

**CITY OF GLENDALE, ARIZONA**  
**SINGLE AUDIT ACT REPORTS**  
**YEAR ENDED JUNE 30, 2015**

**CITY OF GLENDALE, ARIZONA  
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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Mayor and Members of City Council  
City of Glendale, Arizona  
Glendale, Arizona

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Glendale, Arizona (City), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 18, 2015.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The Honorable Mayor and Members of City Council  
City of Glendale, Arizona

**Compliance and Other Matters**

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

**Purpose of this Report**

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



**CliftonLarsonAllen LLP**

Phoenix, Arizona  
November 18, 2015

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Honorable Mayor and Members of City Council  
City of Glendale, Arizona  
Glendale, Arizona

**Report on Compliance for Each Major Federal Program**

We have audited the City of Glendale, Arizona (City)'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2015. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the City of Glendale, Arizona complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

### **Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Glendale, Arizona as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated November 18, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in

The Honorable Mayor and Members of City Council  
City of Glendale, Arizona

accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Phoenix, Arizona  
November 18, 2015

**City of Glendale, Arizona (An Arizona Municipality)**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2015**

Federal Grantor ( <i>Pass-Through Grantor</i> ) Program or Cluster Title	Federal CFDA Number	Federal/State Grant Pass-Thru #	FY 2015 Federal Expenditures
<b><u>U.S. Department of Housing and Urban Development</u></b>			
Office of Community Planning and Development			
Community Development Block Grants/Entitlement Grants	14.218	B-12-MC-040506	\$ 4,521
Community Development Block Grants/Entitlement Grants	14.218	B-13-MC-040506	1,788,944
Community Development Block Grants/Entitlement Grants	14.218	B-14-MC-040506	503,825
Community Development Block Grants/Entitlement Grants - Neighborhood Stabilization Program	14.218	B-08-MN-040503	574,330
			<u>2,871,620</u>
Emergency Solutions Grant Program	14.231	E-11-MC-040506	5,446
Emergency Solutions Grant Program	14.231	E-12-MC-040506	6,164
Emergency Solutions Grant Program	14.231	E-13-MC-040506	29,038
Emergency Solutions Grant Program	14.231	E-14-MC-040506	148,354
			<u>189,002</u>
(Sub-recipient of Maricopa County, AZ)			
HOME Investment Partnerships Program	14.239	M-09-DC-04-0227	92,724
HOME Investment Partnerships Program	14.239	M-10-DC-04-0227	110,972
HOME Investment Partnerships Program	14.239	M-11-DC-04-0227	6,989
HOME Investment Partnerships Program	14.239	M-12-DC-04-0227	212,418
HOME Investment Partnerships Program	14.239	M-13-DC-04-0227	265,460
HOME Investment Partnerships Program	14.239	M-14-DC-04-0227	30,799
			<u>719,362</u>
Office of Public and Indian Housing			
Public and Indian Housing	14.850	SF-466	561,972
Section 8 Housing Choice Vouchers	14.871	SF-512 V	8,017,626
Public Housing Capital Fund	14.872	AZ20P003501-12	52,863
Public Housing Capital Fund	14.872	AZ20P003501-13	63,619
Public Housing Capital Fund Total			<u>116,482</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<b><u>12,476,064</u></b>
<b><u>U.S. Department of Justice</u></b>			
Criminal Division			
Joint Law Enforcement Operations (JLEO)	16.111	SW-AZ-0670	4,814
Joint Law Enforcement Operations (JLEO)	16.111	SW-AZ-0724	18,081
Joint Law Enforcement Operations (JLEO)	16.111	SW-AZ-0727	7,914
Joint Law Enforcement Operations (JLEO)	16.111	M-14-D08-O-000086	2,000
			<u>32,809</u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**City of Glendale, Arizona (An Arizona Municipality)**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2015**

Federal Grantor ( <i>Pass-Through Grantor</i> ) Program or Cluster Title	Federal CFDA Number	Federal/State Grant Pass-Thru #	FY 2015 Federal Expenditures
<b><u>U.S. Department of Justice (Continued)</u></b>			
National Institute of Justice			
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	2010-DN-BX-K132	\$ 26,474
Office of Victims of Crime (Sub-recipient of Arizona Department of Public Safety)			
Crime Victim Assistance	16.575	State Contract # 2014-117	100,754
Bureau of Justice Assistance (Sub-recipient of Rutgers the State University of New Jersey)			
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580	2012-IJ-CX-0038	200
Office on Violence Against Women (Sub-recipient of Governor's Office for Children, Youth and Families)			
Violence Against Women Formula Grants	16.588	ST-WSG-15-010115-07	43,195
Violence Against Women Formula Grants	16.588	ST-WSG-12-2366-03Y3	58,704
			<u>101,899</u>
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	2012-WE-AZ-0049	89,565
Office of Community Oriented Policing Services			
Public Safety Partnership and Community Policing Grants	16.710	2013-ULWX-0003	198,154
Bureau of Justice Assistance (Sub-recipient of Maricopa County)			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2011-DJ-BX-3298	43,728
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2014-DJ-BX-1197	19,845
			<u>63,573</u>
Edward Byrne Memorial Competitive Grant Program	16.751	2011-MU-BX-0024	33,364
Criminal Division			
Equitable Sharing Program	16.922	No grant number	17,292
Drug Enforcement Administration--DEA Phoenix Task Force	16.000	No grant number	40,250
Federal Bureau of Investigation--Joint Terrorism Task Force	16.000	No grant number	24,737
Federal Bureau of Investigation--Financial Crimes and Mortgage Fraud Task Force	16.000	No grant number	12,043
United States Postal Inspection Service--Triple I Parcel Task Force	16.000	No grant number	621
<b>Total U.S. Department of Justice</b>			<u><b>741,735</b></u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**City of Glendale, Arizona (An Arizona Municipality)**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2015**

Federal Grantor ( <i>Pass-Through Grantor</i> ) Program or Cluster Title	Federal CFDA Number	Federal/State Grant Pass-Thru #	FY 2015 Federal Expenditures
<b><u>U.S. Department of Transportation</u></b>			
Federal Aviation Administration (FAA)			
Airport Improvement Program	20.106	3-04-0064-024-2012	\$ 2,253,164
Federal Highway Administration (FHWA)			
Highway Planning and Construction Cluster (20.205, 20.219, & 23.003)			
(Sub-recipient of Arizona Department of Transportation)			
Highway Planning and Construction	20.205	CM GLN-0(203) A	9,129
Highway Planning and Construction	20.205	CM GLN-0(222) A	16,062
Highway Planning and Construction	20.205	CM GLN-0(220) A	2,513
Highway Planning and Construction Cluster Total			<u>27,704</u>
Federal Transit Administration (FTA)			
Federal Transit Cluster (20.500, 20.507, 20.525 & 20.526)			
(Sub-recipient of City of Phoenix, Arizona)			
Federal Transit_Capital Investment Grants	20.500	AZ-05-0203	123,729
(Sub-recipient of City of Phoenix, Arizona)			
Federal Transit Formula Grants	20.507	AZ-90-X096	168,347
Federal Transit Formula Grants	20.507	AZ-90-X103	79,690
Federal Transit Formula Grants	20.507	AZ-90-X109	5,749
Federal Transit Formula Grants	20.507	AZ-95-X006-01	187,732
Federal Transit Formula Grants	20.507	AZ-90-X114	306,001
Federal Transit Formula Grants	20.507	AZ-90-X124	367,374
Federal Transit Formula Grants	20.507	AZ-95-X023	86,269
Federal Transit Cluster Total			<u>1,201,162</u>
Federal Transit Cluster Total			<u>1,324,891</u>
Transit Services Programs Cluster (20.513, 20.516 & 20.521)			
(Sub-recipient of City of Phoenix, Arizona)			
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	AZ-16-X002	51,338
(Sub-recipient of City of Phoenix, Arizona)			
Job Access_Reverse Commute	20.516	AZ-37-X018	336,208
(Sub-recipient of City of Phoenix, Arizona)			
New Freedom Program	20.521	AZ-57-X013	2,531
New Freedom Program	20.521	AZ-57-X016	2,773
Transit Services Programs Cluster Total			<u>5,304</u>
Transit Services Programs Cluster Total			<u>392,850</u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**City of Glendale, Arizona (An Arizona Municipality)**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2015**

Federal Grantor ( <i>Pass-Through Grantor</i> ) Program or Cluster Title	Federal CFDA Number	Federal/State Grant Pass-Thru #	FY 2015 Federal Expenditures
<b><u>U.S. Department of Transportation (Continued)</u></b>			
National Highway Traffic Safety Administration (NHTSA)			
Highway Safety Cluster (20.600 - 20.602, 20.609 - 20.613, 20.616)			
(Sub-recipient of Arizona Governor's Office of Highway Safety)			
State and Community Highway Safety	20.600	2014-PT-041	\$ 112,567
State and Community Highway Safety	20.600	2014-PT-011	5,523
State and Community Highway Safety	20.600	2014-OP-007	20,000
State and Community Highway Safety	20.600	2014A-164-122 *	4,700
State and Community Highway Safety	20.600	2014-405d-025 *	16,250
State and Community Highway Safety	20.600	2015-PT-055	28,151
State and Community Highway Safety	20.600	2015-PT-015	7,772
State and Community Highway Safety	20.600	2015-OP-003	19,359
			<u>214,322</u>
(Sub-recipient of Arizona Governor's Office of Highway Safety)			
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	2014-410-010	9,507
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	2015-HV-008	46,872
			<u>56,379</u>
(Sub-recipient of Arizona Governor's Office of Highway Safety)			
National Priority Safety Programs	20.616	2014-405d-025 *	48,750
National Priority Safety Programs	20.616	2014A-164-122 *	7,050
			<u>55,800</u>
Highway Safety Cluster Total			<u>326,501</u>
(Sub-recipient of Arizona Governor's Office of Highway Safety)			
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	2014A-164-122 *	35,250
			<u>35,250</u>
<b>Total U.S. Department of Transportation</b>			<b><u>4,360,360</u></b>
<b><u>Institute of Museum and Library Services</u></b>			
(Sub-recipient of the Arizona State Library, Archives and Public Records)			
Grants to States	45.310	No grant number	4,666
Grants to States	45.310	No grant number	17,764
Grants to States	45.310	No grant number	21,000
			<u>43,430</u>
<b>Total Institute of Museum and Library Services</b>			<b><u>43,430</u></b>
<b><u>U.S. Department of Health and Human Services (DHHS)</u></b>			
Administration for Children and Families			
TANF Cluster (93.558 & 93.714)			
(Sub-recipient of Arizona Department of Economic Security)			
Temporary Assistance for Needy Families	93.558	DE111089001	149,974
TANF Cluster Total			<u>149,974</u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**City of Glendale, Arizona (An Arizona Municipality)**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2015**

Federal Grantor (Pass-Through Grantor) Program or Cluster Title	Federal CFDA Number	Federal/State Grant Pass-Thru #	FY 2015 Federal Expenditures
<b><u>U.S. Department of Health and Human Services (DHHS) (Continued)</u></b>			
(Sub-recipient of Arizona Department of Economic Security) Low-Income Home Energy Assistance	93.568	DE111089001	\$ 572,375
(Sub-recipient of Arizona Department of Economic Security) Community Services Block Grant	93.569	DE111089001	154,486
(Sub-recipient of Arizona Department of Economic Security) Social Services Block Grant	93.667	DE111089001	76,403
<b>Total U.S. Department of Health and Human Services</b>			<b>953,238</b>
<b><u>Executive Office of the President</u></b>			
(Sub-recipient of City of Tucson, Arizona Police Department) High Intensity Drug Trafficking Areas Program HIDTA	95.001	HT-15-2537	23,660
High Intensity Drug Trafficking Areas Program HIDTA	95.001	HT-14-2313	20,588
<b>Total Executive Office of the President</b>			<b>44,248</b>
<b><u>U.S. Department of Homeland Security</u></b>			
(Sub-recipient of Arizona Department of Homeland Security) Homeland Security Grant Program	97.067	130811-01	47,286
Homeland Security Grant Program	97.067	130811-02	1,297
Homeland Security Grant Program	97.067	999808-03	1,770
Homeland Security Grant Program	97.067	130810-01	8,172
Homeland Security Grant Program	97.067	130810-02	2,875
Homeland Security Grant Program	97.067	140803-02	103,942
Homeland Security Grant Program	97.067	140803-01	3,264
Homeland Security Grant Program	97.067	999807-03	53,311
Homeland Security Grant Program	97.067	140802-02	73,297
Homeland Security Grant Program	97.067	140802-01	6,503
Homeland Security Grant Program	97.067	140202-01	4,025
Homeland Security Grant Program	97.067	130810-03	12,334
Homeland Security Grant Program	97.067	130810-04	19,299
			<b>337,375</b>
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2013-FH-00763	865,148
<b>Total U.S. Department of Homeland Security</b>			<b>1,202,523</b>
<b>Total Federal Financial Assistance</b>			<b>\$ 19,821,598</b>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**City of Glendale, Arizona (An Arizona Municipality)**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2015**

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**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 the U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Federal awards received directly from Federal agencies, as well as federal financial assistance passed through other entities, are included on the schedule of expenditures of federal awards.

Amounts reported in the accompanying schedule of expenditures of federal awards may not agree with the amounts reported in the related federal financial reports filed with grantor agencies because of accruals that would be included in the subsequent reports filed with the agencies.

**NOTE 2 RECONCILIATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS TO THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (GOVERNMENTAL FUNDS) AND STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION (PROPRIETARY FUNDS)**

(Amounts Expressed in Thousands)

Intergovernmental Revenues:		
from General Fund	\$ 57,165	
from Non-Major Governmental Funds	29,947	
Total from Governmental Funds	<u>87,112</u>	\$ 87,112
from Water and Sewer Fund	266	
from Housing Fund - Operating revenues and Capital Grants	8,696	
Total from Proprietary Funds	<u>8,962</u>	8,962
Total Intergovernmental Revenues		<u>96,074</u>
Less Non-Federal Revenue from General Fund:		
State and local intergovernmental revenues	<u>(57,165)</u>	(57,165)
Less Non-Federal Revenue from Transportation Fund:		
State LTAF revenue	(680)	
Other state and local intergovernmental revenues	<u>(1,627)</u>	(2,307)
Less Federal Revenue from General Obligation Debt Service Fund:		
Build America Bonds revenue (see Note 3)	<u>(587)</u>	(587)
Less Non-Federal Revenue from Non-Major Governmental Funds:		
State and HURF revenues in Highway Users Gas Tax Fund	(14,037)	
State and local grants in Other Special Revenue Funds	<u>(1,898)</u>	(15,935)
Less Federal Revenue from Proprietary Funds:		
Build America Bonds revenue in Water and Sewer fund (see Note 3)	<u>(266)</u>	(266)
Plus (Less) Immaterial Timing Differences:		
Federal revenues in Non-Major Governmental Funds not recorded in the current year	<u>8</u>	<u>8</u>
Total Adjustments		<u>(76,252)</u>
Schedule of Expenditures of Federal Awards, Total Federal Financial Assistance		<u>\$ 19,822</u>

**City of Glendale, Arizona (An Arizona Municipality)**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2015**

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**NOTE 3 FEDERAL ASSISTANCE NOT INCLUDED**

Expenditures related to assistance not considered Federal awards in accordance with OMB Circular A-133 have not been presented in this schedule as follows:

Build America Bond Subsidies:	(in thousands)
in General Obligation Debt Service Fund	\$ 587
in Water and Sewer Enterprise Fund	<u>266</u>
Total Build America Bond Subsidies	<u>\$ 853</u>

**NOTE 4 CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS**

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or the 2015 Catalog of Federal Domestic Assistance.

Each program included in the CFDA is assigned a five-digit program identification number (CFDA number), the first two digits designating federal agency and the last three digits designating federal assistance program within the federal agency. The CFDA number is reflected in the Schedule of Expenditures of Federal Awards (SEFA). Federal assistance programs and awards which have not been assigned a CFDA number, but have a grant award or agreement number, are assigned a five digit code consisting of the first two digits indicating federal agency and the last three digits all zeros.

Cluster of Programs - Closely related programs with different CFDA numbers that share common compliance requirements are considered a cluster of programs. The only program clusters presented on the SEFA are those mandated by OMB in the most recent Circular A-133 Compliance Supplement (June 2015). The SEFA is structured to present the federal assistance information by cluster with the title of the cluster appearing in the heading.

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**City of Glendale, Arizona (An Arizona Municipality)**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2015**

**NOTE 5 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:

Pass-Thru Grantee/Program	Federal CFDA Number	Federal Expenditures
<b>Community Development Block Grants/Entitlement Grants Sub-recipients:</b>		
ABIL - Home Accessibility Program	14.218	\$ 5,829
Habitat for Humanity - Emergency Home Repair Program	14.218	364,746
St Vincent de Paul - Keeping Families Together	14.218	55,938
Central Arizona Shelter Services - Single Adult Improvements	14.218	52
YWCA of Maricopa County - Congregate Meals	14.218	19,904
YWCA of Maricopa County - Meals on Wheels	14.218	39,807
Boys & Girls Club of Metropolitan Phoenix - Glendale After-School Program	14.218	9,952
Community Legal Services - Fair Housing	14.218	9,952
Hope for Hunger	14.218	1,350
Hope for Hunger	14.218	36,000
Back to School Clothing Drive	14.218	9,952
VALLEYLIFE (FY 13-14)	14.218	131,124
Heart for the City	14.218	76,646
<b>Total Community Development Block Grants/Entitlement Grants Sub-recipients</b>		<u>761,252</u>
<b>Community Development Block Grants/Entitlement Grants - Neighborhood Stabilization Program (NSP) Sub-recipients:</b>		
Habitat for Humanity - Central Arizona - Acquisition/Rehabilitation	14.218	553,139
<b>Total Community Development Block Grants/Entitlement Grants - NSP Sub-recipients</b>		<u>553,139</u>
<b>HOME Investment Partnerships Program Sub-recipients:</b>		
Habitat for Humanity - Central Arizona - Acquisition/In-fill	14.239	421,392
<b>Total HOME Investment Partnerships Program Sub-recipients</b>		<u>421,392</u>
<b>Emergency Solutions Grants Program Sub-recipients:</b>		
Central Arizona Shelter Services - Adult Emergency Shelter	14.231	20,671
Central Arizona Shelter Services - Rapid Re-Housing	14.231	36,265
Streetlight USA Shelter Education	14.231	28,800
UMOM New Day Centers, Inc.	14.231	20,671
A New Leaf Foundation - Rapid Re-Housing	14.231	18,067
A New Leaf Foundation - Faith House Emergency Shelter	14.231	21,866
<b>Total Emergency Solutions Grants Program Sub-recipients</b>		<u>146,340</u>
<b>Total Federal Awards expended by sub-recipients of the City of Glendale</b>		<u>\$ 1,882,123</u>

**City of Glendale, Arizona (An Arizona Municipality)**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2015**

**NOTE 6 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:

<b>Program or Cluster Title</b>	<b>Federal CFDA Number</b>	<b>Federal Expenditures</b>	<b>Total Expenditures</b>
<b>Community Development Block Grants/Entitlement Grants</b>			
Federal Expenditures reported on SEFA	14.218	<u>\$ 2,297,290</u>	\$ 2,297,290
Plus Expenditures funded by Program Income			<u>31,552</u>
Total Grant-Related Expenditures			<u>2,328,842</u>
<b>Community Development Block Grants/Entitlement Grants - Neighborhood Stabilization Program</b>			
Federal Expenditures reported on SEFA	14.218	<u>574,330</u>	574,330
Plus Expenditures funded by Program Income			<u>154,205</u>
Total Grant-Related Expenditures			<u>728,535</u>
<b>Emergency Solutions Grants Program</b>			
Federal Expenditures reported on SEFA	14.231	<u>189,002</u>	189,002
Plus Expenditures funded by Program Income			<u>-</u>
Total Grant-Related Expenditures			<u>189,002</u>
<b>HOME Investment Partnerships Program</b>			
Federal Expenditures reported on SEFA	14.239	<u>719,362</u>	719,362
Plus Expenditures funded by Program Income			<u>12,864</u>
Plus Expenditures funded by General Fund Match			<u>-</u>
Total Grant-Related Expenditures			<u>732,226</u>
<b>Public and Indian Housing</b>			
Federal Expenditures reported on SEFA:			
Section 8 Housing Choice Vouchers	14.871	8,017,626	
Public and Indian Housing	14.850	561,972	
Public Housing Capital Fund	14.872	<u>116,482</u>	8,696,080
Plus Expenditures funded by Program Income (Tenant Revenue)			<u>343,897</u>
Plus Expenditures funded by Other Fees & Revenues			<u>220,328</u>
Plus Expenditures in excess of Revenues			<u>1,198,812</u>
Total Grant-Related Expenditures			<u>10,459,117</u>
<b>Total HUD Expenditures reported on SEFA</b>		<u>\$ 12,476,064</u>	
<b>Total HUD Grant-Related Expenditures</b>			<u>\$ 14,437,722</u>

**City of Glendale, Arizona (An Arizona Municipality)**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2015**

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**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

***Financial Statements***

Type of auditor’s report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ yes   X   no
- Significant deficiency(ies) identified? \_\_\_\_\_ 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? \_\_\_\_\_ yes   X   none reported

Type of auditor’s report issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)? \_\_\_\_\_ yes   X   no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
14.871	Section 8 Housing Choice Vouchers
20.106	Airport Improvement Grant
97.083	Staffing for Adequate Fire and Emergency Response (SAFER)
93.568	Low-Income Energy Assistance Grant

Dollar threshold used to distinguish between Type A and Type B programs: \$594,648

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes   X   no

**SECTION II – FINANCIAL STATEMENT FINDINGS**

None Noted.

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

None noted.

**SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**U.S. Department Health and Human Services**  
**Low-Income Home Energy Assistance Program (LIHEAP)**  
**CFDA Number: 93.568**  
**Pass-Through Entity: Arizona Department of Economic Security**  
**Pass-Through Number: DE111089001**  
**Award Period: July 1 2013 through June 30, 2014**  
**Finding Number: 2014-003**

**Condition/Context:** The month of September 2013 data was omitted from the LIHEAP annual report.

**Status:** Fully corrected. A similar matter was not noted in the current fiscal year.