

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

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

Gary Heinfeld, CPA, CGFM  
Nancy A. Meech, CPA, CGFM  
Jennifer L. Shields, CPA  
Corey Arvizu, CPA

Scott W. Kies, CPA  
Kimberly A. Robinson, CPA  
Kera Badalamenti, CPA, CGFM

3033 N. Central Avenue, Suite 300  
Phoenix, Arizona 85012  
(602) 277-9449  
Fax (602) 277-9297

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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 Glendale, Arizona

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Glendale, Arizona as of and for the year ended June 30, 2007, which collectively comprise City of Glendale, 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 Glendale, 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 Glendale, Arizona's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Glendale, 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 Glendale, 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*.

This report is intended solely for the information and use of the Honorable Mayor, Members of the City Council, City management 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 Glendale, Arizona

Compliance

We have audited the compliance of City of Glendale, 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 Glendale, 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 Glendale, Arizona's management. Our responsibility is to express an opinion on City of Glendale, 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 Glendale, 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 Glendale, Arizona's compliance with those requirements.

In our opinion, City of Glendale, 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 Glendale, 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 Glendale, 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 Glendale, 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 remaining fund information of City of Glendale, 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 our opinions on the financial statements that collectively comprise City of Glendale, 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 Honorable Mayor, Members of the City Council, City management 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 Glendale, Arizona (an Arizona Municipality)  
 Schedule of Expenditures of Federal Awards  
 Year Ended June 30, 2007

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Grant Number	Federal Expenditures
<b><u>U.S. Department of Transportation</u></b>			
Federal Aviation Administration Airport Improvement Program	20.106	DTFA08-05-C-21913	\$ 1,622,171
Federal Highway Administration (Sub-recipient of Arizona Department of Transportation)			
Highway Planning and Construction	20.205	JPA-02-162	1,518
Highway Planning and Construction	20.205	CM-GLN-0(028)A	812,360
			<u>813,878</u>
Federal Transit Administration (Sub-recipient of City of Phoenix, Arizona)			
Federal Transit Formula Grants	20.507	AZ-90-X068	89,730
Federal Transit Formula Grants	20.507	AZ-90-X070	112,176
Federal Transit Formula Grants	20.507	AZ-90-X074	1,075,544
			<u>1,277,450</u>
National Highway Traffic Safety Administration (Sub-recipient of Arizona Governor's Office of Highway Safety)			
State and Community Highway Safety	20.600	2005-163-006	30,000
State and Community Highway Safety	20.600	2005-AL-005	1,910
			<u>31,910</u>
National Highway Traffic Safety Administration (Sub-recipient of Arizona Governor's Office of Highway Safety)			
Alcohol Traffic Safety and Drunk Driving Prevention Incentive	20.601	2005-410-019	11,628
Alcohol Traffic Safety and Drunk Driving Prevention Incentive	20.601	2007-K8HV-022	40,000
			<u>51,628</u>
National Highway Traffic Safety Administration (Sub-recipient of Arizona Governor's Office of Highway Safety)			
Occupant Protection	20.602	2005-163-037	4,521
<b>Total U.S. Department of Transportation</b>			<u>3,801,558</u>
<b><u>U.S. Department of Housing and Urban Development</u></b>			
Community Planning and Development			
Community Development Block Grants/Entitlement Grants	14.218	B-04-MC-040506	444,131
Community Development Block Grants/Entitlement Grants	14.218	B-05-MC-040506	2,126,523
			<u>2,570,654</u>
Community Planning and Development (Sub-recipient of Maricopa County, Arizona)			
HOME Investment Partnerships Program	14.239	M-03-DC-04-0227	22,363
HOME Investment Partnerships Program	14.239	M-03-DC-04-0227 ADDI	20,000
HOME Investment Partnerships Program	14.239	M-04-DC-04-0227	494,079
HOME Investment Partnerships Program	14.239	M-05-DC-04-0227	360,687
HOME Investment Partnerships Program	14.239	M-06-DC-04-0227	289,797
			<u>1,186,926</u>
Community Planning and Development			
Emergency Shelter Grants Program	14.231	S-05-MC-040506	5,246
Emergency Shelter Grants Program	14.231	S-06-MC-040506	96,675
			<u>101,921</u>
Public and Indian Housing			
Public and Indian Housing	14.850	SF-446	328,294
Public and Indian Housing			
Section 8 Housing Choice Vouchers	14.871	SF-512 V	7,373,577
Public and Indian Housing			
Public Housing Capital Fund	14.872	AZ200P003501-03	26,824
Public Housing Capital Fund	14.872	AZ200P003501-04	206,747
Public Housing Capital Fund	14.872	AZ200P003501-05	56,933
Public Housing Capital Fund	14.872	AZ200P003501-06	10,263
			<u>300,767</u>

**City of Glendale, Arizona (an Arizona Municipality)**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2007**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Grant Number	Federal Expenditures
Public and Indian Housing			
Resident Opportunity and Supportive Services - Homeownership & Family	14.870	AZ003REF001A004	93,377
Disaster Voucher Program	14.DVP	AZ003-DVP	78,528
<b>Total U.S. Department of Housing and Urban Development</b>			<u>12,034,044</u>
<b><u>U.S. Department of Health and Human Services</u></b>			
Administration for Children and Families (Sub-recipient of Maricopa County, Arizona)			
Temporary Assistance for Needy Families	93.558	C-22-05-037-2-02	38,599
Administration for Children and Families (Sub-recipient of Maricopa County, Arizona)			
Community Services Block Grant	93.569	C-22-05-037-2-02	153,424
Administration for Children and Families (Sub-recipient of Maricopa County, Arizona)			
Social Services Block Grant	93.667	C-22-05-037-2-02	41,570
<b>Total U.S. Department of Health and Human Services</b>			<u>233,593</u>
<b><u>U.S. Department of Homeland Security</u></b>			
(Sub-recipient of Arizona Division of Emergency Management)			
State Domestic Preparedness Equipment Support Program	97.004	2004-GE-T4-0051	558,072
State Domestic Preparedness Equipment Support Program	97.004	2004-GE-T4-0051	1,855
State Domestic Preparedness Equipment Support Program	97.004	2004-GE-T4-0051	577,512
			<u>1,137,439</u>
(Sub-recipient of Arizona Division of Emergency Management)			
Urban Areas Security Initiative	97.008	2004-TU-T4-0017	51,741
(Sub-recipient of Arizona Division of Emergency Management)			
Homeland Security Grant Program - MMRS	97.067	2005-GE-T5-0030	12,325
Homeland Security Grant Program - UASI	97.067	2005-GE-T5-0030	217,007
Homeland Security Grant Program - SHSGP	97.067	2005-GE-T5-0030, Pjt #C-05-032	38,754
Homeland Security Grant Program - LETPP	97.067	2005-GE-T5-0030, Pjt #C-05-39	9,380
Homeland Security Grant Program - LETPP	97.067	2005-GE-T5-0030, Pjt #C-05-38	5,651
Homeland Security Grant Program - LETPP	97.067	2005-GE-T5-0030, Pjt #C-05-36	22,245
Homeland Security Grant Program - SHSGP	97.067	2005-GE-T5-0030, Pjt #C-05-106	198,418
Homeland Security Grant Program - SHSGP	97.067	2005-GE-T5-0030, Pjt #C-05-017	7,748
(Sub-recipient of Arizona Department of Homeland Security)			
Homeland Security Grant Program - SHSGP	97.067	2006-GE-T6-0007	15,924
Homeland Security Grant Program - UASI	97.067	2006-GE-T6-0007	86,847
			<u>614,299</u>
Metropolitan Medical Response System	97.071	EMW-2004-GR-0661	213,010
(Sub-recipient of Arizona Department of Homeland Security)			
Metropolitan Medical Response System	97.071	2006-GE-T6-0007	2,300
			<u>215,310</u>
(Sub-recipient of Arizona Department of Homeland Security)			
Law Enforcement Terrorism Prevention Program	97.074	2006-GE-T6-0007	66,621
(Sub-recipient of Arizona Division of Emergency Management)			
Buffer Zone Protection Plan	97.078	2005-GR-T5-0062	135,633
<b>Total U.S. Department of Homeland Security</b>			<u>2,221,043</u>

City of Glendale, Arizona (an Arizona Municipality)  
 Schedule of Expenditures of Federal Awards  
 Year Ended June 30, 2007

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Grant Number	Federal Expenditures
<b><u>U.S. Department of Justice</u></b>			
Office for Victims of Crime, Office of Justice Programs (Sub-recipient of Arizona Department of Public Safety) Crime Victim Assistance	16.575	2005-VA-GX-0036	<u>127,184</u>
Office on Violence Against Women Grants to Encourage Arrest Policies and Enforcement of Protection Orders	16.590	2005-WE-AX-0108	<u>145,043</u>
Bureau of Justice Assistance, Office of Justice Programs Local Law Enforcement Block Grant Program	16.592	2004-LB-BX-1492	<u>2,973</u>
Community Capacity Development Office, Office of Justice Programs Community Capacity Development Office Program (Sub-recipient of Quality of Life, Inc, a non-profit organization)	16.595	2005-WS-Q5-0264	134,455
Community Capacity Development Office Program	16.595	2005-WS-Q6-0112	<u>57,823</u>
			<u>192,278</u>
Bureau of Justice Assistance, Office of Justice Programs Bulletproof Vest Partnership Program	16.607	2006BOBX06030412	<u>2,382</u>
Office of Community Oriented Policing Services Public Safety Partnership and Community Policing Grants	16.710	2002-ULWX0027	257,519
Public Safety Partnership and Community Policing Grants	16.710	2005-ULWX-0001	373,039
Public Safety Partnership and Community Policing Grants	16.710	2006CKWX0125	<u>146,242</u>
			<u>776,800</u>
Bureau of Justice Assistance, Office of Justice Programs (Sub-recipient of Maricopa County, Arizona) Edward Byrne Memorial Justice Assistance Grant Program	16.738	2005-DJ-BX-1072	71,780
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2006-DJ-BX-1054	<u>3,843</u>
			<u>75,623</u>
Drug Enforcement Administration (Sub-recipient of Pima County Sheriff's Department) Drug Enforcement Administration Phoenix Task Force	16.Unknown	SW-AZ-413	<u>39,615</u>
Federal Bureau of Investigation Joint Terrorism Task Force	16.Unknown	66F-PX-A566-S/LMOU	<u>15,442</u>
Bureau of Alcohol, Tobacco and Firearms Operation Black Biscuit	16.Unknown	06-PHO-216-AFF	<u>1,452</u>
<b>Total U.S. Department of Justice</b>			<u>1,378,792</u>
<b><u>National Foundation on the Arts and the Humanities</u></b>			
Office of Library Services, Institute of Museum and Library Services (Sub-recipient of the Arizona State Library, Archives and Public Records)			
Grants to States - All The World's a Stage	45.310	C-5370	600
Grants to States - Operation Health Outreach	45.310	C-5371	16,142
Grants to States - Women Business Builders Online	45.310	C-5372	10,499
Grants to States - Computer Training for Teens	45.310	C-5373	1,420
Grants to States - Quality of Life Institute	45.310	261-5-1-(05)	10,000
Grants to States - E of the Sun, W of the Moon	45.310	261-4-1-(03)	9,475
Grants to States - Merchandising for Results	45.310	261-5-1-(04)	31,822
Grants to States - Books for AZ Libraries	45.310	05-CIP-01	2,000
Grants to States - AZ Memories Project	45.310	Unknown	<u>426</u>
<b>Total National Foundation on the Arts and the Humanities</b>			<u>82,384</u>

City of Glendale, Arizona (an Arizona Municipality)  
 Schedule of Expenditures of Federal Awards  
 Year Ended June 30, 2007

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Grant Number	Federal Expenditures
<b><u>U.S. Department of the Interior</u></b>			
Bureau of Reclamation			
Water Reclamation and Reuse Program (Sub-recipient of Phoenix, Arizona (SROG))	15.504	03-LR-32-3490	11,443
Water Reclamation and Reuse Program	15.504	04-FC-32-00220	429
Water Reclamation and Reuse Program	15.504	01-FC-32-0010	6,326
			<u>18,198</u>
 Bureau of Reclamation (Sub-recipient of Phoenix, Arizona (SROG))			
Water Desalination Research and Development Program	15.506	04-FC-32-0040	<u>4,080</u>
 Bureau of Reclamation			
Water 2025 Challenge Grant Program	15.507	06FG320680	<u>12,218</u>
<b>Total U.S. Department of the Interior</b>			<u>34,496</u>
 <b>Total Expenditures of Federal Awards</b>			 <b>\$ <u>19,785,910</u></b>

**CITY OF GLENDALE, 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 the City of Glendale, 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 - RECONCILIATION OF SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS TO STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (GOVERNMENTAL FUNDS) AND STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS (PROPRIETARY FUNDS)**  
**(Amounts Expressed in Thousands)**

Intergovernmental Revenues:	
from General Fund	\$ 61,156
from Transportation Fund	4,613
from Other Non-Major Governmental Funds	41,930
Total from Governmental Funds (CAFR, p 30)	107,699
from Water and Sewer Fund	11
from Housing Fund - Operating revenues	8,254
from Housing Fund - Capital Grants	248
Total from Proprietary Funds (CAFR, p 33)	8,513
Total intergovernmental revenues	116,212
Less Non-Federal Revenue from General Fund:	
State and local intergovernmental revenues	(61,148)
Less Non-Federal Revenue from Transportation Fund:	
State LTAF revenue	(1,848)
Other State and local intergovernmental revenues	(675)
	(2,523)
Less Non-Federal Revenue from Other Non-Major Governmental Funds:	
State and HURF revenues in Highway Users Gas Tax Fund	(17,324)
State and local grants in Other Special Revenue Fund	(4,103)
State and local grants in Capital Projects Funds	(10,990)
	(32,417)
Less Prior period adjustment added to fiscal year 2006-07 CAFR:	
Housing Fund	(327)
Police Department	(11)
	(338)
<b>Schedule of Expenditures of Federal Awards</b>	<b>\$ 19,786</b>

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

**NOTE 3 - SUB-RECIPIENTS**

Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the City of Glendale, Arizona provided federal awards to sub-recipients as follows:

<b>Pass-Through Grantee/ Program</b>	<b>Federal CFDA Number</b>	<b>Federal Expenditures</b>
<b>Community Development Block Grants/Entitlement Grants Sub-recipients:</b>		
Arizona Bridge to Independent Living - Home Accessibility Program	14.218	\$ 86,283
Community Services of Arizona - Minor Home Repair Program	14.218	355,576
Quality of Life Community Services - Homeless Prevention	14.218	25,087
St. Vincent de Paul, OLPH - Keeping Families Intact	14.218	32,123
Community Information and Referral - CONTACTS Hotline	14.218	9,884
Community Information and Referral - 24-Hour Helpline	14.218	9,884
PREHAB of Arizona, Inc. - Faith House Emergency Shelter	14.218	19,768
PREHAB of Arizona, Inc. - Juvenile Alternatives in Glendale	14.218	9,884
West Valley Child Crisis Center, Inc. - Safe Haven for Abused Children	14.218	19,768
Central Arizona Shelter Services - Dental Clinic	14.218	9,884
Maricopa County Human Services Department - Special Transportation Services	14.218	14,826
Westside Food Bank - Home Food Delivery	14.218	29,652
Westside Food Bank - Emergency Food Box Program	14.218	20,936
YWCA of Maricopa County - Congregate Meals	14.218	54,858
Banner Health Foundation - PALS of Banner Thunderbird Medical Center/School Based Health Clinic	14.218	11,861
Big Brothers Big Sisters of Central Arizona - School Based Mentoring	14.218	9,884
Boys and Girls Club of Metropolitan Phoenix - Glendale After-School Program	14.218	9,884
Glendale Union High School District - Health Care Clinic	14.218	9,884
Fountain for Senior Living - Glendale Adult Day Health Care - Restorative & Therapeutic Growth Services	14.218	9,884
Beatitudes Center D.O.A.R. - In-Home Services & Transportation	14.218	9,884
Community Legal Services - Removing Barriers to Access to Justice	14.218	24,710
PREHAB of Arizona, Inc. - Prospect Park - Phase II	14.218	87,089
Glendale Family Development Site Improvements	14.218	144
Vista Colina Emergency Shelter (CASS) Shelter Storage Expansion	14.218	10,650
Upgrading Group Home Facilities - Valley of the Sun School - Upgrade	14.218	3,068

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

**NOTE 3 - SUB-RECIPIENTS (Concl'd)**

<b>Pass-Through Grantee/ Program</b>	<b>Federal CFDA Number</b>	<b>Federal Expenditures</b>
Upgrading Group Home Facilities - Valley of the Sun School - Cabinets	14.218	559
Boys & Girls Club of Metropolitan Phoenix - Clubhouse - Planning & Design	14.218	251,740
Westside Food Bank Alliance - Glendale Food Bank Renovation	14.218	29,896
Westside Food Bank Alliance - Parking Lot	14.218	5,459
YWCA of Maricopa County - Building Renovation	14.218	114,726
Acquisition of Property - Infill - CPLC	14.218	7,420
Acquisition/Infill - Habitat for Humanity - VOS	14.218	130,091
<b>Total Community Development Block Grants/ Entitlement Grants Sub-recipients</b>		<u>1,425,246</u>
<b>HOME Investment Partnerships Program Sub-recipients:</b>		
Habitat for Humanity - Valley of the Sun - Site Improvement/Infrastructure	14.239	1,464
Habitat for Humanity - Valley of the Sun - Acquisition/Site Improvement	14.239	211,489
Habitat for Humanity - West Valley - Acquisition/Site Improvement	14.239	432,370
Community Services of Arizona - Acquisition/Rehab	14.239	123,010
Community Housing Resources of Arizona - ADDI - Down Payment Assistance	14.239	20,000
<b>Total Home Investment Partnerships Program Sub-recipients</b>		<u>788,333</u>
<b>Emergency Shelter Grants Program Sub-recipients:</b>		
Quality of Life Community Services - Homeless Prevention	14.231	19,729
Central Arizona Shelter Services - Emergency Shelter Services	14.231	13,430
Homeward Bound - Shelter Operations	14.231	13,430
PREHAB of Arizona, Inc. - Faith House Emergency Shelter	14.231	23,611
West Valley Child Crisis Center, Inc. - Emergency Shelter	14.231	27,377
<b>Total Emergency Shelter Grants Program Sub-recipients</b>		<u>97,577</u>
<b>Total Federal Awards Expended by Sub-recipients of the City of Glendale</b>		<u>\$ 2,311,156</u>

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

**NOTE 4 - PROGRAM INCOME**

The Federal expenditures presented in the Schedule of Expenditures of Federal Awards for the City of Glendale, Arizona do not include expenditures funded by program income. The following schedule shows total grant-related expenditures and their funding source (Federal, program income, or general fund match) for HUD grants, as these are the only grants with program income.

Program or Cluster Title	Federal CFDA Number	Federal Expenditures	Total Expenditures
<b>Community Development Block Grants/Entitlement Grants</b>			
Federal Expenditures reported on SOEFA	14.218	\$ 2,570,654	\$ 2,570,654
Plus Expenditures funded by Program Income			111,500
Total Grant-Related Expenditures			<u>2,682,154</u>
<b>HOME Investment Partnerships Program</b>			
Federal Expenditures reported on SOEFA	14.239	1,186,926	1,186,926
Plus Expenditures funded by Program Income			125,049
Plus Expenditures funded by General Fund Match			12,408
Total Grant-Related Expenditures			<u>1,324,383</u>
<b>Emergency Shelter Grants Program</b>			
Federal Expenditures reported on SOEFA	14.231	101,921	101,921
Plus Expenditures funded by Program Income			-
Total Grant-Related Expenditures			<u>101,921</u>
<b>Public and Indian Housing</b>			
Federal Expenditures reported on SOEFA			
Section 8 Housing Choice Vouchers	14.871	7,373,577	
Public and Indian Housing	14.850	328,294	
Public Housing Capital Fund	14.872	300,767	
Resident Opportunity and Supportive Services - Homeownership & Family	14.870	93,377	
Disaster Voucher Program	14.DVP	78,528	8,174,543
Plus Expenditures funded by Program Income (Tenant Revenue)			362,543
Plus Expenditures funded by Other Fees & Revenues			298,861
Plus Expenditures funded by General Fund Match			103,367
Total Grant-Related Expenditures			<u>8,939,314</u>
<b>Total HUD Expenditures reported on the Schedule of Expenditures of Federal Awards</b>		<u>\$ 12,034,044</u>	
<b>Total HUD Grant-Related Expenditures</b>			<u>\$ 13,047,772</u>

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

**NOTE 5 - 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*.

**CITY OF GLENDALE, 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>
14.218	Community Development Block Grants/Entitlement Grants
14.239	HOME Investment Partnerships Program
20.205	Highway Planning and Construction
20.106	Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B programs: \$593,577

Auditee qualified as low-risk auditee?   X   yes        no

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

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

CFDA No. 97.004

Program Name: State Domestic Preparedness Equipment Support Program

Finding No. 06-1

Status: Fully corrected.