

<b>1.0</b>	<b>PHA Information</b> PHA Name: <u>City of Tempe Housing Authority</u> PHA Code: <u>A031</u> PHA Type: <input type="checkbox"/> Small <input checked="" type="checkbox"/> High Performing <input type="checkbox"/> Standard <input checked="" type="checkbox"/> HCV (Section 8) PHA Fiscal Year Beginning: (MM/YYYY): <u>07/2014</u>																										
<b>2.0</b>	<b>Inventory</b> (based on ACC units at time of FY beginning in 1.0 above) Number of PH units: _____ Number of HCV units: <u>1082</u>																										
<b>3.0</b>	<b>Submission Type</b> <input type="checkbox"/> 5-Year and Annual Plan <input checked="" type="checkbox"/> Annual Plan Only <input type="checkbox"/> 5-Year Plan Only																										
<b>4.0</b>	<b>PHA Consortia</b> <input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below.)																										
	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Participating PHAs</th> <th rowspan="2">PHA Code</th> <th rowspan="2">Program(s) Included in the Consortia</th> <th rowspan="2">Programs Not in the Consortia</th> <th colspan="2">No. of Units in Each Program</th> </tr> <tr> <th>PH</th> <th>HCV</th> </tr> </thead> <tbody> <tr> <td>PHA 1: N/A</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>PHA 2:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>PHA 3:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Participating PHAs	PHA Code	Program(s) Included in the Consortia	Programs Not in the Consortia	No. of Units in Each Program		PH	HCV	PHA 1: N/A						PHA 2:						PHA 3:					
Participating PHAs	PHA Code					Program(s) Included in the Consortia	Programs Not in the Consortia	No. of Units in Each Program																			
		PH	HCV																								
PHA 1: N/A																											
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PHA 3:																											
<b>5.0</b>	<b>5-Year Plan.</b> Complete items 5.1 and 5.2 only at 5-Year Plan update.																										
<b>5.1</b>	<b>Mission.</b> State the PHA's Mission for serving the needs of low-income, very low-income, and extremely low income families in the PHA's jurisdiction for the next five years:																										
<b>5.2</b>	<b>Goals and Objectives.</b> Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.																										
<b>6.0</b>	<b>PHA Plan Update</b> (a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission:  <b>The PHA revisions taken since the PHA's last Annual Plan include:</b>  <i>Utility Allowances.</i> Due to a greater than 10% change in rates, the current utility allowance schedules will be revised effective March 1, 2014. Changes in utility allowances are implemented immediately, but not later than the next regularly scheduled reexamination of family income.  <i>Payments Standards.</i> Effective November 1, 2013, the PHA had no change to its Payment Standards. The Payment Standard remained unchanged from the FY 2012 Payment Standard and are 97% of the established FMR's for FY2014.  <i>City of Tempe Administrative Plan Revisions.</i>  <b>Adoption of Temporary Provisions to the City of Tempe's Administrative Plan.</b> On January 22, 2013, HUD issued PIH Notice 2013-03 (HA) titled, "Public Housing and Housing Choice Voucher (HCV) Programs – Temporary Compliance Assistance." The PHA adopt the provisions in its HCV Administrative Program Plan as part of the PHA's Annual Plan for FY2013 on April 18, 2013.  The temporary provisions established by this notice will be available to PHAs until March 31, 2014. It is expected that rulemaking will be completed by March 31, 2014, to enable PHAs to continue these measures in one form or another.																										

2. **Financial Resources - (Attachment A) 2014 draft budget, including state and federal rental subsidy**



Attachment  
A-Financial Resources

3. **Rent Determination - The City of Tempe Housing Services (THS) Section 8 Administrative Plan is available at [www/tempe.gov/housing](http://www.tempe.gov/housing) for all policies that govern rent determination policies.**

4. **Fiscal Year Audit - (Attachment B) – Fiscal Year 2012 Audit**



Attachment B-2011  
Single Audit Report.p

5. **Violence Against Women Act (VAWA) - City of Tempe Housing Services (THS) - Violence Against Women Act (VAWA) Activities**

The THS Section 8 Administrative Plan reflect current regulation and policy changes to support victims of domestic violence, dating violence, sexual assault or stalking. The Plan contains descriptions of VAWA in Chapter 12-II.E. Terminating the Assistance of Domestic Violence, Dating Violence, or Stalking Victims and Perpetrators [24CFR 5.2205] and Chapter 16, Program Administration includes the following description, activities, services, or programs offered by an agency, either directly or in participation with other services providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking.

The City of Tempe Housing Services (THS) Section 8 Administrative Plan is available at [www/tempe.gov/housing](http://www.tempe.gov/housing), for all policy reference regarding VAWA

(b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions.

The referenced documents are available for public review and comment on the City's website and at the following locations: City of Tempe Housing Services (main office lobby and official website) 21 E. 6<sup>th</sup> St. Tempe, AZ 85281- and the PHA's website at [www/tempe.gov/housing](http://www.tempe.gov/housing). Public access to information regarding any activity outlined in this plan can be obtained by contacting the Tempe Housing Services Office at (480) 350-8950 TDD (480) 350-8913.

The City of Tempe Housing Services (THS) Section 8 Administrative Plan is available at [www/tempe.gov/housing](http://www.tempe.gov/housing), for all policies that govern eligibility, selection and admission policies.

Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. *Include statements related to these programs as applicable.*

**HOMEOWNERSHIP PROGRAMS**

The Community Development Department continues to offer a single down payment assistance grant funded by HOME and Community Development Block Grant (CDBG) funds for income eligible and qualified families when available by HUD. In fiscal year 2011-2012, the PHA assisted 9 homeowners with down payment assistance. The PHA continues to be steadfast in its delivery of the program and continues to work with homeowner counselors in preparing the households for homeownership. Assistance will be based upon available funding at the time of application for the Homeownership program.

7.0

**PROJECT BASED VOUCHERS (PBV) transitioned to SECTION 8 HOUSING CHOICE VOUCHER (HCV) PROGRAM**

In mid-November 2012, the PHA was advised by HUD that the incorrect HAP Contract agreements to implement the Project Based Voucher (PBV) Program at the Apache ASL Trails was executed. On February 13, 2013, a resolution by the City of Tempe, the Department of Housing and Urban Development (HUD) and ASL were reached and the City terminated the PBV Contracts. To protect the families, the PHA provided Housing Choice Vouchers to 15 eligible families living in a unit identified in the HAP contract at Apache ASAL Trails. This included any tenant requests for a reasonable accommodation for an exception standard. As of February 25, 2013, all 15 HCV are under Contract and subsidy has been executed under the Housing Choice Voucher Program.

	<p>In the City's continued efforts of deconcentrating poverty, expanding housing and economic opportunities, the PHA is exploring the solicitation of PBV proposals on a competitive basis using a request for proposals. Amount of allocations will be based on the PHA's budget authority under the PHA's Annual Contributions Contract (ACC). To ensure the PBV program meets all general provisions of the PBV program including maximum budget authority requirements, relocation requirements, and equal opportunity requirements, the PHA will comply with federal law and regulations in its implementation of the PBV program.</p> <p><b>PERMANENT SUPPORTIVE HOUSING</b>  During FY 13-14, the Virginia G. Piper Charitable Trust conducted an evaluation of the 35 units of Permanent Supportive Housing that the City of Tempe Housing Services Division created utilizing Homelessness Prevention and Rapid Re-Housing (HPRP) stimulus funds that were received in 2009. The City of Tempe utilized HPRP funds to provide rent and utility assistance to 35 homeless individuals who met the federal definition of chronically homeless. Through a partnership with Valley of the Sun United Way and the Arizona Department of Health Services, all residents received supportive services designed to help them stay housed. Prior to their HPRP assistance terminating at the 18-month cap, those housed were able to apply for a Section 8 Housing Choice Voucher through the City of Tempe.</p> <p>The evaluation conducted by the Piper Charitable Trust assessed the impact of being housed on the functional level of residents from entry into housing through 18 months. The areas assessed include social, emotional, economic and overall self-sufficiency. The results of the evaluation demonstrate that tenants overall self-sufficiency increased, tenants' use of the local emergency room decreased and the cost of their healthcare decreased by 26%. The Piper Charitable Trust will continue to assess tenants functioning at six-month intervals.</p> <p><b>VETERANS SUPPORTIVE HOUSING PROGRAM (VASH)</b>  The HUD-Veterans Affairs Supportive Housing (HUD-VASH) program combines Housing Choice Voucher (HCV) rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs (VA). VA provides these services for participating Veterans at VA medical centers (VAMCs) and community-based outreach clinics. Currently the PHA does not administer a HUD-VASH program, and bills the initial PHA for any incoming VASH portables received in Tempe's jurisdiction. Currently the PHA administers 9 portable VASH vouchers.</p>
8.0	<b>Capital Improvements.</b> Please complete Parts 8.1 through 8.3, as applicable. N/A
8.1	<b>Capital Fund Program Annual Statement/Performance and Evaluation Report.</b> As part of the PHA 5-Year and Annual Plan, annually complete and submit the <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> , form HUD-50075.1, for each current and open CFP grant and CFFP financing. N/A
8.2	<b>Capital Fund Program Five-Year Action Plan.</b> As part of the submission of the Annual Plan, PHAs must complete and submit the <i>Capital Fund Program Five-Year Action Plan</i> , form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan. N/A
8.3	<b>Capital Fund Financing Program (CFFP).</b> <input type="checkbox"/> Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements. N/A
9.0	<b>Housing Needs.</b> Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.
9.1	<b>Strategy for Addressing Housing Needs.</b> Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. <b>Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.</b>  <b>AFFORDABLE HOUSING</b> In FY 2013-2014, the City of Tempe invited all qualified and interested parties to submit proposals for the development of 19 residential lots in the City of Tempe's Escalante Neighborhood. The lots are offered for the development of multiple, for-sale, owner-occupied housing units of which at least 51% must be sold to low and moderate-income persons. This project is currently underway.  <b>HOMELESS PROGRAMS</b> During FY13-14, the City of Tempe's Homeless Outreach Program made contact with 544 unduplicated homeless individuals. The goal of HOPE is to travel throughout Tempe in an effort to reach out to and engage homeless individuals into services that can end their homelessness. During the same time frame, HOPE staff, in partnership with other homeless service providers were able to assist 50 individuals in getting housed

	<p><b>Tempe Homeless Coalition</b>  The Tempe Homeless Coalition was formed in October 2012 as a result of a strategic planning process that the homeless service providers in Tempe engaged in during the summer of 2012. The Tempe Homeless Coalition continued to meet throughout FY 12-13. The goal of the Tempe Homeless Coalition is to create and implement a coordinated, integrated system of client-centered services that will result in shorter episodes of homelessness for individuals and families. The Tempe Homeless Coalition is facilitated by the City of Tempe Homeless Coordinator.</p> <p><b>2013 Annual Homeless Street Count</b>  The City of Tempe Homeless Coordinator organized the 2013 Annual Homeless Street Count that is mandated by HUD every year. On January 29, 2013, 126 individuals were counted living on Tempe's streets. Of that number, 124 were adults and 2 were young adults.</p>
<p>10.0</p>	<p><b>Additional Information.</b> Describe the following, as well as any additional information HUD has requested.</p> <p>(a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5- Year Plan.</p> <p><b>The PHA continues to meet its goals of the Housing Choice Voucher and Community Development Block Grant (CDBG) Annual and 5-Year PHA Plans. This includes preserving and developing decent, safe, affordable housing; creating suitable living environments; and expanding opportunities for low and moderate-income people. All of the agency's federal funded activities principally benefited low-and moderate-income residents and its activities were also consistent with its goals and objectives identified in its 2010-2015 Consolidated Plan and FY 2014 Community Development Block Grant (CDBG) Annual Action Plan.</b></p> <p>(b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification"</p> <p>(b) PHA's must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance.</p> <p><b>On September 17-19, 2013, a Section Eight Management Assessment Program (SEMAP) Quality Control Review for FY 2013 was conducted by the U.S Department of Housing and Urban Development (HUD). The review resulted in three pending findings and one observation, in which the PHA was to provide to HUD its rebuttal response or its corrective action plan response. On December 16, 2013, the PHA received a letter from HUD stating that the PHA had provided sufficient documentation to address and close the report findings and observation. Due to a substantial decrease in administrative fees and inadequate staffing to improve utilization, the PHA had a utilization rate at 93% which resulted in a failing score on SEMAP Indicator 13, Lease-up. The PHA has analyzed and is addressing the cause of the low utilization and expects to meet its utilization at 95% or above for FY 2014. For FY 2013 ending June 30, 2013, the agency received a Section 8 Management Assessment Program (SEMAP) score of 76% and was rated as a Standard Performer</b></p> <p><b>The agency understands that managing utilization is a critical component of the voucher program financial management and will continue to demonstrate their ability to implement the City's Housing Choice Voucher program in accordance with federal requirements to ensure that all available housing choice vouchers are used and continuance of a balanced budget.</b></p>
<p>11.0</p>	<p><b>Required Submission for HUD Field Office Review.</b> In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. <b>Note:</b> Faxed copies of these documents will not be accepted by the Field Office.</p> <p>(a) Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> (which includes all certifications relating to Civil Rights)</p> <p>(b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only) <i>N/A</i></p> <p>(c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only) <i>N/A</i></p> <p>(d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only) <i>N/A</i></p> <p>(e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only) <i>N/A</i></p> <p>(f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations.</p> <p><b>On January 23, 2014, the PHA consulted with the Resident Advisory Board (RAB) on the approval of version az031v01 of the Annual Agency Plan and to discuss the revisions to the Tempe Housing Services Administrative Plan. No Comments were received by the PHA for this meeting.</b></p>

(g) Challenged Elements. **NO Challenged Elements.**

(h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report* (PHAs receiving CFP grants only)

(i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* (PHAs receiving CFP grants only) N/A

## FY 2014/2015 Proposed Activities

Activity	CDBG	HOME	HOME Match	Program Income	Section 8
<b>Affordable Housing</b>					
Housing Rehabilitation: 1. Single Family Emergency Owner Occupied	\$240,000			\$25,000	
Affordable Housing: 1. Multi-Family New Construction		\$296,835		\$25,000	
<b>Public Services:</b>					
Total Public Services (15%)	\$200,696				
<b>Community Development</b>					
Redevelopment: 1. Acquisition	\$629,685				
<b>Administration</b>	\$267,595 (20% cap)	\$15,623 (5% cap)			\$516,000
<b>Housing Services Division</b>					
Section 8 Rental Assist.					\$7,973,158
Section FSS Grants					\$67,524
<b>TOTALS (non-inclusive of available carryover funds):</b>	<b>\$1,337,976</b>	<b>\$312,458</b>	<b>\$78,115</b>	<b>\$50,000</b>	<b>\$8,556,682</b>

**CITY OF TEMPE, ARIZONA  
SINGLE AUDIT REPORTING PACKAGE  
FOR THE YEAR ENDED JUNE 30, 2012**

**CITY OF TEMPE, ARIZONA  
SINGLE AUDIT REPORTING PACKAGE  
FOR THE YEAR ENDED JUNE 30, 2012**

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HEINFELD, MEECH & CO., P.C.  
CPAs and Business Consultants

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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 Tempe, 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 Tempe, Arizona as of and for the year ended June 30, 2012, which collectively comprise City of Tempe, Arizona's basic financial statements and have issued our report thereon dated November 21, 2012. 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

Management of City of Tempe, Arizona is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered City of Tempe, 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 City of Tempe, Arizona's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of City of Tempe, Arizona's internal control over financial reporting.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, 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 previously.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Tempe, 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 management, the Honorable Mayor and Members of the City Council, others within the entity, 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.  
CPAs and Business Consultants

November 21, 2012



**REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT  
ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Independent Auditors' Report

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

Compliance

We have audited City of Tempe, Arizona'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 City of Tempe, Arizona's major federal programs for the year ended June 30, 2012. City of Tempe, 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 Tempe, Arizona's management. Our responsibility is to express an opinion on City of Tempe, 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 Tempe, 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 Tempe, Arizona's compliance with those requirements.

In our opinion, City of Tempe, Arizona complied, in all material respects, with the 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, 2012.

### Internal Control Over Compliance

Management of City of Tempe, 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 Tempe, Arizona's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance 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 City of Tempe, Arizona'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.

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 deficiencies, 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 Tempe, Arizona as of and for the year ended June 30, 2012, and have issued our report thereon dated November 21, 2012, which contained an unqualified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements taken as a whole. 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of management, the Honorable Mayor and Members of the City Council, others within the entity, 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.  
CPAs and Business Consultants

November 21, 2012

**CITY OF TEMPE, ARIZONA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2012**

Federal Grantor/Program Title	CFDA Number	Pass-Through Grantor' Number	Expenditures
<b><u>U.S. Department of Agriculture</u></b>			
Passed through Arizona Department of Health Services:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	HI05004	216,532
<b>Total Department of Agriculture</b>			<b>216,532</b>
<b><u>U.S. Department of Housing and Urban Development</u></b>			
Direct program:			
Community Development Block Grant, Entitlement Grants Cluster			
Community Development Block Grant	14.218	N/A	1,189,266
ARRA: Community Development Block Grant	14.253	N/A	361,748
Total Community Development Block Grant, Entitlement Grants Cluster			1,551,014
ARRA: Homelessness Prevention & Rapid Re-Housing Program	14.257	N/A	221,373
Section 8 Housing Choice Vouchers	14.871	N/A	9,470,381
Passed through Maricopa County:			
Home Investment Partnerships Program	14.239	MCCD	335,961
<b>Total Department of Housing and Urban Development</b>			<b>11,578,729</b>
<b><u>U.S. Department of the Interior</u></b>			
Passed through National Park Service:			
Historic Preservation Fund	15.904	N/A	31,943
<b>Total Department of the Interior</b>			<b>31,943</b>
<b><u>U.S. Department of Justice</u></b>			
Direct Program:			
Organized Crime Drug Enforcement Task Force	16.Unknown	N/A	56,231
Drug Enforcement Agency Task Force	16.Unknown	N/A	53,730
ARRA: Public Safety Partnership and Community Policing Grants	16.710	2010-CK-WX-0391	297,917
Enforcing Underage Drinking Laws Program	16.727	2011-DOJ-005	25,772
Enforcing Underage Drinking Laws Program	16.727	2012-DOJ-12	29,806
Passed through Arizona Department of Safety:			
Crime Victim Assistance	16.575	N/A	1,928
Edward Byrne Memorial Justice Assistance Grant Program Cluster			
ARRA: Edward Byrne Justice Assistance Grant Program	16.803	N/A	89,515
ARRA: Edward Byrne Justice Assistance Grant Program	16.804	2010-DJ-BX-1317	19,408
Total Edward Byrne Memoria Justice Assistance Grant Program Cluster			108,923
Passed through Arizona Governor's Division for Children:			
Juvenile Accountability Block Grant	16.523	N/A	14,190
<b>Total Department of Justice</b>			<b>588,497</b>

**CITY OF TEMPE, ARIZONA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Federal Grantor/Program Title	CFDA Number	Pass-Through Grantor' Number	Expenditures
<b><u>U.S. Department of Transportation</u></b>			
Passed through Arizona Department of Transportation:			
Highway Planning and Construction Cluster			
Highway Planning and Construction	20.205	CM-TMP-0(205)	76,221
Highway Planning and Construction	20.205		247,240
Highway Planning and Construction	20.205	CM-TMP-0(204)	566,807
Highway Planning and Construction	20.205		834,667
Highway Planning and Construction	20.205		293,335
ARRA: Highway Planning and Construction	20.205.024	ARRA-TMP-0(211)A	250,533
ARRA: Highway Planning and Construction	20.205.024		1,510,470
Total Highway Planning and Construction Cluster			<u>3,779,273</u>
Passed through City of Phoenix:			
Federal Transit Cluster			
Federal Transit: Formula Grants	20.507	COP	2,732,304
Federal Transit: Formula Grants	20.507	COP	465,563
ARRA:Federal Transit: Formula Grants	20.507	COP	3,822,056
Total Federal Transit Cluster			<u>7,019,923</u>
Passed through AZ Governor's Office of Highway Safety:			
Highway Safety Cluster			
State and Community Highway Safety	20.600	2011-OP-001	23,935
State and Community Highway Safety	20.600	2012-AI-005	5,442
State and Community Highway Safety	20.600	2012-PT-033	23,055
State and Community Highway Safety	20.600	2011-PT-001	17,784
State and Community Highway Safety	20.600	2012-OP-014	4,549
State and Community Highway Safety	20.600	2012-OP-36	8,884
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	2011-410-009	36,577
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	N/A	39,188
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	2012-410-017	42,277
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	2012-410-016	30,966
Total Highway Safety Cluster			<u>232,657</u>
<b>Total Department of Transportation</b>			<u><b>11,031,853</b></u>
<b><u>U.S. Department of Library Services</u></b>			
Passed through the AZ Department of Health Services:			
State Library Program	45.310	N/A	23,388
<b>Total Department of Library Services</b>			<u><b>23,388</b></u>
<b><u>U.S. Department of Energy</u></b>			
Direct Program:			
State Energy Program	81.041	N/A	66,922
ARRA: Energy Efficiency and Conservation Block Grant	81.128	N/A	571,821
<b>Total Department of Energy</b>			<u><b>638,743</b></u>
<b><u>U.S. Department of Education</u></b>			
Passed through Arizona Governor's Office of Economic Recovery:			
ARRA: State Fiscal Stabilization Fund - Government Services	84.397	OER-11-IGA-GS-7	26,810
ARRA: State Fiscal Stabilization Fund - Government Services	84.397	OER-11-IGA-GS-7	27,490
<b>Total Department of Education</b>			<u><b>54,300</b></u>

**CITY OF TEMPE, ARIZONA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Federal Grantor/Program Title	CFDA Number	Pass-Through Grantor' Number	Expenditures
<b><u>U.S. Department of Health and Human Services</u></b>			
Direct Program:			
Prevention and Treatment of Substance Abuse (SAPT)	93.959	N/A	161,301
<b>Total Department of Health and Human Services</b>			<b>161,301</b>
<b><u>Corporation for National and Community Service</u></b>			
ARRA: AmeriCorps	94.006	N/A	24,766
<b>Total Corporation for National and Community Service</b>			<b>24,766</b>
<b><u>Executive Office of the President</u></b>			
Direct Program:			
High Intensity Drug Trafficking Areas Program	95.001	N/A	152,249
<b>Total Executive Office of the President</b>			<b>152,249</b>
<b><u>U.S. Department of the Homeland Security</u></b>			
Direct Programs:			
Urban Areas Security Initiative	97.008	2006-GE-T6-0007	30,189
Urban Areas Security Initiative	97.008	2005-GE-T5-0030	4,323
Passed through Arizona Department of Homeland Security:			
Assistance to Firefighters Grant	97.044	N/A	438,119
Homeland Security Cluster			
Homeland Security Grant Program	97.067	777215-01	83,744
Homeland Security Grant Program	97.067	555215-02	111,936
Homeland Security Grant Program	97.067	888829-02	2,882
Homeland Security Grant Program	97.067	888829-03	120,871
Homeland Security Grant Program	97.067	777824-02	15,580
Homeland Security Grant Program	97.067	888213-03	17,383
Homeland Security Grant Program	97.067	777823-03	9,647
Homeland Security Grant Program	97.067	888828-02	48,124
Homeland Security Grant Program	97.067	888828-01	35,422
Homeland Security Grant Program	97.067	777823-01	2,328
Homeland Security Grant Program	97.067	777823-02	56,928
Homeland Security Grant Program	97.067	777214-01	118,500
Total Homeland Security Cluster			623,345
<b>Total Department of the Homeland Security</b>			<b>1,095,976</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$25,598,277</b>

See accompanying independent auditor's report on schedule of expenditures of federal awards  
and notes to schedule of expenditures of federal awards.



**CITY OF TEMPE, ARIZONA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2012**

**NOTE 1 - BASIS OF PRESENTATION**

The Schedule of Expenditures of Federal Awards includes the federal grant activity of City of Tempe, 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*. Some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**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 2012 *Catalog of Federal Domestic Assistance*.

**CITY OF TEMPE, ARIZONA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2012**

**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?            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 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:

CFDA Numbers	Name of Federal Program or Cluster
14.871	Section 8 Housing Choice Vouchers
14.218, 14.253	Community Development Block Grant – Entitlement Grants Cluster
20.205	Highway Planning and Construction Cluster
20.507	Federal Transit Cluster

Dollar threshold used to distinguish between Type A and Type B programs:            \$767,948

Auditee qualified as low-risk auditee?   X   yes            no

**CITY OF TEMPE, ARIZONA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2012**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

None reported.

**CITY OF TEMPE, ARIZONA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2012**

**FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS**

None reported.

**CITY OF TEMPE, ARIZONA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2012**

**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.