EMERGENCY RESPONSE:				
Direct programs:				
Congressionally Mandated Projects - Water Security Improvements	66.202	XP-96993301	\$ 723,200	\$ 317,295
Brownfields Job Training Cooperative Agreements	66.815	JT96950601-0	200,000	98,121
Brownfields Assessment & Cleanup Cooperative Agreements	66.818	BF-96915301-0	200,000	3,738
Brownfields Assessment & Cleanup Cooperative Agreements	66.818	BF-96955901-0 G900NY00	200,000	57,765
Brownfields Assessment & Cleanup Cooperative Agreements	66.818	BF-96955901-0 G900OR00	200,000	19,675
Brownfields Assessment & Cleanup Cooperative Agreements	66.818	BF-99919101-0	200,000	76
Total Federal Program 66.818			<u>800,000</u>	<u>81,254</u>
TOTAL ENVIRONMENTAL PROTECTION AGENCY			<u>\$ 1,723,200</u>	<u>\$ 496,670</u>

**CITY OF TUCSON, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2008**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA No.	Federal And/Or Pass-Through Grantor Contract No.	Program or Award Amount	Expenditures
DEPARTMENT OF INTERIOR				
FISH AND WILDLIFE SERVICE:				
Direct program:				
Fish, Wildlife and Plant Conservation Resource Management	15.231	1448-20181-06G-589	\$ 24,750	\$ 7,100
BUREAU OF RECLAMATION:				
Direct program:				
Water Reclamation and Reuse Program	15.504	06FG320710	40,550	10,500
FISH AND WILDLIFE SERVICE:				
Pass through program from Arizona Game and Fish Department:				
Cooperative Endangered Species Conservation Fund	15.615	KR04-0357-EQS	543,000	81,245
NATIONAL PARKS SERVICE:				
Pass through program from Arizona State Historic Preservation Office:				
Historic Preservation Fund Grants-in-Aid	15.904	AZ-03-014	8,000	5,057
TOTAL DEPARTMENT OF INTERIOR			\$ 616,300	\$ 103,902
DEPARTMENT OF THE TREASURY:				
Direct program:				
Asset Forfeiture - Equitable Sharing	21.Unknown	FY 08-07 Allotment	\$ 21,365	\$ 21,365
DEPARTMENT OF AGRICULTURE:				
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. 2007-08	\$ 26,680	\$ 30,825
FOREST SERVICE:				
Pass through program from Arizona State Land Department:				
Cooperative Forestry Assistance	10.664	CCG7-9	10,000	1,035
TOTAL DEPARTMENT OF AGRICULTURE			\$ 36,680	\$ 31,860
EXECUTIVE OFFICE OF THE PRESIDENT:				
OFFICE OF NATIONAL DRUG CONTROL POLICY:				
Pass through programs from Pima County Sheriff's Department:				
High Intensity Drug Trafficking Area	95.001	I5PSAP549	21,670	4,275
High Intensity Drug Trafficking Area	95.001	HT16-06-0715	16,888	5,849
High Intensity Drug Trafficking Area	95.001	HT16-06-1715	195,424	66,849
High Intensity Drug Trafficking Area	95.001	HT16-06-2110	21,670	13,829
High Intensity Drug Trafficking Area	95.001	HT17-07-1715(CNA)	120,724	86,534
High Intensity Drug Trafficking Area	95.001	HT17-07-1715	10,158	10,158
Total Federal Program 95.001			386,534	187,494
DEPARTMENT OF DEFENSE:				
OFFICE OF ECONOMIC ADJUSTMENT:				
Direct program:				
Community Economic Adjustment Assistance for Establishment, Realignment or Closure of Military Installation:	12.607	CL0672-08-01	\$ 144,416	\$ 78,214
NATIONAL ARCHIVES & RECORDS ADMINISTRATION:				
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	\$ 201
TOTAL ALL AGENCIES			\$ 321,353,032	\$ 79,266,389

**CITY OF TUCSON, ARIZONA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2008**

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 2008 *Catalog of Federal Domestic Assistance*.

NOTE 3 - NEGATIVE AMOUNTS

The negative amounts in programs under the Department of Housing, Department of Homeland Security, and Urban Development and Department of Justice grants arose from adjustments of cumulative totals of prior year expenditures to the related grant awards.

**CITY OF TUCSON, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2008**

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>
14.239	HOME Investment Partnerships Program
14.850	Public and Indian Housing
14.871	Section 8 Housing Choice Vouchers
14.872	Public Housing Capital Fund (CFP)
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs: \$2,377,991

Auditee qualified as low-risk auditee? X yes no

**CITY OF TUCSON, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2008**

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, 2008**

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.