



**City of Philadelphia,
Pennsylvania**

**Schedule of
Financial Assistance**

Fiscal Year Ended June 30, 2007

**CITY OF PHILADELPHIA
SCHEDULE OF FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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**CITY OF PHILADELPHIA
SCHEDULE OF FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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**CITY OF PHILADELPHIA
SCHEDULE OF FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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Front Cover Photo: (Courtesy of the Greater Philadelphia Tourism Marketing Corp. J. Smith)



INTRODUCTORY SECTION

Letter of Transmittal



CITY OF PHILADELPHIA

OFFICE OF THE DIRECTOR OF FINANCE

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ROB DUBOW

Director of Finance

Honorable Michael Nutter
Mayor, City of Philadelphia
Room 215 City Hall
Philadelphia, PA 19102

October 23, 2008

Dear Mayor Nutter:

The Schedule of Financial Assistance (SFA) of the City of Philadelphia for the fiscal year ended June 30, 2007, comprised of the Schedule of Expenditures of Federal Awards (SEFA), the Schedule of Expenditures of Pennsylvania Department of Public Welfare (PaDPW) Awards, and the Schedule of Federal Cash Receipts passed through the Pennsylvania Department of Community and Economic Development (PaDCED) is submitted herewith. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the Federal, PaDPW and PaDCED financial activity of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial assistance have been included.

THE FEDERAL SINGLE AUDIT REQUIREMENT

The United States Congress enacted the Single Audit Act Amendments of 1996 (the Act), which the President signed into law on July 5, 1996. The Office of Management and Budget (OMB) issued Circular A-133, in accordance with the Act, to clarify and establish audit requirements for States, Local Governments and Non-Profit Organizations. The City is required by the Act to have an annual audit performed on its entire operations, including a separate reporting on its Federal financial activity, the SEFA.

The City's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2007, presents the entire operations of the City. The CAFR was issued under separate cover on January 29, 2008. The SFA is issued in conjunction with the CAFR in order to

comply with the reporting provisions of the Act. The report of the independent auditor on the SEFA, January 29, 2008, coincides with the CAFR's report date, as the financial presentations in each report are derived from the same financial activity in the City's various funds. Copies of the reporting package (CAFR and SFA) and Data Collection Form must be forwarded to the Federal Audit Clearinghouse (The U.S. Bureau of the Census). In addition, a reporting package must be issued to each grantor agency (federal, state or other government) affected by an audit finding on the Schedule of Findings and Questioned Costs or the Summary Schedule of Prior Year Findings. The report must be forwarded within 30 days of our receipt, but no later than nine months after our fiscal year end of June 30, 2007. In accordance with the Act, the SEFA will be made available for public inspection.

The Federal financial activity of the City of Philadelphia is presented in the Financial Section of the SFA.

AGREED UPON PROCEDURES REPORTS

On July 6, 2007, the PaDPW reissued the Single Audit Supplement as an aid to local government entities and their independent auditors in the specific auditing and performance of the Single Audit. This supplement provides program specific auditing and reporting requirements which are applied in conjunction with the Single Audit Act's required standards and guidelines for programs funded through the PaDPW.

The Schedule of Expenditures of Pennsylvania Department of Public Welfare Awards, and associated Supplementary Schedules, are presented in the Financial and Supplementary Financial Information Sections, respectively.

On January 3, 2003, the PaDCED requested specific auditing and reporting requirements for all federal cash receipts passing through the department. The Schedule of Federal Cash Receipts Passed through PaDCED is presented in the Financial Section.

OTHER REPORTING ENTITIES

For Single Audit purposes, other quasi-governmental organizations included in the CAFR, as required by the Governmental Accounting Standards Board, are treated as subrecipients of the City. Only those Federal funds passed on to these agencies by the City are included in the SEFA. Each quasi-governmental agency is required to perform its own Single Audit, which would include Federal financial assistance received directly by the agency from all sources.

COGNIZANT AGENCY

The OMB, in accordance with the Act, assigned the U.S. Department of Housing and Urban Development as the City's Cognizant Agency.

INDEPENDENT AUDITOR

The Philadelphia Home Rule Charter establishes the City Controller, a separately elected official, as the independent auditor of the City of Philadelphia. Our Cognizant Agency has recognized the independence of the City Controller, and the Single Audit was conducted through his appointed Certified Public Accountant in charge of auditing, in accordance with the Home Rule Charter.

AUDITOR REPORTS

The Single Audit Act Amendments of 1996, in conjunction with the American Institute of Certified Public Accountants, requires that the auditor issue three reports in connection with his examination of the SEFA: The Independent Auditor's Report on (1) the Schedule of Expenditures of Federal Awards; (2) Internal Control Structure related to the Financial Statements and Major Programs and (3) Compliance with Laws, Regulations and the Provisions of Contracts or Grant Agreements. Additionally, the state departments of Public Welfare and Community and Economic Development require that the Auditor issue a report on the application of certain agreed upon procedures. These Federal and State requirements have been met and the reports are included herein.

PLAN FOR CORRECTIVE ACTION

The Act requires that the City submit its Plan for Corrective Action to eliminate such cases of material non-compliance cited in the Independent Auditor's Report on Compliance and Internal Controls. The City's Plan for Corrective Action to eliminate those cases of non-compliance and material weaknesses in the systems of internal control, is included as part of each individual grantee's response.

ACKNOWLEDGMENTS

The preparation of this report has been accomplished with the efficient and dedicated service of the Office of the Director of Finance. We would like to express our appreciation to all the members of the Grants Accounting and Administration Unit, and in the several City Agencies involved in the management of Federal assistance funds, who assisted and contributed to the report's preparation, and enabled the City to successfully complete this Single Audit. We would also like to thank the Mayor, who continues to support our efforts to establish strong, centralized accounting and administrative internal control systems for the effective and efficient management of grant-funded programs City-wide.

Respectfully submitted,



Rob Dubow,
Director of Finance

FINANCIAL SECTION

Schedule of Expenditures of Federal Awards

Schedule of Expenditures of Pennsylvania Department of Public Welfare Awards



CITY OF PHILADELPHIA

OFFICE OF THE CONTROLLER
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ALAN BUTKOVITZ
City Controller

ALBERT F. SCAPEROTTO
Deputy City Controller

INDEPENDENT AUDITOR'S REPORT ON SCHEDULES OF EXPENDITURES OF FEDERAL AND PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE AWARDS

To the Honorable Mayor and Honorable Members
of the Council of the City of Philadelphia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Philadelphia, Pennsylvania as of and for the year ended June 30, 2007, and have issued our report thereon dated January 29, 2008. Our report was modified to include a reference to the reports of other auditors. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the City of Philadelphia, Pennsylvania's basic financial statements. The accompanying Schedules of Expenditures of Federal and Pennsylvania Department of Public Welfare (DPW) Awards are presented for purposes of additional analysis as required by the *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and the *DPW Single Audit Supplement* and are 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.

January 29, 2008


ALBERT F. SCAPEROTTO, CPA
Deputy City Controller


ALAN BUTKOVITZ
City Controller

Schedule of Expenditures of Federal Awards

City of Philadelphia
Schedule of Expenditures of Federal Awards
July 1, 2006 to June 30, 2007

<u>Grantor Agency/</u> Project Title	City ID	CFDA	Contract Number	Federal Awards	Federal Expenditures
<u>U.S. Department of Agriculture</u>					
Cluster - Child Nutrition Cluster:					
School Lunch Breakfast & Milk	221105	10.555	Receipts	151,245	151,245
After School Snack Program	160323	10.559	300-51-726-0	325,000	270,448
Summer Food Inspection	141593	10.559	SP 1606510004	60,790	60,790
Summer Food Program	160307	10.559	Budget	3,703,012	3,170,682
Summer Food Program	160322	10.559	Budget	4,013,059	494,718
Subtotal Child Nutrition Cluster:				8,253,106	4,147,883
Passed-Through - PA Department of Education:					
Child & Adult Care Food Pgm	240450	10.558	Agreement 300516530	2,128,896	745,103
Subtotal PA Department of Education:				2,128,896	745,103
Total U.S. Department of Agriculture:				10,382,002	4,892,987
<u>U.S. Department of Commerce</u>					
Direct - U.S. Department of Commerce:					
Technology Opportunities Program (TOP)	240497	11.552	42-60-104015	527,358	223,143
Subtotal U.S. Department of Commerce:				527,358	223,143
Passed-Through - PA Department of Environmental Protection:					
Coastal Nonpoint Pollution Pgm	280078	11.419	SAP 4100031811	19,500	6,703
Coastal Zone Management Implementation	280086	11.419	SAP 4100036434	19,500	9,571
Subtotal PA Department of Environmental Protection:				39,000	16,274
Total U.S. Department of Commerce:				566,358	239,417
<u>U.S. Department of Housing & Urban Development</u>					
Direct - U.S. Department of Housing & Urban Development:					
HUD Homes Inspection Services	142470	14.000	HO3C94023800000/CPHI00	673,550	46,022
CDBG YEAR 14	06084	14.218	B-88-MC-42-0012	49,287,000	5,550
CDBG YEAR 18	06125	14.218	B-92-MC-42-0012	58,013,000	47,432
CDBG YEAR 19	06998	14.218	B-93-MC-42-0012	64,173,000	23,205
CDBG YEAR 20	06997	14.218	B-94-MC-42-0012	70,788,000	2,762
CDBG YEAR 21	06996	14.218	B-95-MC-42-0012	72,928,000	79,088
CDBG YEAR 22	06995	14.218	B-96-MC-42-0012	71,056,000	237,800
CDBG YEAR 23	06994	14.218	B-97-MC-42-0012	69,968,000	20,538

City of Philadelphia
Schedule of Expenditures of Federal Awards
July 1, 2006 to June 30, 2007

<u>Grantor Agency/</u> Project Title	City ID	CFDA	Contract Number	Federal Awards	Federal Expenditures
CDBG YEAR 24	06992	14.218	B-98-MC-42-0012	68,298,000	21,863
CDBG YEAR 25	06989	14.218	B-99-MC-42-0012	68,713,000	300,558
CDBG YEAR 26	06986	14.218	B-00-MC-42-0012	69,091,000	168,810
CDBG YEAR 27	06985	14.218	B-01-MC-42-0012	71,676,000	1,043,569
CDBG YEAR 28	06984	14.218	B-02-MC-42-0012	69,444,000	246,116
CDBG YEAR 29	06983	14.218	B-03-MC-42-0012	63,763,000	1,929,351
CDBG YEAR 30	06982	14.218	B-04-MC-42-0012	52,127,430	1,347,673
CDBG YEAR 31	06981	14.218	B-05-MC-42-0012	59,721,856	5,287,514
CDBG YEAR 32	06980	14.218	B-06-MC-42-0012	53,718,163	33,569,899
CDBG YEAR 32 PROGRAM INCOME	06979	14.218	B-06-MC-42-0012	7,221,415	7,221,415
MLK HOPE VI Revitalization Plan	06100	14.218	B-99-MC-42-0012	4,500,000	197,306
Section 108 Interest	062055	14.218	Interest	171,720	120,357
Section 108 Interest	062064	14.218	Interest	333,430	31,208
Section 108 Loan Repmt Year 32	06978	14.218	B-06-MC-42-0012	10,027,588	10,027,588
Section 108 Loans Year 23	060378	14.218	B96-MCA&B97MC420012	33,500,000	29,884
Section 108 Loans Year 24	06SE24	14.218	B-00-MC-42-0012	12,952,826	298,230
Mckinney Shelter Program	240490	14.231	S-04-MC-42-0001	2,332,378	6,807
Mckinney Shelter Program	240627	14.231	S-05-MC-42-0001	2,306,674	1,989,356
Mckinney Shelter Program	240660	14.231	S-06-MC-42-0001	2,297,107	1,562,082
SHP - Calcutta House III	240465	14.235	PA01B10-0020	466,271	161,673
SHP - Casa Nueva Vida (PH)	240494	14.235	PA01B00-0018	103,837	40,660
SHP - Casa Nueva Vida (TH)	240495	14.235	PA01B00-0019	596,319	239,975
SHP - Cecil Housing - Achievability	240662	14.235	PA01B400028	655,200	462,325
SHP - Chestnut Manor	240496	14.235	PA01B200014	1,050,112	305,614
SHP - Dignity III - BOSS	240467	14.235	PA01B90-0016	145,845	44,077
SHP - FaSST Housing	240603	14.235	PA01B00-0025	1,969,820	341,365
SHP - HMIS (Renewal Grant)	240630	14.235	PA01B400027	147,924	31,568
SHP - Imani Homes III	240493	14.235	PA01B00-0017	235,850	77,466
SHP - Imani Homes IV	240468	14.235	PA01B10-0001	838,446	91,024
SHP - Imani Homes V	240492	14.235	PA01B200013	1,299,981	479,063
SHP - Imani Homes VI	240604	14.235	PA01B300001	1,016,444	35,931
SHP - Melville Way	240461	14.235	PA01B90-0015	365,528	45,107
SHP - Monument Mews	240464	14.235	Award Letter	1,841,421	427,867
SHP - New Neighbors	240632	14.235	PA01B400036	866,892	198,411
SHP - Pennsgrove Permanent Hsg Init	240601	14.235	PA01B300024	847,446	46,493
SHP - Positive Living	240631	14.235	PA01B300025	567,084	185,086
SHP - Project Advantage	240463	14.235	PA01B00-0022	1,571,571	402,981
SHP - Project Restoration	240635	14.235	PA01B400029	1,365,286	170,820

City of Philadelphia
Schedule of Expenditures of Federal Awards
July 1, 2006 to June 30, 2007

<u>Grantor Agency/</u> Project Title	City ID	CFDA	Contract Number	Federal Awards	Federal Expenditures
SHP - Transitional Housing Project	240460	14.235	PA01B90-0019	747,590	108,932
Shelter Plus Care (96-0001)	240717	14.238	PA26C96-0001	555,552	47,521
Shelter Plus Care (96-0004)	240718	14.238	PA26C96-0004	41,139	7,504
Shelter Plus Care II	060081	14.238	PA26C93-1087	7,145,404	156,153
Shelter Plus Care II (93-1087)	240715	14.238	PA26C93-1087	947,876	149,083
Shelter Plus Care III	060082	14.238	PA26C94-0025	2,779,569	40,038
Shelter Plus Care VI	060070	14.238	PA26C96-0004	119,181	5,551
Shelter Plus Care VII	060071	14.238	PA26C96-0001	337,368	29,088
SPC	06RAB4	14.238	PA01C20-0017	81,857	9,483
SPC - 1260 HDC - Hopin II	240749	14.238	PA01C60-0044	601,080	55,080
SPC - 1260 HDC (00-0001)	240726	14.238	PA01C00-0001	322,510	60,896
SPC - 1260 HDC (30-0026)	240731	14.238	PA01C30-0026	378,966	22,021
SPC - 1260 HDC (30-0027)	240732	14.238	PA01C30-0027	1,145,209	78,095
SPC - 1260 HDC (40-0031)	240734	14.238	PA01C40-0031	887,474	49,192
SPC - 1260 HDC (50-0039)	240741	14.238	PA01C50-0039	190,080	39,218
SPC - 1260 HDC (80-0019)	240748	14.238	PA26C80-0019	67,910	8,844
SPC - 1260 HDC (90-0003)	240724	14.238	PA01C90-0003	776,343	147,752
SPC - 1260 HDC (SBRA) 900003	06RAT3	14.238	PA01C90-0003	2,119,737	152,436
SPC - 1260 HDC (TBRA) 800019	06RAT2	14.238	PA26C80-0019	280,320	34,818
SPC - 1260 HSG (50-0038)	240736	14.238	PA01C50-0038	407,682	110,100
SPC - APM	06RAA3	14.238	PA01C00-0027	74,330	7,118
SPC - APM (00-0027)	240727	14.238	PA01C00-0027	592,390	32,040
SPC - APM (90-0021)	240725	14.238	PA01C90-0021	189,395	120,669
SPC - APM (TBRA) 900021	06RAA2	14.238	PA01C90-0021	822,145	73,631
SPC - Bethesda Prj (20-0017)	240730	14.238	PA01C20-0017	47,143	15,460
SPC - Bethesda Prj (50-0040)	240742	14.238	PA01C50-0040	115,788	69,014
SPC - Calcutta House (20-0015)	240728	14.238	PA01C20-0015	160,288	39,426
SPC - Calcutta House (80-0004)	240720	14.238	PA26C80-0004	26,925	7,987
SPC - Covenant House (200016)	06RAC3	14.238	PA01C20-0016	253,440	8,694
SPC - Friends Rehab (80-0014)	240721	14.238	PA26C80-0014	469,486	15,516
SPC - Friends Rehab (PRA) 800014	06RAF3	14.238	PA26C80-0014	395,834	90,942
SPC - Gaudenzia-Tioga Arms (40-0001)	240735	14.238	PA01C40-0001	2,471,364	45,766
SPC - New Proj - Gaudenzia-Tioga Arms Prj	06RAG1	14.238	PA01C40-0001	274,596	217,389
SPC - New Project - 1260 HDC	06RATG	14.238	PA01C40-0031	73,726	32,311
SPC - PCRC / D & A (50-0047)	240746	14.238	PA01C50-0047	259,560	92,534
SPC - PCRC / MH (50-0049)	240738	14.238	PA01C50-0049	146,333	73,156
SPC - PCRC / Pathways (50-0051)	240747	14.238	PA01C50-0051	208,440	75,217
SPC - PCRC/Efficiencies (50-0048)	240737	14.238	PA01C50-0048	143,282	46,338

City of Philadelphia
Schedule of Expenditures of Federal Awards
July 1, 2006 to June 30, 2007

<u>Grantor Agency/</u> Project Title	City ID	CFDA	Contract Number	Federal Awards	Federal Expenditures
SPC - PCRC/Reunification (50-0050)	240740	14.238	PA01C50-0050	375,938	178,327
SPC - Phila Hsg Sup Ctr (30-0028)	240733	14.238	PA01C30-0028	1,573,818	156,353
SPC - Project Home (50-0045)	240744	14.238	PA01C50-0045	210,396	125,697
SPC - Project Home (50-0046)	240745	14.238	PA01C50-0046	124,920	83,225
SPC - Project Home (97-0114)	240719	14.238	PA26C97-0114	1,305,853	166,059
SPC - Project Home (PRA) 970114	06RAP2	14.238	PA26C97-0114	1,547,147	98,897
SPC - Project Home (SBRA) 900002	06RAP3	14.238	PA01C90-0002	693,300	24,836
SPC - Renewal - (HIV/AIDS) - PA Comm	06RAP7	14.238	PA01C40-0043	261,420	23,107
SPC - Renewal - Friends Rehab Pgm - Sarah All	06RAF5	14.238	PA01C40-0039	27,672	4,158
SPC - Veteran's Multi-Svc (50-0041)	240743	14.238	PA01C50-0041	279,240	120,612
SPC - Womens Assoc(WAWA-SRA)	06RAW2	14.238	PA26C80-0023	812,700	60,456
SPC XIII - Renewal/TRA (PCRC)/Efficiencies	06RAPD	14.238	PA01C50-0048	64,918	33,846
SPC XIII - Renewal/TRA (PCRC)/MH	06RAPC	14.238	PA01C50-0049	100,567	60,846
SPC XIII - Renewal/TRA (PCRC)/Reunification	06RAPF	14.238	PA01C50-0050	255,682	131,913
SPC XI - SRA: 1260 HDC / Monument Mews	06RATE	14.238	PA01C30-0026	53,634	13,756
SPC XI - TRA: 1260 HDC	06RATA	14.238	PA01C30-0027	368,891	63,889
SPC XI - TRA: Phila Hsg Support Ctr	06RAP5	14.238	PA01C30-0028	327,402	87,891
SPC XIII - Renewal SRA: 1260 HDC	06RATH	14.238	PA01C50-0038	214,602	102,880
HOME - Payroll - FY07	062074	14.239	Payroll	85,752	85,752
HOME - Payroll - FY07 - Pgm Mgt	062084	14.239	Payroll	127,386	127,386
HOME Investment Partnership	060122	14.239	M-95-MC-42-0203	12,614,000	180,000
HOME Investment Partnership	06HM00	14.239	M-99-MC-42-0203	14,601,000	301,859
HOME Investment Partnership	067272	14.239	M-93-MC-42-0203	8,033,000	13,500
HOME Investment Partnership	068148	14.239	M-93-MC-42-0203	3,000,000	34,951
HOME Investment Partnership	06HM01	14.239	M-00-MC-42-0203	14,685,000	541,593
HOME Investment Partnership	060166	14.239	M-98-MC-42-0203	13,560,000	180,130
HOME Investment Partnership	060229	14.239	M-96-MC-42-0203	12,922,000	98,997
HOME Investment Partnership	06HM02	14.239	M-01-MC-42-0203	16,325,000	510,067
HOME Investment Partnership	06HM05	14.239	M-04-MC-42-0203	18,045,042	1,346,188
HOME Investment Partnership	06HM03	14.239	M-02-MC-42-0203	16,137,959	231,117
HOME Investment Partnership	06HM07	14.239	M-06-MC-42-0203	15,363,342	3,798,378
HOME Investment Partnership	06HM06	14.239	M-05-MC-42-0203	16,044,850	4,977,674
HOME Investment Partnership	06HM04	14.239	M-03-MC-42-0203	16,780,000	673,716
HOPWA - Payroll - FY07	062076	14.241	PA-H-06-F001	180,000	177,370
Housing Opp For Persons With AIDS	060057	14.241	PA26H97-F017	3,118,000	7,300
Housing Opp For Persons With AIDS	06HW00	14.241	PA26H99-F001	3,428,000	9,929
Housing Opp For Persons With AIDS	060168	14.241	PA26H98-F001	2,743,000	16,377
Housing Opp For Persons With AIDS	06HW01	14.241	PA-H00-F001	3,641,100	68,000

City of Philadelphia
Schedule of Expenditures of Federal Awards
July 1, 2006 to June 30, 2007

<u>Grantor Agency/</u> Project Title	City ID	CFDA	Contract Number	Federal Awards	Federal Expenditures
Housing Opp For Persons With AIDS	06HW06	14.241	PA-H-05-F001	7,156,000	34,320
Housing Opp For Persons With AIDS	06HW07	14.241	PA-H-06-F001	6,903,000	6,046,451
Housing Opp For Persons With AIDS	06HW03	14.241	PA-H02-F001	7,125,000	455,576
EDI - Girard Avenue	420193	14.246	B-03-SP-PA-0643	67,061	6,076
EDI - Special Project - Pa Hort Soc	06MVP6	14.246	B-04-SP-PA-0707	198,820	179,883
EDI - Special Project - Pa Hort Soc	06MVP4	14.246	B-03-SP-PA-0674	178,830	150,494
HUD Lead Hazard Control - Federal	142484	14.900	PALHB0289-05	2,999,628	877,079
HUD Lead Hazard Demo Grt	142331	14.900	PALHD0026-04	4,000,000	1,080,431
HUD Lead Hazard Demo Grt	142422	14.900	PALHD0136-05	4,000,000	807,342
HUD Residential Lead Abatement-State	142566	14.900	SAP 4100019459/1	122,307	122,001
Healthy Home Day Care	142485	14.901	PALHH0143-05	1,000,000	315,740
HUD Lead Technical Studies	142486	14.902	PALHT0107-05	600,000	121,200
Subtotal U.S. Department of Housing & Urban Development:				<u>1,386,073,903</u>	<u>97,138,126</u>
Passed-Through - PA Department of Health:					
HUD Residential Lead Abatement - State	142451	14.900	SAP 4100019459/1	663,297	192,863
Subtotal PA Department of Health:				<u>663,297</u>	<u>192,863</u>
Passed-Through - PA Department of Community and Economic Development:					
Shelter Project - (7429)	240469	14.231	C000007429	140,000	50,000
Subtotal PA Department of Community and Economic Development:				<u>140,000</u>	<u>50,000</u>
Passed-Through - Philadelphia Housing Authority:					
Davis-Bacon Wage Rate Monitoring	100509	14.850	Cooperative Agreement	140,000	125,765
PHA HOPE VI	221070	14.866	003216	1,760,000	247,669
PHA Skills for Life	221130	14.871	P-003627	531,692	531,692
Subtotal Philadelphia Housing Authority:				<u>2,431,692</u>	<u>905,126</u>
Total U.S. Department of Housing & Urban Development:				<u>1,389,308,892</u>	<u>98,286,115</u>

U.S. Department of the Interior

Direct - U.S. Department of the Interior:

Tincum Wildlife Preserve	360071	15.608	P.L. 95469	1,109	1,109
Homeland Security Mapping	040090	15.808	LOA 2783-ALY05	100,000	24,336
Preservation Of Phila Land Records	310047	15.904	PT 50024 - 05	51,000	39,109
Subtotal U.S. Department of the Interior:				<u>152,109</u>	<u>64,554</u>

Passed-Through - PA Department of Conservation and Natural Resources:

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<u>Grantor Agency/</u> Project Title	City ID	CFDA	Contract Number	Federal Awards	Federal Expenditures
Fisher Park	C17041	15.916	LWCF 42-01533	350,000	334,525
Parkside Ave Rec Improvements	C17042	15.916	ME 288503	400,000	285,581
Subtotal PA Department of Conservation and Natural Resources:				750,000	620,106
Total U.S. Department of the Interior:				902,109	684,660

U.S. Department of Justice

Direct - U.S. Department of Justice:

Federal Forfeiture - DOJ - All Years	690310	16.000	Annual Cert Audit	1,144,160	264,650
Federal Forfeiture - DOJ - All Years	110663	16.000	Receipts	1,613,759	51,045
Port Security Program	110626	16.012	2003-EU-T3-0057	249,000	57,928
Supervised Visit & Safe Exchange Prg	221100	16.527	2005-CW-AX-0033	119,326	119,326
YVRP - Federal Earmark I	110707	16.541	2006-JL-FX-0178	175,000	55,963
YVRP - Federal Earmark I	690273	16.541	2006-JL-FX-0178	102,121	60,751
YVRP - Federal Earmark I	100514	16.541	2006-JL-FX-0178	71,890	68,271
YVRP - Federal I - Juvenile Probation	840384	16.541	2006-JL-FX-0178	211,123	210,931
D.N.A. Capacity Enhancement Pgm	110652	16.560	2004-DN-BX-K094	329,313	88,179
D.N.A. Capacity Enhancement Pgm	110685	16.560	2005-DA-BX-K104	382,594	40,962
Paul Coverdell Forensic Sci Impv Grant	110687	16.560	2005-FS-01-16282	47,511	47,511
Forensic Casework D.N.A. Backlog Reduction	110653	16.564	2004-DN-BX-K088	1,067,670	754,170
Courtroom Presentation Tech Grt	690232	16.580	2004-DD-BX-1220	455,160	153,231
HIDTA - Drug Violence Intelligence	110671	16.580	I5PPCP553Z	262,800	190,200
HIDTA - Drug Violence Intelligence	110642	16.580	I4PPCP553Z	262,800	272
HIDTA - Drug Violence Intelligence	110589	16.580	I3PPCP553Z	519,200	46,750
Weed & Seed Pgm Support Grt	100332	16.580	2004-WS-Q4-0241	50,000	5,350
Imp Dom Violence Arrests & Enforce (APPD)	840423	16.590	2005-WE-AX-0026	57,100	43,820
Imp Dom Violence Arrests & Enforce (EPFA)	840422	16.590	2005-WE-AX-0026	16,948	16,388
Imp. Dom. Viol. Arrests & Protection	240633	16.590	2005-WE-AX-0026	686,013	327,293
Improv Domestic Violence Arrests & Enforce	110709	16.590	2005-WE-AX-0026	119,939	65,305
Violence Against Women Arrest Grant	690277	16.590	2005-WE-AX-0026	70,000	26,750
LLEBG - IX	110648	16.592	2004-LB-BX-1486	1,254,752	584,352
LLEBG - IX - Interest	690217	16.592	Interest Income	3,974	354
LLEBG - IX- Interest	110649	16.592	Interest Income	72,691	72,581
LLEBG-IX	260096	16.592	2004-LB-BX-1486	107,602	10,591
LLEBG-IX - Interest	260097	16.592	Interest Income	1,671	1,572
LLEBG-IX-Drug/Treatment Court	840330	16.592	2004-LB-BX-1486	113,074	13,037
LLEBG-IX-Drug/Treatment-Interest	840332	16.592	Interest Income	6,214	6,042
Local Law Enf Block Grt - IX Interest	100334	16.592	Interset Income	5,006	1,371

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<u>Grantor Agency/ Project Title</u>	<u>City ID Number</u>	<u>CFDA</u>	<u>Contract Number</u>	<u>Federal Awards</u>	<u>Federal Expenditures</u>
Local Law Enf Block Grt-IX-Interest	160292	16.592	Interest Income	5,715	5,715
Local Law Enforcement Block Grt - IX	100333	16.592	2004-LB-BX-1486	85,718	78,651
Local Law Enforcement Block Grt-IX	160291	16.592	2004-LB-BX-1486	98,483	57,277
Weed & Seed - 16th & 19th Districts	110679	16.595	2005-WS-Q5-0140	49,000	312
Weed & Seed - 16th & 19th Districts	100346	16.595	2006-WS-Q6-0121	158,862	84,842
Weed & Seed - 24th & 25th Districts	110680	16.595	2005-WS-Q5-0291	52,650	608
Weed & Seed - 24th & 25th District	100361	16.595	2006-WS-Q6-0122	153,900	100,100
Weed & Seed - 24th & 25th District	110705	16.595	2006-WS-Q6-0122	71,100	67,309
Weed & Seed - 26th District	100362	16.595	2006-WS-Q6-0123	129,510	56,637
Weed & Seed - 26th District	110706	16.595	2006-WS-Q6-0123	45,490	45,328
Weed & Seed -16th & 19th Districts	110704	16.595	2006-WS-Q6-0121	66,138	66,138
Bulletproof Vest Partnership	110645	16.607	04022466	116,875	19,882
Bulletproof Vest Partnership	110698	16.607	Award Notication On-li	189,627	189,627
Bulletproof Vest Partnership	690278	16.607	Memo of Understanding	6,008	6,008
Bulletproof Vest Partnership	110715	16.607	Award Notication On-li	428,959	6,741
COPS 2004 Technology Grant	110646	16.710	2004CKWX0352	247,369	122,615
Gang Resistance Ed & Train	110712	16.737	2006-JV-FX-0127	250,000	247,888
Gang Resistance Ed & Train - Supp	110678	16.737	2004-JV-FX-0079	227,415	3,370
GREAT National Expansion	110701	16.737	2005-JV-FX-K011	827,000	227,293
E. Byrne JAG Pgm - Drug Treatment Court	840406	16.738	2005-DJ-BX-0907	188,492	11,481
E. Byrne JAG Pgm - Night Court	840401	16.738	2005-DJ-BX-0907	125,661	91,097
E. Byrne Memorial Justice Assist Grant	690256	16.738	2005-DJ-BX-0907	157,077	157,077
E. Byrne Memorial Justice Assist Grant	160319	16.738	2005-DJ-BX-0907	188,492	65,368
E. Byrne Memorial Justice Assist Grant	110688	16.738	2005-DJ-BX-0907	2,199,071	1,044,986
E. Byrne Memorial Justice Assistance Grant (J	260122	16.738	2005-DJ-BX-0907	157,077	2,382
JAG - II	260235	16.738	2006-DJ-BX-0601	90,083	90,083
JAG - II	110702	16.738	2006-DJ-BX-0601	1,261,161	51,917
JAG - Interest - Night Court	840403	16.738	Interest Income	4,308	4,140
JAG-II - Interest	260236	16.738	Interest Income	1,283	1,272
JAG-II - Night Court	840418	16.738	2006-DJ-BX-0601	72,066	58,589
Justice Assist Grant - Interest	110691	16.738	Interest Income	154,403	4,970
Justice Assist Grant - Interest	690257	16.738	Interest Income	8,772	5,140
Justice Assistance Grant - Interest	260123	16.738	Interest	1,256	1,248
Justice & Mental Hlth Collaboration Pgm	150281	16.745	2006-MO-BX-0023	200,000	50,000
Subtotal U.S. Department of Justice:				<u>17,597,431</u>	<u>6,411,037</u>
Passed-Through - PA Executive Offices:					
JAIBG VI - Fugitive Apprehension	690230	16.523	2003-JB-11-14244	45,000	2,003

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JAIBG VI - JJS	221066	16.523	2003-JB-11-14244	1,143,055	211,041
JAIBG VI - Police	110643	16.523	2003-JB-11-14244	35,000	15,299
JAIBG VI - Pretrial Prosecutor	690229	16.523	2003-JB-11-14244	141,560	70,000
JAIBG VI- Teen Center I	160293	16.523	2003-JB-11-14244	119,149	52,602
JAIBG VI- Teen Center II	160294	16.523	2003-JB-11-14244	89,149	17,707
JAIBG VII - JJS	221069	16.523	2004-JB-11-15432	212,583	86,078
JAIBG VII - Pretrial Prosecutor	690255	16.523	2004-JB-11-15432	71,560	25,405
JAIBG VII - Teen Centers	160320	16.523	2004-JB-11-15432	164,945	164,330
JAIBG VIII - CAPE	221111	16.523	2005-JB-11-16553	38,522	38,522
JAIBG VIII - CBPS	221112	16.523	2005-JB-11-16553	47,721	47,721
JAIBG VIII - JJS	221113	16.523	2005-JB-11-16553	253,021	90,030
JAIBG VIII - Pretrial Prosecutor	690272	16.523	2005-JB-11-16553	70,304	70,304
JAIBG VIII - Teen Centers	160332	16.523	2005-JB-11-16553	163,689	32,015
"B" Court Victim Services Pgm	690251	16.579	2004-DS-14-14284-2	28,450	10,908
"B" Court Victim Services Pgm	690274	16.579	2004-DS-14-14284-3	14,225	14,225
Female Probation Project (13088)	840378	16.579	2004-DS-16-13088-3	18,446	4,641
Female Probation Project (13110)	840379	16.579	2004-DS-16-13110-3	15,407	4,613
Phila Police Wireless Mugshot Pilot	110708	16.579	2000-DS-15B-17640	75,000	75,000
Philadelphia Community Court	150150	16.579	2003-DS-04-15457	39,890	1,934
Philadelphia Community Court	150236	16.579	2004-DS-04-15457-2	22,546	22,546
Philadelphia Community Court Expansion	100403	16.579	2004-DS-04-14337-3	16,704	16,684
Philadelphia Re-Entry Proj	840359	16.579	2004-DS-20-14340-2	69,053	69,053
Make Philly Safe Campaign	040093	16.738	2005-JG-03-17688	25,000	25,000
Subtotal PA Executive Offices:				2,919,979	1,167,662
Passed-Through - Miscellaneous Non-Profit Funding:					
Stop Violence Against Women	110695	16.588	2005/2006VA06016663	20,734	20,734
Subtotal Miscellaneous Non-Profit Funding:				20,734	20,734
Passed-Through - Citizens Crime Commission of Delaware Valley:					
Project Safe Neighborhoods	110658	16.609	2004-GP-CX-0700	124,811	62,718
PSN - "FAST" Expansion	690235	16.609	Award Letter 11/17/04	319,002	266
PSN - Anti-Gang Initiative	690275	16.609	2006-PG-BX-0098	160,000	92,332
PSN - Cease Fire Task Force	110660	16.609	2005-DD-BX-0250	500,998	53,600
PSN - FAST	690276	16.609	2006-GP-CX-0092	160,000	63,530
PSN - Violent Crime Impact Team	110690	16.609	2004-DD-BX-0250	150,000	88,850
PSN - Youth Violence Reduct Coordination	690234	16.609	Award Letter 8/9/04	380,000	180,000
Subtotal Citizens Crime Commission of Delaware Valley:				1,794,811	541,296

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<u>Grantor Agency/</u> Project Title	City ID	CFDA	Contract Number	Federal Awards	Federal Expenditures
Total U.S. Department of Justice:				22,332,955	8,140,728
<u>U.S. Department of Labor</u>					
Passed-Through - Private Industry Council:					
Phil-a-Job II - Work Experience	160306	17.250	Award Letter 3/15/06	130,000	102,537
Phil-a-Job II - Work Experience	160333	17.250	Award Letter 3/15/07	130,000	9,368
Subtotal Private Industry Council:				260,000	111,905
Passed-Through - Philadelphia Corporation for the Aging:					
Comm on Aging - PCA	050259	17.235	Award Letter 6/30/05	815,684	1,351
Comm on Aging - PCA	050263	17.235	Award Letter 6/28/06	821,594	817,201
Subtotal Philadelphia Corporation for the Aging:				1,637,278	818,552
Total U.S. Department of Labor:				1,897,278	930,457
<u>U.S. Department of Transportation</u>					
Direct - U.S. Department of Transportation:					
Construct RW's-EIS Phase 3	C42576	20.106	3-42-0076-073-05	6,000,054	3,856,599
Construct TW C	C42585	20.106	3-42-0074-012-05	3,252,222	1,374,679
Extend Runway 17-35	C42584	20.106	3-42-0076-075-05	12,779,619	6,637,434
Improve RW 9R,PH1, Rehab D,E Apron,TWJ P	C42577	20.106	3-42-0076-064-03	5,800,000	608,384
Modify Terminal Bldg (FIDS)	C42574	20.106	3-42-0076-061-03	3,831,013	154,121
Noise Mitigation	C42573	20.106	3-42-0076-060-03	2,400,000	1,503,292
Noise Mitigation-PH 3	C42573	20.106	3-42-0076-072-05	2,400,000	450,754
Rehab Airfield Lighting, PH 5	C42587	20.106	3-42-0074-013-06	1,176,993	321,731
Rehab Cargo Apron, PH 3	C42583	20.106	3-42-0076-071-04	75,000	32,410
Rehab Cargo Apron, PH 3	C42583	20.106	3-42-0076-071-04	1,978,936	1,269,163
Rehab Cargo Apron, PH 4	C42583	20.106	3-42-0076-077-06	4,424,478	1,132,142
Rehab Term D,E & RW 9R	C42581	20.106	3-42-0076-068-04	1,650,000	588,573
Rehab Term D,E & RW 9R	C42581	20.106	3-42-0076-074-05	5,450,000	2,918,914
Rehab Terminal A West PH 1	C42582	20.106	3-42-0076-069-04	3,737,118	110,654
Security Enhancements (EAC & Screening)	C42564	20.106	3-42-0076-56-02	2,000,000	2,672
SMCGS	C42578	20.106	3-42-0076-065-03	6,000,000	950,914
TW RW 6-24 & TW C PH3 & PH4	C42580	20.106	3-42-0074-011-04	1,040,720	209,048
Erie Av Intermodal Term Improv	C12147	20.500	PA-03-0262-00	967,500	16,498
Independence Mall Gateway Streetscape	C12178	20.500	PA 90-X438	6,078,782	69,542

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Subtotal U.S. Department of Transportation:				71,042,435	22,207,524
Passed-Through - PA Department of Transportation:					
3rd '02 Hwy Distr 3R	C12197	20.205	065713	2,488,718	337,929
30th St Station/Gateway	C12171	20.205	065637A	317,400	72,457
40th St/AMTRAK	C12112	20.205	065282C	1,566,994	2,557
42nd St/AMTRAK	C12130	20.205	065676	3,643,200	512,510
42nd St/AMTRAK	C12130	20.205	065331B	1,352,232	76,924
52nd & Lancaster	C12214	20.205	066516	160,000	49,916
Belfield Ave (Old York to Wister)	C12170	20.205	065720	1,524,185	1,213,081
Bells Mill Road (Germantown-Stenton Aves)	C12133	20.205	065643A	670,800	157,090
Citywide '03 3R	C12172	20.205	065687A	3,245,888	297,619
Citywide '05 3R	C12202	20.205	065736	2,324,719	1,232,000
Delaware Ave (Lewis-Orthodox)	C12169	20.205	065697	429,600	244,347
Delaware Ave Naval Base Ctr	C12167	20.205	065696	332,000	58,308
FP Bikeway & Rail Trail (MYK)	C17005	20.205	065734A	1,495,000	1,255,277
Glenwood Ave/CONRAIL	C12175	20.205	066519	605,400	196,702
Glenwood/ inspection lf/GL	C12175	20.205	066519	67,200	58,036
Haverford Ave	C12195	20.205	065698	328,000	60,441
Lehigh Ave East (Broad-Richmond)	C12190	20.205	065701	480,000	3,337
Lehigh Ave West (Broad-Ridge)	C12199	20.205	065702	316,000	92,118
Market St Signals (46th to 63rd)	C12124	20.205	065714A	600,000	38,208
Mobility Alternatives Program	510095	20.205	520724-A	62,200	36,312
Mobility Alternatives Program	510105	20.205	520724-B	62,200	42,357
North Broad St Streetscape	C12159	20.205	065677	6,111,520	389,828
Ogontz Ave Signals	C12139	20.205	065664A	5,683,200	210,884
Ontario Street/CONRAIL	C12181	20.205	066521	308,800	484
Ontario/inspection lf/GL	C12181	20.205	066521	33,600	8,899
Passyunk Ave (Broad - 63rd St)	C12188	20.205	Q400-X065-177	360,000	79,076
Sedgley Ave/CONRAIL	C12184	20.205	066520	723,200	408,402
Sedgley Ave/inpsect lf/GL	C12184	20.205	066520	84,000	53,546
South St Detour Signals	C12210	20.205	066510	220,000	137,990
South St Streetscape	C12217	20.205	066527	89,909	88
South St/Schuylkill	C12132	20.205	065469B	12,032,656	1,502,064
Stenton Ave (Paper Mill - Broad St)	C12189	20.205	065678A	419,200	22,316
Motor Carrier Safety Assistance Program	110692	20.218	PSP-28-05/pj#MH-05-42-	285,039	194,174
Comprehensive Highway Safety Prg	150232	20.600	CP 07-06-1	237,807	178,355
Highway Safety Corridor - Roosevelt Blvd.	110681	20.600	57T 06-01-1	249,996	63,517

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Highway Safety Corridor - Roosevelt Blvd.	110718	20.600	157PT 07-01-1	249,996	192,114
DUI Treatment Court	840430	20.601	QNI-07-09-01	150,000	24,089
Sobriety Ckpt & Expand DUI Enforcement	110682	20.601	J8 06-26-1	125,000	22,848
Sobriety Ckpt & Expand DUI Enforcement	110716	20.601	J8 07-26-1	126,667	34,831
Subtotal PA Department of Transportation:				<u>49,562,326</u>	<u>9,561,033</u>
Passed-Through - Delaware Valley Regional Planning Commission:					
DVRPC SRHPP	C12216	20.205	07-60-060	174,000	147,063
Frankford Ave & W. Market Corridor	510088	20.205	4-67-113	150,000	33,562
Lower Germantown-Wayne Junct Concept Pln	510106	20.205	05-67-114	150,000	17,162
North Broad St Transport & Access Study	510096	20.205	05-67-113	80,000	57,659
Region Wide Transportation GIS Prj	120217	20.205	07-54-355	25,000	24,650
Riverfront-Rail Urban Design Study	510109	20.205	05-67-112	95,000	4,400
Short Range Planning	510098	20.505	07-63-006	98,400	87,176
Transit Planning and Programming	510099	20.505	07-63-005	80,800	80,800
Subtotal Delaware Valley Regional Planning Commission:				<u>853,200</u>	<u>452,471</u>
Passed-Through - Miscellaneous Other:					
Discretionary Innovative Seat Belt Pgm	110713	20.600	2003-001	81,800	70,849
Subtotal Miscellaneous Other:				<u>81,800</u>	<u>70,849</u>
Total U.S. Department of Transportation:				<u>121,539,761</u>	<u>32,291,877</u>
<u>U.S. Library of Congress</u>					
Direct - U.S. Library of Congress:					
National Library Service Material	520998	42.001	Valuation	905,926	905,926
Subtotal U.S. Library of Congress:				<u>905,926</u>	<u>905,926</u>
Total U.S. Library of Congress:				<u>905,926</u>	<u>905,926</u>
<u>U.S. National Foundation on the Arts and the Humanities</u>					
Direct - U.S. National Foundation on the Arts and the Humanities:					
City Hall Tower Sculpture Restoration	C20012	45.024	04-7700-3008	100,000	53,876
Subtotal U.S. National Foundation on the Arts and the Humanities:				<u>100,000</u>	<u>53,876</u>
Total U.S. National Foundation on the Arts and the Humanities:				<u>100,000</u>	<u>53,876</u>

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<u>U.S. Environmental Protection Agency</u>					
Direct - U.S. Environmental Protection Agency:					
Air Pollution Control Program	142431	66.001	A-00304506-3	3,449,396	1,329,474
Ambient Air Monitoring Network	142325	66.034	PM-97311801-4	912,372	232,429
National Air Toxics Trends Site	142490	66.034	XA-97333001-1	68,448	39,164
Traffic Triangle Stormwater Demo	280276	66.202	XP-83285401-1	52,750	52,750
Air Toxics Monitoring Network / Biowatch Prg	142442	66.500	BW-98389401-03	348,217	112
Child. Lead Poisoning Prevent Prog	142394	66.606	X-97309101-0	447,100	9,490
EPA Lead - School District	142482	66.606	X-97327801-0	497,100	189,334
Brownfield Assessment (Rivers)	420192	66.818	BF - 97333801 - 0	200,000	89,159
Brownfield Assessment II	420175	66.818	BF - 98396801 - 1	400,000	92,691
Brownfield Assmt - DITA OIL	420181	66.818	BF - 97315201 - 1	300,000	49,440
Subtotal U.S. Environmental Protection Agency:				<u>6,675,383</u>	<u>2,084,043</u>
Passed-Through - PA Department of Environmental Protection:					
Source Water Protection Prg	280061	66.468	ME 35290	199,932	73,432
Subtotal PA Department of Environmental Protection:				<u>199,932</u>	<u>73,432</u>
Total U.S. Environmental Protection Agency:				<u>6,875,315</u>	<u>2,157,475</u>
<u>U.S. Federal Emergency Management Agency</u>					
Direct - U.S. Federal Emergency Management Agency:					
Fire Facility Ventiliation System Project	C13001	83.544	EMW-2003-FG-01454	750,000	40,707
Subtotal U.S. Federal Emergency Management Agency:				<u>750,000</u>	<u>40,707</u>
Total U.S. Federal Emergency Management Agency:				<u>750,000</u>	<u>40,707</u>
<u>U.S. Department of Education</u>					
Direct - U.S. Department of Education:					
Camp William Penn - Mentoring Initiative	191001	84.215	U215KO40444	49,705	12,490
Subtotal U.S. Department of Education:				<u>49,705</u>	<u>12,490</u>
Passed-Through - PA Department of Health:					
Governor's Drug-Free Schools	150228	84.186	SAP 4100027188	146,137	146,137
Subtotal PA Department of Health:				<u>146,137</u>	<u>146,137</u>
Passed-Through - PA Department of Education:					

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Literacy Comm-Career Link	520148	84.002	041-06-6203	47,775	6,900
Literacy Comm-Career Link	520157	84.002	041-07-7201	47,775	6,375
Literacy Comm-Staff Development	520141	84.002	099-06-6008	200,000	1,600
Literacy Comm-Staff Development	520150	84.002	099-07-7005	260,000	249,028
Subtotal PA Department of Education:				555,550	263,903
Passed-Through - PA Department of Public Welfare:					
MR-Early Intervention(70170)	150210	84.181	Award Letter	1,760,760	1,760,760
Subtotal PA Department of Public Welfare:				1,760,760	1,760,760
Passed-Through - School District of Philadelphia:					
School-Linked Behavioral Health	221080	84.027	479/F05	2,000,000	27,832
School-Linked Behavioral Health	221096	84.027	613/F06	2,200,000	804,561
School-Linked Behavioral Health	221131	84.027	475-F07	2,000,000	1,942,274
Educational Enrichment Program	240698	84.196	242/F07	60,000	60,000
Subtotal School District of Philadelphia:				6,260,000	2,834,667
Total U.S. Department of Education:				8,772,152	5,017,957
<u>U.S. Elections Assistance Commission</u>					
Passed-Through - PA Department of State:					
HAVA - Title II - Title III Requirements	730026	90.401	4100029051	1,907,709	598,251
HAVA - Title II - Voting Systems	730024	90.401	4100029051	8,081,878	290,513
HAVA - Title II - Voting Systems Upgrade	730025	90.401	4100029051	5,043,000	1,256,500
Subtotal PA Department of State:				15,032,587	2,145,264
Total U.S. Elections Assistance Commission:				15,032,587	2,145,264
<u>U.S. Department of Health & Human Services</u>					
Direct - U.S. Department of Health & Human Services:					
Healthy Tomorrows Partnership for Chldn Pgm	142150	93.110	1 H17MC06711-01-00	49,991	49,990
Healthy Tomorrows Partnership for Chldn Pgm	142606	93.110	5 H17MC06711-02-00	50,000	545
Federal Tuberculosis Control	142332	93.116	U52/CCU300451-24-1	1,167,349	3,736
Federal Tuberculosis Control	142423	93.116	U52/CCU300451-25-2	1,186,658	616,253
Federal Tuberculosis Control	142527	93.116	U52/CCU300451-26	1,161,497	435,065
Varicella & Viral Vaccine Surveillance	142415	93.185	5 U01 IP000019-02	353,044	133,044
Varicella & Viral Vaccine Surveillance	142517	93.185	5 U01 IP000019-03	295,579	138,410

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Varicella Surveillance	142211	93.185	U66/CCU311179-10-2	405,000	46,077
Child. Lead Poisoning Prevent Prog	142437	93.197	US7/CCU322853-03	1,115,000	79,729
Child. Lead Poisoning Prevent Prog	142544	93.197	1 H64 EH000167-01	1,293,984	1,181,665
Childhood Immunization Program	142314	93.268	H23/CCH322538-03-4	2,888,010	154,005
Childhood Immunization Program	142404	93.268	H23/CCH322538-04-3	3,205,985	2,038,043
Childhood Immunization Program	142506	93.268	H23/CCH322538-05-2	2,777,492	501,624
Immunization Program - Donated Vaccines	149999	93.268	Valuation	21,421,740	21,421,740
Enhanced Epidemiology & Lab Capacity	142333	93.283	U50/CCU323664-02	1,165,371	491,085
Enhanced Epidemiology & Lab Capacity	142528	93.283	5U50CI323664-03	556,080	118,639
Phila Health Alert Network	142481	93.283	H75/CCH324930-01	148,800	78,435
STEPS Grant	142360	93.283	U58/CCU323337-02-01	2,203,512	43,300
STEPS Grant	142449	93.283	U58/CCU323337-03-2	2,041,988	1,022,768
STEPS Grant	142561	93.283	U58/CCU323337-04	1,844,358	902,881
HIV Emergency Relief	142456	93.914	2 H89HA00013-16-01	1,289,433	1,278,521
HIV Emergency Relief	142571	93.914	6 H89HA00013-17-01	1,272,757	128,686
HIV Emergency Relief Project	142369	93.914	6 H89HA00013-15-01	21,455,160	177,403
HIV Emergency Relief Project	142500	93.914	2 H89HA00013-16-01	19,787,987	17,510,744
HIV Emergency Relief Project	142575	93.914	6 H89HA00013-17-01	17,334,554	2,193,256
HIV Emergency Relief-CQI	142498	93.914	2 H89HA00013-16-01	663,548	503,493
HIV Emergency Relief-CQI	142572	93.914	6 H89HA00013-17-01	690,279	72,349
HIV Emergency Relief-UA/CMI	142499	93.914	2 H89HA00013-16-01	643,583	442,923
HIV Emergency Relief-UA/CMI	142574	93.914	6 H89HA00013-17-01	660,005	126,963
Outpatient HIV Early Intervention	142403	93.918	6 H76HA00077-15-01	815,605	590,268
Outpatient HIV Early Intervention	142504	93.918	6 H76HA00077-16-01	815,174	309,751
Healthy Start Initiative	142312	93.926	2 H49MC00135-05-00	2,479,167	400,512
Healthy Start Initiative	142503	93.926	5 H49MC00135-06-00	1,770,833	1,445,114
Healthy Start Initiative (West)	142698	93.926	5 H49MC00135-07-01	2,141,196	5,309
Healthy Start North-Elim Disparities	142228	93.926	5 H49MC00041-06-01	859,214	280,700
Healthy Start North-Elim Disparities	142530	93.926	5 H49MC00041-07-00	613,724	422,875
Healthy Start North-Elim Disparities	142699	93.926	5 H49MC00041-08-01	754,342	7,055
AIDS Prevention Project	142488	93.940	U62/CCU323472-03-1	6,198,684	3,518,514
AIDS Prevention Project	142550	93.940	U62/CCU323472-04-1	6,198,683	2,275,373
HIV/AIDS Surveillance & Seroprevalence	142336	93.944	U62/CCU323572-02-2	1,582,924	75
HIV/AIDS Surveillance & Seroprevalence	142487	93.944	U62/CCU323572-03-4	3,055,983	1,380,867
HIV/AIDS Surveillance Perinatal Prevention	142230	93.944	1 U62 PS000272-01	101,060	97,838
HIV/AIDS Surveillance Perinatal Prevention	142600	93.944	5 U62 PS000272-02	126,325	38,617
HIV/AIDS Surveillance Related Events	142480	93.944	1 U01 PS000114-01	215,301	53,073
HIV/AIDS Surveillance Related Events	142532	93.944	5 U01 PS000114-02	208,992	10,182

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Morbidity and Risk Behavior	142229	93.944	U62/CCU324461 - 02	361,723	5,719
Morbidity and Risk Behavior	142591	93.944	U62/CCU324461 - 03	436,934	415,407
Sexually Transmitted Disease	141840	93.977	H25/CCH304327-13-6	3,651,443	7,937
Sexually Transmitted Disease	142318	93.977	H25/CCH304327-14-1	1,618,935	27,119
Sexually Transmitted Disease	142408	93.977	H25/CCH304327-15-3	2,070,982	1,457,553
Sexually Transmitted Disease	142510	93.977	H25/CCH304327-16/2	2,073,493	447,794
Sexually Transmitted Disease Infertility	142407	93.977	H25/CCH304327-15-3	488,209	283,837
Sexually Transmitted Disease Infertility	142509	93.977	H25/CCH304327-16/2	488,209	70,663
STD - Program Income	142310	93.977	H25/CCH304327-14	188,788	38,042
STD - Program Income	142501	93.977	H25/CCH304327-15	62,077	59,050
Subtotal U.S. Department of Health & Human Services:				148,506,744	65,540,614
Passed-Through - PA Department of Health:					
PA Community Prevent Collaborative	150152	93.230	ME 03427	145,035	72,517
PA Community Prevent Collaborative	150197	93.230	ME 03427	58,933	36,259
PA SBIRT Initiative	150185	93.230	Award Letter 10/5/05	304,897	180,902
PA SBIRT Initiative	150229	93.230	Award Letter 11/16/06	738,525	532,188
PA SBIRT Initiative - Health Ctrs	142390	93.230	MOU	439,652	2,700
PA SBIRT Initiative - Health Ctrs	142452	93.230	MOU	498,012	126,470
PA SBIRT Initiative - Health Ctrs	142567	93.230	MOU	213,591	181,899
Bioterrorism Grant	142214	93.283	SAP 4100020948	600,000	92,803
Bioterrorism Grant - Cities Readiness Init	142559	93.283	SAP 4100033273	1,476,186	775,717
Bioterrorism Grant - Cities Readiness Initiat	142400	93.283	SAP 4100020948	1,350,000	15,166
Bioterrorism Grant - Cities Readiness Initiat	142493	93.283	SAP 4100020948	1,476,186	457,080
Bioterrorism Grant - Focus Area A	142445	93.283	SAP 4100020948	515,950	79,018
Bioterrorism Grant - Focus Area B	142446	93.283	SAP 4100020948	782,716	136,669
Bioterrorism Grant - Focus Area B	142557	93.283	SAP 4100033273	1,210,958	815,209
Bioterrorism Grant - Focus Area F	142447	93.283	SAP 4100020948	185,932	14,021
Bioterrorism Grant - Pandemic Influenza	142231	93.283	SAP 4100020948	168,527	149,695
Bioterrorism Grant - Pandemic Influenza	142595	93.283	-	859,847	425,098
EMS Annual Work Program	130028	93.889	SAP 400008345/1	39,927	39,927
Ryan White Title II	142598	93.917	SAP 4100037053	1,758,850	1,453,425
Drug Block Grant Treatment	141355	93.959	ME 95136	7,836,227	724,614
Drug Prevention Block	141323	93.959	ME 95136	108,964	108,964
SAPT - Alcohol Intvtn/Trmt	150225	93.959	SAP 4100027188	2,515,346	2,447,324
SAPT - Alcohol Prevention	150224	93.959	SAP 4100027188	691,317	682,479
SAPT - Drug Intvtn/Trmt	150137	93.959	ME 00136	7,749,924	20,411
SAPT - Drug Intvtn/Trmt	150183	93.959	SAP 4100027188	8,205,163	290,316

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SAPT - Drug Intvn/Trmt	150227	93.959	SAP 4100027188	8,012,138	7,689,697
SAPT - Drug Prevention	150226	93.959	SAP 4100027188	2,053,594	2,053,594
Cardiovascular Risk Reduction Svs	142418	93.991	SAP 4100025193	188,337	5,720
Cardiovascular Risk Reduction Svs	142520	93.991	SAP 4100032692	135,739	80,244
Injury Prevention Program	142419	93.991	SAP 4100025691	209,340	2,760
Injury Prevention Program	142521	93.991	SAP 4100025691	209,340	192,803
Tuberculosis Control	142409	93.991	SAP 4100011342 A002	153,750	18,783
Tuberculosis Control	142511	93.991	SAP 4100034131	64,865	64,865
Child & Adolescent Services	142461	93.994	410029203	457,993	12,792
Child & Adolescent Services	142578	93.994	410029203	461,591	412,548
Childhood Lead Poisoning Prevent	142579	93.994	SAP 4100025159	560,320	486,742
Children w/Special Health Care Needs	142339	93.994	ME 02033	109,734	2,000
Children w/Special Health Care Needs	142430	93.994	4100029203	2,452,166	67,031
Children w/Special Health Care Needs	142535	93.994	4100029203	2,462,883	2,244,258
MIC Primary Preventive Services	142428	93.994	4100029203	533,149	2,073
MIC Primary Preventive Services	142533	93.994	4100029203	497,824	449,693
Subtotal PA Department of Health:				58,493,428	23,646,472
Passed-Through - PA Department of Public Welfare:					
MH-Homeless Grant (70154)	150203	93.150	Award Letter	382,956	382,956
MH-Pub Hlth Prep & Resp for Bio-Terror	150200	93.283	Award Letter	3,000	3,000
Lebanon Repatriation Reimbursement	080251	93.558	Receipts	2,440	2,440
Lebanon Repatriation Reimbursement	420207	93.558	-	176,560	176,560
Lebanon Repatriation Reimbursement	130101	93.558	Receipts	7,294	7,294
Lebanon Repatriation Reimbursement	140238	93.558	Receipts	60,578	60,578
Lebanon Repatriation Reimbursement	120228	93.558	Receipts	2,500,000	5,406
Lebanon Repatriation Reimbursement	226250	93.558	Reimbursement	11,440	11,440
Lebanon Repatriation Reimbursement	104433	93.558	Receipts	14,080	14,080
Lebanon Repatriation Reimbursement	243342	93.558	Reimbursement	7,100	7,100
Lebanon Repatriation Reimbursement	110121	93.558	Receipts	59,544	59,544
Nurse Family Part - Interest	142603	93.558	Interest Income	1,638	1,638
Nurse Family Partnership	142601	93.558	SAP 41000374242	202,882	106,289
Temporary Assistance to Needy Families	220417	93.558	Certification letter	30,205,388	30,205,388
Child Support Enforcement	690241	93.563	Title IV- D	1,109,308	241
Child Support Enforcement	690259	93.563	Title IV- D	977,196	977,196
Child Support Program	840407	93.563	Title IV- D	18,797,651	18,797,651
Unallocated IV-D Payments	840008	93.563	SAP 4513321800	2,954,650	1,638,803
Emergency Energy Assistance	260233	93.568	SAP 4100021598	369,300	367,869

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Refugee Targeted Assistance	100326	93.576	SAP 4100023062/1	1,302,078	18,349
Refugee Targeted Assistance	100501	93.576	SAP 4100023062	519,823	371,048
Title IV-B	220423	93.645	Certification letter	2,735,193	2,735,193
Title IV-E Placement Maintenance	220420	93.658	Certification letter	90,204,120	90,204,120
Title IVE Program Income	229995	93.658	Child Support SSI	3,855,510	3,855,510
Title IV-E Reimb Administrative Claims	840377	93.658	Receipts	628,288	628,288
Title IV-E Adoption Assistance	220421	93.659	Certification letter	21,832,832	21,832,832
Child Protective Services	221104	93.667	Award Lettter 01/28/06	2,142,852	2,142,852
Family Preservation Funds - Title XX	150196	93.667	Award Letter 7/28/06	605,463	605,304
HAP - Administration	240640	93.667	Award Letter	660,258	660,258
HAP - Bridge Housing	240641	93.667	Award Letter	3,275,111	3,275,111
HAP - Case Management	240638	93.667	Award Letter	247,631	247,631
HAP - Program Income	240647	93.667	Program Income	6,777	6,777
MH-Fed SSBG-Hurricane Relief (70684)	150239	93.667	Award Letter	180,804	72,745
MH-SSBG (70135)	150201	93.667	Award Letter	7,902,745	7,902,745
MR-SSBG (70177)	150211	93.667	Award Letter	1,291,861	1,291,861
MR-SSBG-EI (70178)	150212	93.667	Award Letter	636,503	636,503
Title IV-E Independent Living	221097	93.674	Award Letter 11/21/05	1,248,107	485,543
Title IV-E Independent Living	221109	93.674	Award Letter 6/19/06	1,232,180	1,232,180
MH-Intensive Case Mgmt (717/956)	150202	93.778	Award Letter	17,789	17,789
MR-Program Income	150999	93.778	Program Income	21,583,946	21,583,946
MR-TSM Admin Costs(70175)	150216	93.778	Award Letter	300,884	300,884
MR-TSM Admin Federal (70175)	150238	93.778	Award Letter	2,033,429	2,033,429
MR-Waiver(70175)	150213	93.778	Award Letter	124,383,406	123,806,380
MR-Waiver-Admin(70175)	150214	93.778	Award Letter	7,228,256	7,228,256
MR-Waiver-EI (70184)	150215	93.778	Award Letter	1,806,136	1,806,136
Title IV-E Medical Assistance	220422	93.778	Certification letter	331,801	331,801
MH-CMHSBG (70167)	150204	93.958	Award Letter	1,947,995	1,797,406
HAP - Bridge Housing PENNFREE	240643	93.959	Award Letter	1,251,800	1,251,800
HAP - Program Income PENNFREE	240646	93.959	Program Income	1,164,575	1,164,575
MH-Regular Svcs Crisis Counseling (80413)	150240	93.982	Award Letter	325,275	285,997
Subtotal PA Department of Public Welfare:				360,726,432	352,638,722
Passed-Through - PA Department of Community and Economic Development:					
Supported Work Program	080241	93.558	Client Funding/Allocat	731,328	1,282
Supported Work Program	080249	93.558	Client Funding/Allocat	920,318	549,185
Community Services Block Grant	160324	93.569	C000022700	500,000	500,000
Community Services Block Grant	142526	93.569	C000022700	448,452	426,991

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Community Services Block Grant	142525	93.569	C000022700	40,548	40,548
Community Services Block Grant	080246	93.569	C000022700	728	728
CSBG - Administration	080212	93.569	C000002932/1	4,937,430	25,988
CSBG - Administration	080248	93.569	C000022700	1,148,507	1,148,507
CSBG - Case Management	240654	93.569	C000022700	500,000	500,000
CSBG - CSP	080213	93.569	C000002932/1	8,659,806	82,481
CSBG - CSP	080247	93.569	C000022700	2,402,496	1,892,772
Empowerment Zone	080035	93.585	907151470	79,017,404	2,893,104
Subtotal PA Department of Community and Economic Development:				99,307,017	8,061,587
Passed-Through - PA Executive Offices:					
Welfare Fraud Unit	690262	93.560	FC 4000009908	958,000	941,790
Subtotal PA Executive Offices:				958,000	941,790
Passed-Through - Miscellaneous Foundation/Trust Funding:					
Comm on Aging-Consumer Educ	050261	93.779	Award Notification 7/1	5,000	4,982
Subtotal Miscellaneous Foundation/Trust Funding:				5,000	4,982
Passed-Through - Family Planning Council:					
Family Planning Services	142507	93.217	070301	176,849	130,482
C & B Cancer Prevention	142363	93.919	Agreement	263,319	191,906
C & B Cancer Prevention	142453	93.919	Agreement	337,312	28,607
C & B Cancer Prevention	142568	93.919	Agreement	393,839	59,891
Walk-In Pregnancy Testing Demo	142502	93.994	070303	12,025	12,025
Subtotal Family Planning Council:				1,183,344	422,911
Passed-Through - Philadelphia Corporation for the Aging:					
Older Adult Program	160314	93.044	PCA Allocation	594,132	1,512
Older Adult Program	160329	93.044	PCA Allocation	723,320	705,836
West Oak Lane Senior Center	080237	93.045	1-113-00	130,699	1,181
Comm on Aging - APPRISE	050260	93.779	Award Letter 6/7/05	40,248	4,883
Comm on Aging - APPRISE	050264	93.779	305-25-3107	36,739	34,209
Subtotal Philadelphia Corporation for the Aging:				1,525,138	747,621
Passed-Through - Philadelphia Health Management Corporation:					
Mentally Ill Homeless Services	150190	93.151	Agreement	63,998	63,998
Mentally Ill Homeless Services	150234	93.151	Agreement of Amendment	77,266	77,266
Subtotal Philadelphia Health Management Corporation:				141,264	141,264

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Passed-Through - Philadelphia Workforce Development Corporation:					
TANF Youth Grant	221115	93.558	Award Letter 9/27/06	3,012,009	3,012,009
Subtotal Philadelphia Workforce Development Corporation:				<u>3,012,009</u>	<u>3,012,009</u>
Total U.S. Department of Health & Human Services:				<u>673,858,376</u>	<u>455,157,971</u>
<u>U.S. Corporation for National & Community Service</u>					
Direct - U.S. Corporation for National & Community Service:					
Foster Grandparents	080236	94.011	05SFAPA001	484,167	228,237
Foster Grandparents	080244	94.011	05SFAPA001	484,167	208,783
Subtotal U.S. Corporation for National & Community Service:				<u>968,334</u>	<u>437,020</u>
Total U.S. Corporation for National & Community Service:				<u>968,334</u>	<u>437,020</u>
<u>U.S. Social Security Administration</u>					
Direct - U.S. Social Security Administration:					
SSA Prisoner Incentive Payments	230028	96.006	PA0102	251,800	251,800
Subtotal U.S. Social Security Administration:				<u>251,800</u>	<u>251,800</u>
Total U.S. Social Security Administration:				<u>251,800</u>	<u>251,800</u>
<u>U.S. Department of Homeland Security</u>					
Direct - U.S. Department of Homeland Security:					
Fire Prevention & Safety Program	130026	97.044	EMW-2004-FP-01609	346,031	4,896
Explosive Detection Canine Team	422175	97.072	DTF01-02-X-02034	1,640,328	401,000
Law Enforcement Grant	422180	97.074	HSTS01-04-A-LEF-068	904,820	228,064
Law Enforcement Grant	422182	97.074	HSTS01-04-A-LEF-068	904,820	678,615
Homeland Security - Bio-Watch Program	142590	97.091	2006ST091000007/1	598,528	490,934
Subtotal U.S. Department of Homeland Security:				<u>4,394,527</u>	<u>1,803,509</u>
Passed-Through - PA Emergency Management Agency:					
Citizens Corps Program	100363	97.067	Agreement 4100036081	12,500	12,500
Subtotal PA Emergency Management Agency:				<u>12,500</u>	<u>12,500</u>
Total U.S. Department of Homeland Security:				<u>4,407,027</u>	<u>1,816,009</u>

City of Philadelphia
Schedule of Expenditures of Federal Awards
July 1, 2006 to June 30, 2007

<u>Grantor Agency/</u> Project Title	City ID	CFDA	Contract Number	Federal Awards	Federal Expenditures
<u>U.S. Miscellaneous Federal Assistance</u>					
Direct - U.S. Miscellaneous Federal Assistance:					
Homeless Alcoholic Men	150139	99.000	DACA-31-1-84-204	187,000	187,000
Subtotal U.S. Miscellaneous Federal Assistance:				<u>187,000</u>	<u>187,000</u>
Total U.S. Miscellaneous Federal Assistance:				<u>187,000</u>	<u>187,000</u>
Total Schedule of Expenditures of Federal Awards:				<u><u>2,259,037,873</u></u>	<u><u>613,637,246</u></u>

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

CONTENTS

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**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (SEFA) presents the activity of all federal financial assistance programs of the City of Philadelphia (City). The City’s reporting entity is defined in Note 1 to the City’s annual financial statements. All federal financial assistance received directly by the primary government from federal agencies as well as federal financial assistance passed through other governmental agencies is included on this schedule. Federal financial assistance, if any, relating to the City’s component units is reported separately by other auditors. Except for the programs listed in note 3 A and 3 B below, federal program expenditures included in the accompanying schedule are presented on the modified accrual basis of accounting. The U.S. Department of Housing and Urban Development has been designated the cognizant agency of the City of Philadelphia’s single audit. 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*.

2. COMPONENT UNITS

The City of Philadelphia’s annual financial statements include the operations of the following entities and their expenditures of federal awards. Amounts listed include funds provided directly by the federal government and, in some cases, significant funds received first by the City of Philadelphia and passed on to the respective entities. Only funds received first by the city, and then passed on, have been included in the accompanying Schedule of Expenditures of Federal Awards. These entities have had separately performed financial statement audits conducted in accordance with the *U.S. Office of Management and Budget Circular A-133*:

<u>Entity</u>	<u>Expenditures of Federal Awards</u>
School District of Philadelphia	\$ 359,077,045
Community College of Philadelphia	\$ 48,437,372
Redevelopment Authority of the City of Philadelphia	\$ 38,301,393
Philadelphia Housing Authority	\$ 325,675,925
Philadelphia Authority for Industrial Development	\$ 1,204,658

**CITY OF PHILADELPHIA
 NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

3. NOTES TO SPECIFIC PROGRAMS

The following explanatory notes relate to specific grant programs of the City, as indicated by CFDA Number.

- A. HUD Section 108 Loans (14.218) – The Federal Department of Housing and Urban Development (HUD) awards Section 108 Loans to the city for the purposes of Housing and Economic Development. The Housing portion is received by the primary government and disclosed on the Schedule of Expenditures of Federal Awards under CFDA 14.218 (City ID Numbers: 060378, and 06SE24). The Economic Development portion is received by the Philadelphia Industrial Development Corporation (PIDC), a quasi-governmental agency. During fiscal year 2007 the city, through PIDC, loaned \$10,067,230 (\$39,825 under contract B-97-MC-420012-E (Pool 4), and \$10,027,405 under contract B-97-MC-420012-F (Pool 5)). Loan repayments and investment proceeds from unloaned funds are used to repay HUD. Collateral for repayment of the funds includes future Community Development Block Grant entitlements due to the City from HUD.
- B. Department of Homeland Security – Personal Property (97.000): – The city received property and equipment indirectly, under four U.S. Department of Homeland Security (DHS) programs, valued at \$1,596,098 during fiscal year 2007. The federal programs providing DHS funding are:

CFDA	Program	Value
97.008	Urban Areas Security Initiative	\$ 118,900
97.067	Homeland Security Grant	\$ 1,005,999
97.073	State Homeland Security Program	\$ 249,190
97.074	Law Enforcement Terrorism Prevention Program	\$ 222,009

The state is the prime recipient, and the sole procurement agent. The Southeastern Pa. Counter-Terrorism Task Force (Task Force) is the sub-grantee. Property and equipment purchased by the state ultimately becomes the property of the counties included in the Task Force.

4. MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor’s Results section of the Schedule of Findings and Questioned Costs.

5. CITY ID NUMBER

Number used by the Grants Accounting and Administration Unit (GAAU) to track grant activity in the City’s accounting system.

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

6. GOVERNMENTAL FUNDING AWARDED BY THE CITY

The following table identifies federal funds awarded to the city's subrecipient organizations:

<u>Source</u>	<u>Program</u>	<u>Funding</u>
10.558	Child and Adult Care Food Program	410,557
11.552	Technology Opportunities	156,903
14.218	Community Development Block Grants/Entitlement Grants	34,683,404
14.231	Emergency Shelter Grants Program	2,977,866
14.235	Supportive Housing Program	3,414,554
14.238	Shelter Plus Care	2,717,654
14.239	HOME Investment Partnerships Program	8,356,550
14.241	Housing Opportunities for Persons with AIDS	6,702,412
14.246	CDBG/Brownfields Economic Development Initiative	204,830
14.871	Section 8 Housing Choice Vouchers	124,707
16.523	Juvenile Accountability Incentive Block Grants	199,146
16.579	Edward Byrne Memorial Formula Grant Program	22,545
16.590	Grants to Encourage Arrest Policies & Enforce Protection Orders	275,660
16.592	Local Law Enforcement Block Grants Program	6,149
16.745	Criminal & Juvenile Justice and MH Collaboration Program	51,960
20.600	State and Community Highway Safety	249,394
84.027	Special Education - Grants to States	1,730,601
84.181	Special Education-Grants for Infants & Families with Disabilities	1,906,897
93.110	Maternal and Child Health Federal Consolidated Programs	43,916
93.150	Projects for Assistance in Transition from Homelessness (PATH)	382,956
93.151	Health Center Grants for Homeless Populations	63,988
93.197	Childhood Lead Poisoning Prevention Projects	48,692
93.230	Consolidated Knowledge Development & Application Program	746,151
93.283	Centers for Disease Control & Prevention	3,000
93.558	Temporary Assistance for Needy Families	15,080,317
93.569	Community Services Block Grant	16,055
93.658	Foster Care -Title IV-E	45,852,439
93.667	Social Service Block Grant	15,832,938
93.778	Medical Assistance Program	133,119,052
93.914	HIV Emergency Relief Project Grants	14,835,961
93.917	HIV Care Formula Grants	1,693,941
93.926	Healthy Start Initiative	1,981,506
93.940	HIV Prevention Activities - Health Department Based	3,222,161

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

Note 6 (Continued)

<u>Source</u>	<u>Program</u>	<u>Funding</u>
93.944	HIV/AIDS Surveillance	3,816,345
93.958	Block Grants for Community Mental Health Services	1,424,373
93.959	Block Grants for Prevention & Treatment of Substance Abuse	13,953,171
93.982	Mental Health Disaster Assistance and Emergency Mental Health	318,020
99.000	Law Enforcement Terrorism Prevention Program (LETPP)	127,800
	Total Subrecipient Funding:	316,754,571

**Schedule of Expenditures of
Pennsylvania Department of
Public Welfare Awards**

City of Philadelphia
Schedule of Expenditures of Pennsylvania Department of Public Welfare Awards
July 1, 2006 to June 30, 2007

<u>Pa. DPW Program</u>	City ID			Grant Awards	Grant Expenditures
Project Title	Number	CFDA	Contract Number		
<u>Mental Health/Mental Retardation</u>					
MH-Behavioral MH Svs (10262)	150209	00.000	Award Letter	5,498,751	5,498,751
MH-CMHSBG (70167)	150204	93.958	Award Letter	1,947,995	1,797,406
MH-Fed SSBG-Hurricane Relief (70684)	150239	93.667	Award Letter	180,804	72,745
MH-Homeless Grant (70154)	150203	93.150	Award Letter	382,956	382,956
MH-Intensive Case Mgmt (717/956)	150202	93.778	Award Letter	17,789	17,789
MH-Program Income	150998	00.000	Program Income	30,773,181	30,773,181
MH-Program Maintenance (140)	142269	00.000	No new contract #	26,012	26,012
MH-Program Maintenance(10248)	150207	00.000	Award Letter	125,856,978	124,105,771
MH-Pub Hlth Prep & Resp for Bio-Terror	150200	93.283	Award Letter	3,000	3,000
MH-Regular Svcs Crisis Counseling (80413)	150240	93.982	Award Letter	325,275	285,997
MH-Specialized Residences(10258)	150208	00.000	Award Letter	1,300,784	1,300,784
MH-SSBG (70135)	150201	93.667	Award Letter	7,902,745	7,902,745
MR-Community Services (10255)	150220	00.000	Award Letter	29,329,688	29,329,688
MR-Early Intervention(10235)	150219	00.000	Award Letter	13,031,064	12,683,693
MR-Early Intervention(70170)	150210	84.181	Award Letter	1,760,760	1,760,760
MR-Program Income	150999	93.778	Program Income	21,583,946	21,583,946
MR-SSBG (70177)	150211	93.667	Award Letter	1,291,861	1,291,861
MR-SSBG-EI (70178)	150212	93.667	Award Letter	636,503	636,503
MR-TSM Admin Costs(70175)	150216	93.778	Award Letter	300,884	300,884
MR-TSM Admin Federal (70175)	150238	93.778	Award Letter	2,033,429	2,033,429
MR-Waiver Admin(10255)	150218	00.000	Award Letter	7,228,256	7,228,256
MR-Waiver(10255)	150217	00.000	Award Letter	107,199,004	106,306,316
MR-Waiver(70175)	150213	93.778	Award Letter	124,383,406	123,806,380
MR-Waiver-Admin(70175)	150214	93.778	Award Letter	7,228,256	7,228,256
MR-Waiver-EI (70184)	150215	93.778	Award Letter	1,806,136	1,806,136
Total Mental Health/Mental Retardation:				492,029,463	488,163,245

Children and Youth Program

Act 148 - Overmatch Recovery	220425	00.000	Certification letter	17,000,000	17,000,000
Act 148 Child Welfare Services	220425	00.000	Certification letter	340,203,847	332,445,489

City of Philadelphia
Schedule of Expenditures of Pennsylvania Department of Public Welfare Awards
July 1, 2006 to June 30, 2007

<u>Pa. DPW Program</u>	City ID	CFDA	Contract Number	Grant Awards	Grant Expenditures
Project Title	Number				
Act 148 YDC Costs	220425	00.000	Certification letter	7,028,970	7,028,970
Child Protective Services	221104	93.667	Award Lettter 01/28/06	2,142,852	2,142,852
Family Preservation Funds - Title XX	150196	93.667	Award Letter 7/28/06	605,463	605,304
State Match Title IV B	220424	00.000	Certification letter	729,388	729,388
State TANF Transition Funds	220427	00.000	Certification letter	20,784,897	20,784,896
Temporary Assistance to Needy Families	220417	93.558	Certification letter	30,205,388	30,205,388
Title IV-B	220423	93.645	Certification letter	2,735,193	2,735,193
Title IV-E Adoption Assistance	220421	93.659	Certification letter	21,832,832	21,832,832
Title IV-E Independent Living	221097	93.674	Award Letter 11/21/05	1,248,107	485,543
Title IV-E Independent Living	221109	93.674	Award Letter 6/19/06	1,232,180	1,232,180
Title IV-E Medical Assistance	220422	93.778	Certification letter	331,801	331,801
Title IV-E Placement Maintenance	220420	93.658	Certification letter	90,204,120	90,204,120
Title IVE Program Income	229995	93.658	Child Support SSI	3,855,510	3,855,510
Total Children and Youth Program:				<u>540,140,548</u>	<u>531,619,466</u>
 <u>Combined Homeless Assistance Program</u>					
HAP - Administration	240640	93.667	Award Letter	660,258	660,258
HAP - Bridge Housing	240649	00.000	Award Letter	421,233	421,233
HAP - Bridge Housing	240641	93.667	Award Letter	3,275,111	3,275,111
HAP - Bridge Housing PENNFREE	240643	93.959	Award Letter	1,251,800	1,251,800
HAP - Case Management	240648	00.000	Award Letter	2,490,379	2,490,379
HAP - Case Management	240638	93.667	Award Letter	247,631	247,631
HAP - ESG	240651	00.000	Award Letter	136,051	136,051
HAP - Program Income	240653	00.000	Program Income	610,222	610,222
HAP - Program Income	240647	93.667	Program Income	6,777	6,777
HAP - Program Income PENNFREE	240646	93.959	Program Income	1,164,575	1,164,575
HAP - Rental Assistance	240650	00.000	Award Letter	362,629	351,683
Total Combined Homeless Assistance Program:				<u>10,626,666</u>	<u>10,615,720</u>
 <u>Human Services Development Fund</u>					
HSDF - AACO	142541	00.000	Award Letter 11/2/06	1,311,118	1,311,118

City of Philadelphia
Schedule of Expenditures of Pennsylvania Department of Public Welfare Awards
July 1, 2006 to June 30, 2007

<u>Pa. DPW Program</u>	City ID			Grant Awards	Grant Expenditures
Project Title	Number	CFDA	Contract Number		
HSDF - After School Enhancement Pgm	160327	00.000	Award Letter 11/2/06	265,000	265,000
HSDF - AHS Translation Service	142592	00.000	Award Letter 11/2/06	76,000	76,000
HSDF - Case Mamt Special Svcs	240658	00.000	Award Letter 11/2/06	1,563,808	1,563,808
HSDF - Case Mgmt Group A	240656	00.000	Award Letter 11/2/06	1,818,005	1,818,005
HSDF - Case Mgmt Group C	240659	00.000	Award Letter 11/2/06	781,204	781,204
HSDF - Community Based Prev Svcs	221108	00.000	Award Letter 11/2/06	468,560	468,560
HSDF - DSS Infection Control	142542	00.000	Award Letter 11/2/06	70,000	69,999
HSDF - Financial Administration	142538	00.000	Award Letter 11/2/06	863,882	863,882
HSDF - Global Philadelphia Initiative	100515	00.000	Award Letter 11/2/06	200,000	200,000
HSDF - Global Philadelphia Initiative	100506	00.000	Award Letter 11/2/06	484,158	484,158
HSDF - Lead Abatement	142540	00.000	Award Letter 11/2/06	329,479	329,479
HSDF - MH	150222	00.000	Award Letter 11/2/06	820,045	820,045
HSDF - Program Income	142543	00.000	Interest	118,629	118,629
HSDF - Violence Reduction	160325	00.000	Award Letter 11/2/06	551,443	551,443
HSDF - Welcome New Families	142537	00.000	Award Letter 11/2/06	455,131	455,131
HSDF - Youth Access Centers	160326	00.000	Award Letter 11/2/06	381,000	381,000
Total Human Services Development Fund:				<u>10,557,462</u>	<u>10,557,462</u>
 <u>Child Support Enforcement</u>					
Child Support Enforcement	690259	93.563	Title IV- D	977,196	977,196
Child Support Enforcement	690241	93.563	Title IV- D	1,109,308	241
Child Support Program	840407	93.563	Title IV- D	18,797,651	18,797,651
Domestic Relations Division DRD	840428	00.000	Award Letter 2/15/07	2,700,000	2,491,894
Unallocated IV-D Payments	840008	93.563	SAP 4513321800	2,954,650	1,638,803
Total Child Support Enforcement:				<u>26,538,805</u>	<u>23,905,785</u>
 <u>Other PaDPW Assistance</u>					
Act 152 (APP 120)	150235	00.000	SAP 4100027188	2,369,442	2,369,442
Act 152 (APP 120)(10237)	150191	00.000	Award Letter 8/11/06	2,475,062	105,620
Act 1992 -24 Reimburse Lawyer's Fees	840372	00.000	SAP 6300119871	64,364	64,364
AIDS Personal Care Services	142516	00.000	SAP 4100021401/1	600,000	590,105

City of Philadelphia
Schedule of Expenditures of Pennsylvania Department of Public Welfare Awards
July 1, 2006 to June 30, 2007

<u>Pa. DPW Program</u>	City ID			Grant Awards	Grant Expenditures
Project Title	Number	CFDA	Contract Number		
AIDS Personal Care Services	142476	00.000	SAP 4100021401/1	600,000	6,346
Behavioral Health Services/IGT (173)	150198	00.000	SAP 4100027188	10,889,715	10,889,715
Behaviorial Health Services/IGT (173)(10262)	150153	00.000	Award Letter 8/11/06	10,957,131	67,416
BHS/MRS Administration	150175	00.000	Part of MH/MR	1,425	1,425
Child Welfare Ed for Leadership	221106	00.000	Agreement	1,166,560	1,166,560
Emergency Energy Assistance	260233	93.568	SAP 4100021598	369,300	367,869
Lebanon Repatriation Reimbursement	104433	93.558	Receipts	14,080	14,080
Lebanon Repatriation Reimbursement	420207	93.558	-	176,560	176,560
Lebanon Repatriation Reimbursement	080251	93.558	Receipts	2,440	2,440
Lebanon Repatriation Reimbursement	140238	93.558	Receipts	60,578	60,578
Lebanon Repatriation Reimbursement	130101	93.558	Receipts	7,294	7,294
Lebanon Repatriation Reimbursement	120228	93.558	Receipts	2,500,000	5,406
Lebanon Repatriation Reimbursement	110121	93.558	Receipts	59,544	59,544
Lebanon Repatriation Reimbursement	226250	93.558	Reimbursement	11,440	11,440
Lebanon Repatriation Reimbursement	243342	93.558	Reimbursement	7,100	7,100
Nurse Family Part - Interest	142605	00.000	Interest Income	1,329	1,329
Nurse Family Part - Interest	142603	93.558	Interest Income	1,638	1,638
Nurse Family Partnership	142601	93.558	SAP 41000374242	202,882	106,289
Nurse Family Partnership	142602	00.000	SAP 41000374242	130,266	30,638
Refugee Targeted Assistance	100326	93.576	SAP 4100023062/1	1,302,078	18,349
Refugee Targeted Assistance	100501	93.576	SAP 4100023062	519,823	371,048
Title IV-E Reimb Administrative Claims	840377	93.658	Receipts	628,288	628,288
Total Other PaDPW Assistance:				35,118,338	17,130,881
Total Schedule of Expenditures of PaDPW Awards:				1,115,011,281	1,081,992,559

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

1. BASIS OF ACCOUNTING

The modified accrual basis of accounting was used to prepare this schedule. All federal and state financial assistance received from the Pennsylvania Department of Public Welfare is included.

2. DEPARTMENT OF PUBLIC WELFARE MAJOR PROGRAMS

The following represent major programs from the Pennsylvania Department of Public Welfare as defined in their **Single Audit Supplement** (Reissued July 6, 2007):

Children and Youth Program
Mental Health/Mental Retardation

3. GOVERNMENTAL FUNDING AWARDED BY THE CITY

The following table identifies funding received from the Pennsylvania Department of Public Welfare that the city awarded to its subrecipient organizations:

<u>Source</u>	<u>Program</u>	<u>Funding</u>
State - DPW Mental Health/Mental Retardation		\$ 293,978,854
State - DPW Behavioral Health Services Initiative		10,889,715
State - DPW Children and Youth Program		233,098,217
State - DPW Combined Homeless Assistance Programs		3,537,869
Total Pa. DPW Awards to Subrecipients:		\$ 541,504,655

INDEPENDENT AUDITOR'S SECTION

Auditor's Reports

Schedule of Findings and Questioned Costs

Summary Schedule of Prior Audit Findings



CITY OF PHILADELPHIA

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ALAN BUTKOVITZ
City Controller

ALBERT F. SCAPEROTTO
Deputy City Controller

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

To the Honorable Mayor and Honorable Members
of the Council of the City of Philadelphia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Philadelphia, Pennsylvania as of and for the year ended June 30, 2007, which collectively comprise the City of Philadelphia, Pennsylvania's basic financial statements and have issued our report thereon dated January 29, 2008. Our report was modified to include a reference to other auditors. 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. Other auditors audited the financial statements of the following entities, as described in our report on the City of Philadelphia, Pennsylvania's basic financial statements.

Primary Government

Municipal Pension Fund
Philadelphia Gas Works Retirement Reserve Fund
Fairmount Park Commission Departmental and Permanent Funds
Philadelphia Municipal Authority
Pennsylvania Intergovernmental Cooperation Authority

Component Units

Community College of Philadelphia
Penn's Landing Corporation
Pennsylvania Convention Center Authority
Philadelphia Housing Authority
Philadelphia Parking Authority
Redevelopment Authority of the City of Philadelphia
Community Behavioral Health
Philadelphia Authority for Industrial Development
Philadelphia Gas Works

C I T Y O F P H I L A D E L P H I A
O F F I C E O F T H E C O N T R O L L E R

This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Pennsylvania Intergovernmental Cooperation Authority, Penn's Landing Corporation, Pennsylvania Convention Center Authority, Philadelphia Parking Authority, Community Behavioral Health, and the Philadelphia Gas Works were not audited in accordance with *Government Auditing Standards*.

We have also audited the basic financial statements of the School District of Philadelphia, a component unit of the City of Philadelphia, in accordance with *Government Auditing Standards* and have issued a separate report on the School District's internal control over financial reporting and on compliance and other matters.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Philadelphia, Pennsylvania's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Philadelphia, Pennsylvania's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Philadelphia, Pennsylvania's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 07-01 through 07-06 to be significant deficiencies in internal control over financial reporting.

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 the 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 the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

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

We noted certain conditions that are not required to be reported under *Government Auditing Standards*. We will communicate these conditions to management of the City of Philadelphia, Pennsylvania in separate reports.

The City of Philadelphia, Pennsylvania's written response to the significant deficiencies identified in our audit is included in the accompanying Schedule of Findings and Questioned Costs. However, we did not audit the City of Philadelphia, Pennsylvania's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the management of the City of Philadelphia, Pennsylvania, others within the entity, City Council, federal awarding agencies, pass-through entities and the Pennsylvania Department of Public Welfare and is not intended to be and should not be used by anyone other than these specified parties.

January 29, 2008



ALBERT F. SCAPEROTTO, CPA
Deputy City Controller



ALAN BUTKOVITZ
City Controller



CITY OF PHILADELPHIA

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Deputy City Controller

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE SINGLE AUDIT SUPPLEMENT

To the Honorable Mayor and Honorable Members
of the Council of the City of Philadelphia

Compliance

We have audited the compliance of the City of Philadelphia, Pennsylvania with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *Pennsylvania Department of Public Welfare (DPW) Single Audit Supplement* that are applicable to each of its major federal and DPW programs for the year ended June 30, 2007. The City of Philadelphia, Pennsylvania's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs and major DPW programs are identified in the notes to the Schedule of Expenditures of DPW Awards. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and DPW programs is the responsibility of the City of Philadelphia, Pennsylvania's management. Our responsibility is to express an opinion on the City of Philadelphia, Pennsylvania's compliance based on our audit.

The City of Philadelphia's basic financial statements include the operations of component units and their respective expenditures of federal awards as described in Note 2 to the Schedule of Expenditures of Federal Awards (Schedule). Only funds received by the City of Philadelphia and passed on to these agencies are included in the Schedule. Our audit, described below, did not include the operations of these component units because they had separate audits performed in accordance with the *U.S. Office of Management and Budget Circular A-133*.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the DPW Single Audit Supplement. Those standards, OMB Circular A-133, and the DPW Single Audit Supplement 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 or DPW program occurred. An audit includes examining, on a test basis, evidence about the City of Philadelphia, Pennsylvania'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 the City of Philadelphia, Pennsylvania's compliance with those requirements.

In our opinion, the City of Philadelphia, Pennsylvania complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and DPW programs for the year ended June 30, 2007. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and the DPW Single Audit Supplement and which are described in the accompanying Schedule of Findings and Questioned Costs as items 07-07 through 07-12.

Internal Control Over Compliance

The management of the City of Philadelphia, Pennsylvania is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and DPW programs. In planning and performing our audit, we considered the City of Philadelphia, Pennsylvania's internal control over compliance with the requirements that could have a direct and material effect on a major federal or DPW 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 Philadelphia, Pennsylvania's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

CITY OF PHILADELPHIA
OFFICE OF THE CONTROLLER

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 or DPW 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 or DPW program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or DPW program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 07-07, 07-11, and 07-12 to be significant deficiencies.

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 or DPW program will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses.

The City of Philadelphia, Pennsylvania's written response to the findings identified in our audit is included in the accompanying Schedule of Findings and Questioned Costs. We did not audit the City of Philadelphia, Pennsylvania's response and, accordingly, we express no opinion on it. We have also included our comments to the City of Philadelphia's response where we believe the response does not adequately address our findings and recommendations.

This report is intended solely for the information and use of the management of the City of Philadelphia, Pennsylvania, others within the entity, City Council, federal awarding agencies, pass-through entities and the Pennsylvania Department of Public Welfare and is not intended to be and should not be used by anyone other than these specified parties.

October 10, 2008


ALBERT F. SCAPEROTTO, CPA
Deputy City Controller


ALAN BUTKOVITZ
City Controller



Schedule of Findings And Questioned Costs

CITY OF PHILADELPHIA

Schedule of Findings and Questioned Costs – June 30, 2007

Section I – Summary of Auditor’s Results

Financial Statements:

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? ___ yes x no

Significant deficiency(ies) identified not considered to be material weakness(es)?
 x yes ___ 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 not considered to be material weakness(es)?
 x yes ___ none reported

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.231	Emergency Shelter Grants Program
93.283	Centers for Disease Control and Prevention – Investigations and Technical Assistance
93.558	Temporary Assistance for Needy Families
93.569	Community Services Block Grant
93.658	Foster Care – Title IV-E
93.659	Adoption Assistance
93.778	Medical Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000

Auditee qualified as low-risk auditee? ___ yes x no

CITY OF PHILADELPHIA

Schedule of Findings and Questioned Costs – June 30, 2007

<u>Finding No.</u>		<u>Page</u>	<u>Questioned Costs</u>
<u>Section II - Financial Audit Significant Deficiencies:</u>			
07-01.	Financial Reporting	50	
07-02.	Cash	53	
07-03.	Capital Assets	57	
07-04.	Accounts Payable	59	
07-05.	Real Estate Assessment Procedures	60	
07-06.	Standard Accounting Procedures	63	
<u>Section III - Federal and Pennsylvania Department of Public Welfare Findings and Questioned Costs:</u>			
07-07.	Children and Youth Program	64	
	Foster Care Title IV-E – CFDA #93.658		\$680,394
	Adoption Assistance – CFDA #93.659		\$164,681
	Medical Assistance Program – CFDA #93.778		\$2,503
	Act 148 – Pennsylvania Department of Public Welfare		\$2,814,530
07-08.	Children and Youth Program	67	
	Child Welfare Services – State Grants – CFDA #93.645		\$3,796
	Foster Care Title IV-E – CFDA #93.658		\$125,194
	Adoption Assistance – CFDA #93.659		\$30,302
	Chafee Foster Care Independence Program – CFDA #93.674		\$17,954
	Medical Assistance Program – CFDA #93.778		\$461
	Act 148 – Pennsylvania Department of Public Welfare		\$517,883
07-09.	Children and Youth Program	70	
	Foster Care Title IV-E – CFDA #93.658		
07-10.	Children and Youth Program	71	
	Act 148 – Pennsylvania Department of Public Welfare		\$174,848
07-11.	Emergency Shelter Grants Program – CFDA #14.231	73	
07-12.	Subrecipient Monitoring	75	
	Federal Programs (See Schedule I page 79)		\$18,221,248
	Act 148 – Pennsylvania Department of Public Welfare		\$17,106,523

07-01. FINANCIAL REPORTING

Philadelphia's Home Rule Charter assigns the Office of the Director of Finance (Finance) with overall responsibility for the city's accounting and financial reporting functions. One of the duties assigned to Finance's Accounting Bureau is the preparation of the city's Comprehensive Annual Financial Report (CAFR). To complete this task, the Accounting Bureau must collect, analyze, and summarize great amounts of financial data and other information that it obtains from the city's accounting system, various city departments, and component units. Our current audit continued to find weaknesses in the city's controls over the financial reporting process that interfered with the city's ability to issue a timely, accurate, and complete CAFR.

Enterprise Fund Reporting Procedures Require Strengthening

Previously, we reported that Finance had assigned the responsibility for the preparation of the full accrual financial statements of the Aviation Fund and the Water and Sewer Fund to the Division of Aviation (DOA) and the Philadelphia Water Department (PWD), respectively. The combination of the preparation of the fiscal year 2006 statements by new, inexperienced personnel, the DOA's failure to employ a traditional double-entry accounting system, and the DOA's and the PWD's inadequate review procedures, led to the occurrence of numerous errors totaling \$749 million which remained undetected until found by us during the prior audit.

Our current audit noted that both the DOA and the PWD hired as consultants the individuals who, for several years, had prepared their financial statements prior to fiscal year 2006. In addition, the PWD developed a written description of its financial statement preparation process, and DOA management informed us that their consultant is in the process of preparing similar written procedures.

These measures improved the financial reporting process as evidenced by the fact that our current testing noted combined errors totaling \$15.9 million – a significant reduction from the prior year. However, the following conditions remained uncorrected which continues to compromise controls over the financial reporting process:

A double-entry accounting system was still not used to compile the DOA's financial statements. For most adjusting entries, the offsetting account used was net assets, instead of the appropriate asset, liability, revenue, or expense account used in traditional double-entry accounting. This practice did not provide a clear trail of the two-sided effect of transactions and increased the risk for financial statement errors. In addition, there were still no formal written policies detailing the specific review procedures to be performed by DOA and PWD personnel.

Regarding the failure to use a double-entry accounting system, DOA personnel informed us that they are considering accepting Finance's proposal to establish an Accrual Fund in the city's FAMIS accounting system where appropriate year-end adjustments would be booked to arrive at final amounts for inclusion in the full accrual financial statements. In addition, Finance would provide the necessary training and the written manual they developed documenting year-end accrual adjustments. Although it is understood that supporting schedules would continue to be necessary to arrive at certain adjustment amounts, we believe utilizing a FAMIS Accrual Fund would improve controls because it would introduce a standardized (and double-entry) format for posting year-end accrual adjustments that is fully documented in a written manual.

CITY OF PHILADELPHIA

Financial Audit Significant Deficiencies – June 30, 2007

Accordingly, we strongly recommend that the DOA adopt Finance's proposal to establish a FAMIS Accrual Fund and provide the related training. Regarding the lack of documented review policies, we continue to recommend that Finance establish specific procedures to be performed by both DOA and PWD personnel, such as the following:

- Agree opening account balances to prior year closing balances.
- Compare recorded financial information to source documentation (i.e. city accounting system reports and DOA/PWD subsidiary records) to ensure accuracy and completeness.
- Review adjusting journal entries for propriety and accuracy by observing supporting documentation.
- Verify the mathematical accuracy of financial statements and supporting schedules.

The performance of these review procedures should be documented on a checklist, signed by a responsible DOA and PWD official, to accompany the respective financial statements attesting that they have been reviewed and approved and that, to the best of the reviewer's knowledge, are complete and free from material misstatement.

City's Response

We agree with the Controller's recommendation that the Division of Aviation (DOA) use the features of the FAMIS accounting system that will help assist them in their financial reporting processes. The Accounting Bureau has met, and will continue to meet, with the DOA to review their statement preparation process and instruct them in the features available in the accounting system. Also, Accounting has met with the Water Department to help them automate their statement preparation process.

The comment on the written review procedures has merit, but due to the time constraints under which the Annual Financial Report is prepared, such written procedures are not practical.

Late Receipt of Component Unit Financial Data

For the past several years, we noted that late submission of financial data by some of the city's component units resulted in delays to the financial reporting and auditing process. In addition, because the Accounting Bureau must make significant changes to the financial statements and footnotes each time new data is received there is an increased risk of errors or omissions.

This condition has not improved. We noted that seven of the city's twelve component units failed to submit their reports by the due date requested by Finance, with submissions ranging from 8 to 109 days late. The late submission of these reports was a primary cause for the delay in the issuance of the city's CAFR until January 29, 2008.

We again recommend that the director of finance solicit the assistance of the mayor or other administrative officials, early in the CAFR preparation process, to secure the cooperation of all component unit directors in submitting their financial data to the Accounting Bureau timely.

City's Response

The Accounting Bureau will continue to communicate to the Component Units the expectations of the City with regards to their financial reporting, and future requests for this information will be made directly from the Director of Finance to indicate the importance of receiving timely responses. In addition, the Finance Director will lend his support to follow up with agencies that fail to meet their deadlines.

Staff Reductions Compromise CAFR Preparation Process

Staff reductions in recent years have made the Finance Accounting Bureau's task of preparing the CAFR more difficult to complete and have compromised its ability to perform adequate reviews and approvals of the financial statements and related footnote disclosures. One particularly notable vacancy, which has existed since June 2006, was the key position of accounting manager, who would normally be responsible for supervising the preparation of the CAFR.

These staff reductions have resulted in top Accounting Bureau management being responsible for preparing significant and highly complex sections of the CAFR, such as the full accrual government-wide statements and the deposits and investments footnote. Since top management is preparing these CAFR sections, there is no independent review of their work, and their ability to adequately review financial statements and footnote disclosures prepared by subordinate employees is limited. Consequently, there is an increased risk for financial reporting errors and omissions. For example, in addition to other findings disclosed in this report, we noted misclassification and footnote disclosure errors exceeding \$850 million that were not detected during the normal course of Finance's CAFR preparation process.

This condition has also resulted in significant delays in completing the CAFR. For example, the fiscal year-end full accrual government-wide statements and the deposits and investments footnote were not finalized until December 2007.

To provide the Accounting Bureau with adequate staff to prepare the CAFR and the ability to perform independent supervisory reviews of CAFR financial statements and footnotes, we recommend that the director of finance analyze workload and staffing levels in the Accounting Bureau and fill all vacancies deemed necessary.

City's Response

We appreciate the Controller's concern and are currently working with the Personnel Department to fill the vacant positions in the Accounting Bureau. We hope to see progress in this regard in the near future.

07-02. CASH

Our testing of procedures for the reconciliation and reporting of cash account activity continued to find control weaknesses and breakdowns which increased the risk that financial reporting errors and irregularities could occur and go undetected.

Treasurer Did Not Perform Timely Investigation of Reconciling Items

In the past, we disclosed that Office of the City Treasurer (Treasurer) personnel had failed to perform timely investigation of reconciling items on the bank reconciliations. In addition, our prior report specifically noted a \$2.3 million reconciling item on the June 30, 2006 consolidated cash account bank reconciliation described as a cash receipts error that had been carried forward on each reconciliation since July 2005. When we inquired about this item, the Treasurer's accountant who prepared the bank reconciliation found that another Treasurer's employee had prepared an adjustment to deduct this cash receipts error from the account's ending July 2005 book balance. Treasurer personnel could not explain, in light of that adjustment, why there was a need to include this reconciling item in the July 2005 and all subsequent bank reconciliations. Since this item had to be deducted from the account's book balance in order to reconcile to the account's bank balance, it represented either a \$2.3 million overstatement of the book balance or a \$2.3 million shortage in the bank account.

Our current testing disclosed a greatly reduced number of old reconciling items on bank reconciliations and, therefore, we consider this part of the comment resolved. As part of our current audit, we also inquired about the status of the \$2.3 million reconciling item. Treasurer personnel attributed \$2.16 million of this item to a duplicate recording of Health Department grant revenue, and Finance prepared an adjustment to correct this error. However, while we verified the occurrence of this duplicate recording of grant revenue, the Treasurer's use of it as an explanation for the \$2.3 million item did not appear valid since the duplicate recording occurred in January 2006, and the \$2.3 million reconciling item had been carried forward on each bank reconciliation since July 2005. Treasurer personnel could not explain this discrepancy.

We therefore again recommend that the Treasurer work with the Finance Department to determine the true cause of the \$2.3 million discrepancy and the appropriate corrective action.

Treasurer Bank Reconciliations Were Not Prepared Timely

Standard Accounting Procedure (SAP) # 7.1.3.b requires that book balances maintained for city accounts be reconciled to the bank balances on a monthly basis. Our current year testing disclosed that the Treasurer did not timely prepare bank reconciliations. For 41 of its 62 bank accounts, the Treasurer did not complete the June 30, 2007 bank reconciliations until three or more months after June 30th. Of particular note, the June 30, 2007 bank reconciliation for the city's consolidated cash account, into which the majority of daily city revenues are deposited, was not completed until December 10, 2007, over five months after fiscal year-end. In the prior year, the vast majority of June 30th bank reconciliations were completed within one month after fiscal year-end while the consolidated cash account reconciliation was completed by the middle of October.

Treasurer's management informed us that the significant delay in completing the fiscal 2007 bank reconciliations occurred because an accountant who prepared the bank reconciliations for 56 of the 62 Treasurer accounts transferred to another department in November 2006 and was not replaced until August 2007. During this period, bank reconciliations were not prepared for any of these 56 accounts until the new accountant was hired.

Because of these delays in completing bank reconciliations, the Treasurer was late in submitting the reconciliations to Finance for review and in certain cases did not forward them at all. Consequently, there was an increased risk that errors or irregularities could occur without detection resulting in inaccurate cash balances reported in the city's CAFR. For example, a \$12 million reconciling item for an unrecorded fiscal 2007 receipt for the health choices behavioral health fund was not detected because the Treasurer did not provide a copy of the account's June 30, 2007 bank reconciliation to the responsible Finance employee for analysis. After we brought this error to Finance's attention, Finance prepared an adjustment to correct this \$12 million understatement in the reported equity in treasurer's account balance.

In the future, we recommend that the city treasurer ensure that all bank reconciliations are prepared in a timely manner and copies of these reconciliations are immediately forwarded to Finance for review.

City's Response

In support of better performance, the Treasurer's office is compiling and distributing monthly reports of outstanding items for review by supervisory staff in the Treasurer's Office and the Accounting Bureau. Further, the Office continues to explore increased automation and implementation of electronic tools to achieve greater efficiencies with bank reconciliations.

Part of the past delay in performing timely reconciliations was due to a position remaining vacant from November 2006 through August 2007. This position has since been filled and we anticipate that reconciliations will occur in a timely manner.

Finance's Review of Treasurer Bank Reconciliations Requires Strengthening

Review and analysis of the Treasurer's bank reconciliations is one of the supervisory and review responsibilities charged to Finance by their own SAPs. The city's accounting system (FAMIS) maintains two sets of cash balances: (1) book balances for all Treasurer bank accounts and (2) general ledger balances for each fund's equity in the Treasurer's group of bank accounts. SAP # 7.1.3.b requires that Finance personnel verify the Treasurer's bank reconciliation balances to FAMIS system balances in the Treasurer's Account Group, and maintain Treasurer's bank reconciliations as an aid in reconciling general ledger equity balances to treasury cash balances. These procedures are crucial because the general ledger equity balances represent the vast majority of cash amounts reported in the city's CAFR.

CITY OF PHILADELPHIA

Financial Audit Significant Deficiencies – June 30, 2007

Previously, we reported that Finance personnel responsible for maintaining general ledger equity balances did not analyze the reconciling items on the Treasurer's bank reconciliations to determine whether the Treasurer's account book balances and consequently the general ledger equity balances required adjustment.

During the current audit Finance informed us that the Treasurer, prior to submitting the formal bank reconciliation for the city's consolidated cash account, sends Finance a preliminary list of reconciling items. Finance employees review these reconciling items to determine whether adjustments to the city's books are required. Our audit noted that both the preliminary list of reconciling items and the reconciling items contained in the final June 30, 2007 consolidated cash bank reconciliation included an \$18 million item for a receipt deposited in fiscal 2007 but recorded in the books in fiscal 2008. However, an adjustment to correct the financial statements for the \$18 million cash understatement was not made by Finance until we brought the error to their attention.

We continue to recommend that Finance management require that all employees responsible for reviewing the Treasurer's bank reconciliations pay particular attention to unusual and significant reconciling items. Finance personnel should work with the Treasurer to ensure these reconciling items are investigated and resolved and that the account book balances and general ledger equity balances recorded in the accounting system are adjusted accordingly. These procedures are especially critical at fiscal year-end to ensure the accuracy of cash amounts reported in the city's CAFR. Finance employees should document the completion of this process by initialing and dating the bank reconciliation form.

City's Response

As part of past reviews, the Accounting Bureau has proposed and directed the City Treasurer's Office to make appropriate entries after reviewing the reconciliations. We agree that reconciliations could have been timelier, and the Treasurer and the Accounting Bureau are working closely to review reconciling items in a more timely manner, with new monthly procedures implemented by the Treasurer to improve the process to detect and review any unusual and significant reconciling items.

Departmental Custodial Account Information Was Incomplete and Outdated

SAP # 7.1.3.b requires that city agencies submit monthly bank reconciliations for their custodial accounts (not under the control of the Treasurer) to Finance for review and analysis. Finance personnel must summarize the activity from these bank reconciliations to arrive at the reported cash and investment amounts for the Departmental Custodial Accounts in the city's CAFR. Failure to obtain custodial account bank reconciliations precludes Finance from having assurance that city agencies are performing this critical internal control function and increases the risk of financial reporting errors.

In the prior report, we commented that Finance did not receive custodial account bank reconciliations from thirteen city agencies and failed to contact these agencies to request the

CITY OF PHILADELPHIA

Financial Audit Significant Deficiencies – June 30, 2007

reconciliations. In the absence of current information, Finance simply used the last cash and investments balance provided by the agency, which in most cases was the previous year's balance.

Our current year testing of Finance's supporting calculations for Departmental Custodial Accounts found no improvement. Finance did not receive fiscal year 2007 bank reconciliations from sixteen city agencies, most notably the Office of the Sheriff whose accounts represent forty-four percent of this fund's assets. Also, Finance personnel again did not contact any of these agencies to request the fiscal year 2007 reconciliations. Consequently, we found that the reported cash and investments balance for Departmental Custodial Accounts was understated by \$4.2 million

To improve internal controls over, and the accuracy of reporting for Departmental Custodial Accounts, we continue to recommend that Finance's Accounting Bureau send a reminder to city agencies instructing them that they are required to submit custodial account bank reconciliations each month to Finance. When agencies fail to comply, Finance personnel should immediately contact those agencies to request their cooperation in providing the bank reconciliations.

City's Response

The Accounting Bureau is in the process of contacting all of the departments to remind them of their responsibility to provide monthly bank reconciliations. Additionally, regular follow-up will occur with departments to ensure their future compliance.

07-03. CAPITAL ASSETS

Philadelphia's Home Rule Charter requires that city management compile and maintain current and comprehensive records of all real and personal property belonging to the city. For the past several years, we have reported that controls over the city's real property assets were weak because the city does not have a capital asset management system.

Although Finance has previously agreed on the need for a comprehensive capital asset system, they have been unable to obtain the necessary resources to acquire or develop such a system. As a result, this condition continues to impede financial reporting and it remains a major concern as the results of our current review indicates.

Land Costs Not Properly Allocated to Asset Locations

As in the past, we noted that certain land values in the fixed asset ledger were aggregated into lump sum amounts. Land values for individual properties, reported as part of a larger parcel of land, were not specifically identified. This methodology, which remains uncorrected, does not allow Finance to maintain an accurate book value for many city-owned properties.

Asset Information Not Properly Recorded

In our prior year report, we noted that the city's real property records were incomplete since certain sold properties were not recorded in the city's books. Our current year review disclosed similar deficiencies. Specifically, our testing revealed that the city sold thirteen properties during fiscal 2007 that generated approximately \$1.7 million. Out of these thirteen properties, only five were recorded in the city's fixed asset ledger. There were no records for the other eight properties. In addition, accumulated depreciation relating to disposed assets was not removed from the fixed asset ledger for the past three fiscal years, resulting in a \$16 million overstatement of that account.

Without a reliable system for recording detailed real property information, Finance cannot be assured of the completeness of their real property records. Furthermore, it is difficult to accurately calculate and report on the financial statements, any gain or loss that should be recognized when recording the disposal of surplus real property.

Formal Periodic Physical Inventory of Real Property Assets Is Needed

Emphasizing the need for effective controls over capital asset balances, the Government Finance Officers Association recommends that every government periodically inventory tangible capital assets, which include real property, so that all assets are accounted for, at least on a test basis, no less often than once every five years.

CITY OF PHILADELPHIA

Financial Audit Significant Deficiencies – June 30, 2007

During our audit and based on discussions with departmental personnel, we again found evidence that only the Philadelphia Water Department and the Division of Aviation periodically check the physical existence and condition of their real property assets. We could not find evidence that the city's other real property assets have been recently inventoried by the city.

Finance personnel stated that they believe this condition is mitigated by the fact that many properties are observed by various city employees as part of their capital asset inspection, repair, or improvement procedures. However, because there is no formal documentation of which assets were observed, or assurance that all recorded assets will be periodically inventoried, we believe that the procedures described by Finance are not sufficient.

To improve the accounting and reporting of the city's capital assets, we recommend that management:

- (1) Design or purchase a computerized capital asset management system that will provide accurate and useful information such as the book value and related depreciation for each city owned asset.
- (2) Periodically take physical inventories of all real property assets, ascertain their condition and use, and ensure that related records are timely and appropriately updated to reflect the results of this effort.

City's Response

We agree that it would be beneficial for the City to have a capital asset system. However, resources are not available to fund either the system or the ongoing operating costs of staff that may be required to maintain the system, keep the inventory information up to date, and perform the regular inspections that you recommend for all City property. Currently, the methodology used by the Accounting Bureau does allow the City to track overall costs related to an asset even though it does not provide the level of detail that a capital asset system would provide.

We do not agree with the statement that periodic physical inventory and condition reviews of the City's capital assets are not being done. A review of the capital related work performed each year shows that the capital assets are being inspected and maintained. The capital work performed on recreation centers, police and fire stations and other assets clearly demonstrates that the assets are being physically inspected.

07-04. ACCOUNTS PAYABLE

Our testing of Finance’s procedures for computing year-end accounts payable balances disclosed the following weaknesses which increased the risk of understating both accounts payable and expenditure amounts reported in the city’s CAFR.

- Finance’s payable data extracted from FAMIS (the city’s accounting system) and ADPICS (the city’s purchasing system) only captured transactions with an invoice date on or before June 30, 2007. This methodology would fail to include those transactions that had the related goods or services delivered in fiscal year 2007, but invoiced and paid in fiscal year 2008 because FAMIS currently does not have a data field for recording the date that the goods or services were received and ADPICS does not require this information for all transactions. Our testing noted 16 such transactions that represented \$11.9 million in unrecorded liabilities.
- Finance’s program for extracting payable data from ADPICS is limited to only those vouchers created during fiscal year 2008. This methodology is deficient because it fails to capture those vouchers created during fiscal year 2007, but not paid until fiscal 2008. Our testing noted 2 such transactions that represented \$1.5 million in unrecorded liabilities.

When we brought this matter to the attention of Finance management, a department official stated that they will consider implementing a review of high dollar payment vouchers processed during the two months subsequent to the fiscal year-end in order to identify additional accounts payable. Instituting such a procedure would serve to reduce the risk of significant unrecorded liabilities. Accordingly, we strongly recommend that this procedure be implemented.

We also recommend that Finance management revise its criteria for extracting payable data from ADPICS so that vouchers paid instead of vouchers created in the subsequent fiscal year are used.

City’s Response

The Accounts Payable process will be reviewed to see if the current methodology is viable or if an estimation methodology would better serve the City. Currently, there is a manual review process as well as an automated review process to determine the payables. An estimation methodology based on historical trends may be a more efficient process.

07-05. REAL ESTATE ASSESSMENT PROCEDURES

Real estate assessments made by the Board of Revision of Taxes (BRT) are the basis for the annual real estate and use and occupancy tax billings, collections of which totaled over \$1 billion in fiscal 2007. Our testing of the BRT's assessment procedures disclosed control weaknesses and breakdowns which increased the risk of errors and irregularities in the establishment of real estate assessments that could adversely impact tax revenue and undermine public confidence in the taxation system.

Criteria for Market-Value Reductions Are Not Always Documented

Our current testing again found that BRT evaluators did not always document the criteria they applied to justify market-value reductions used in establishing real estate assessments. For 5 of 34 sampled transactions amounting to \$39 million, evaluators told us what criteria they *might* have applied in reaching their decision to reduce a property's market value, but there was insufficient documentation to substantiate what criteria they *did* apply.

When reviewing these market value determinations applying criteria that *might* have been used, the market values assigned to the real estate in question did not appear grievously out of line or unjustified. However, because errors in transaction processing are always possible, and because of the risk of willful manipulation, adjustments must be fully documented.

Documentation for market-value reductions was missing for several reasons: (1) BRT's assessment guidelines (its precepts) only require documentation for market-value reductions over certain dollar thresholds; (2) evaluators sometimes fail to provide documentation, even when it is required; and (3) management does not enforce assessment guidelines. It should be noted that BRT's precepts also require that market-value reductions exceeding certain dollar thresholds be reviewed and approved by the board. Discussions with BRT personnel disclosed that this is not routinely done.

To reduce the risk of error or willful manipulation in the tax assessment process, the BRT should take the following actions:

- Amend the department's precepts to require the documentation of all market-value reductions, regardless of size.
- Require supervisors to review the evaluators' work to ensure that the criteria for market-value reductions are documented.
- Submit all market-value reductions over established thresholds to the board for review and approval.

CITY OF PHILADELPHIA

Financial Audit Significant Deficiencies – June 30, 2007

City's Response

We stress to our evaluation staff the importance of placing accurate supportable market values on their assigned properties. Although our office continues to suffer a loss of senior staff due to the DROP program and retirement, we have reorganized to improve accountability and documentation. In 2007, The Board instituted a policy to require that all reductions in market value and assessment must be signed by both the responsible evaluator and the division supervisor. The reason for the reduction must be indicated in the comment section of the appropriate money change sheet. If an answer in the comment section of the money change sheet is not sufficient to describe the reason for the reduction, a summary document must be attached to the money change sheet for supervisory review prior to approval. A copy of the money change sheet and summary document shall be kept in the supervisor's file for reference. The original form is retained in the files of the separate Information Technology (IT) Division.

Precepts Are Not Issued Annually

State law (72 P.S. § 5341.7) requires that the BRT issue evaluator precepts annually. The BRT last issued precepts in 1993.

To comply with state law and to ensure that guidelines are up-to-date, we recommend that the BRT begin issuing precepts annually.

City's Response

The actual requirement for Precepts predates World War II. At that time, there were no computers nor specific assessment standards. All record keeping was done by hand.

Precepts are instructions to our Evaluators which provide practices and procedures to standardize the assessment process. The latest publication of the Precepts are in effect "in futuro" until rescinded. The latest Precepts have not been rescinded. Currently, the BRT functions within the standards articulated within those Precepts. Therefore, we are confident that the legal requirements of 72 P.S. subsection 5341.7 have been met. However, we have no objection to meeting with our staff each year to communicate the Precepts to them. As part of our projected CAMA project, we plan to update our Precepts to reflect the standards, operating procedures, and requirements under which the BRT functions.

CITY OF PHILADELPHIA

Financial Audit Significant Deficiencies – June 30, 2007

Verification of Transaction Processing Is Not Documented or Subject to Supervisory Review

When changing a property's market value, an evaluator prepares a money change form, which is forwarded to the BRT's data processing unit for input into the BRT's assessment file. After the file is updated, the data processing unit creates a file-maintenance run. A copy of this run and a file-maintenance control sheet are sent to the clerical assistant for the BRT's director of assessments. The clerical assistant distributes the file-maintenance run to the evaluator's supervisor, who signs the control sheet attesting to receipt of the file-maintenance run. The control sheet is retained by the clerical assistant. The supervisor forwards the file-maintenance run to the evaluator, who verifies the accuracy of the data input by comparing the run to the money change form.

When the evaluator finishes the verification, the file-maintenance run is discarded. The run is not returned to the supervisor for review and approval. We were informed that supervisors are supposed to review the file-maintenance run before they submit it to the evaluator. However, there was no evidence of this review since supervisors are not required to sign the file-maintenance run and the run is discarded. As indicated above, the supervisor's signature on the file-maintenance control sheet attests only to the receipt of the file-maintenance run.

Unless transaction verification is documented and subject to supervisory review, there is an increased risk of processing error. An undetected error could result in individual taxpayers bearing an unfair tax burden or receiving an unfair tax benefit. During our testing in the prior period, auditors noted that the market value for one property was input at ten times the actual value, and the error was not detected by the evaluator or supervisor. The error was subsequently adjusted when brought to BRT's attention by the taxpayer. We did not find any input errors of this type this period in our testing of 20 billings and 50 assessment changes.

To reduce the risk of processing error, BRT management should require evaluators to check off file-maintenance entries as they are verified, sign the file-maintenance run, and return it to their supervisors. Management should require supervisors to review the file-maintenance run for unusual entries, spot-check it for accuracy, and sign off the file-maintenance run attesting to completion of the verification process. The file-maintenance run evidencing the reviews should be retained for one year after audit.

City's Response

As you are aware, we are the assessment function of the City and County of Philadelphia. The assessments are based on a mass appraisal process. We believe existing procedures represent appropriate verification of transaction processing. However, we shall consider the Controller's findings and recommendations in conjunction with the implementation of our new appraisal software program. We expect our new CAMA software will contribute to better control and documentation.

07-06. STANDARD ACCOUNTING PROCEDURES

As in our prior year reports, we again noted that the city’s Standard Accounting Procedures (SAPs) have not been revised to reflect various automated processing applications and practices currently in use. As a result, these SAPs offer little or no guidance on procedures departmental personnel should perform when executing and approving transactions.

Philadelphia’s Home Rule Charter requires that the director of finance establish, maintain, and supervise an accounting system which provides adequate safeguards over the city’s finances. To this end, Finance has established over 200 SAPs which served to document and provide the basis for the city’s system of internal control. However, over the years, staff reductions have compromised Finance’s ability to review and update these SAPs. As a result, most of the SAPs are out of date. Some are over fifty years old and do not reflect current technology as well as day-to-day practices.

The Government Finance Officers Association (GFOA) has developed a series of recommended practices designed to provide guidance to governments on sound financial management practices. In its recommended practices, the GFOA advocates enhancing management involvement in implementing and maintaining a sound and comprehensive system of internal control, and that the internal control procedures should be documented and periodically evaluated for effectiveness.

To its credit, over the past eight years, Finance has revised several SAPs and issued a few new procedures that are now posted on its website; however, none of these have been recently updated. We believe Finance should more thoroughly follow the suggestions offered in the GFOA’s recommended practice for documenting and maintaining internal control procedures. We continue to recommend that Finance conduct a thorough review of its SAPs. Those that are no longer pertinent should be rescinded. Those that are out-of-date but can be used to document significant internal controls should be revised to reflect the automated processes and the practices in use today. Once this review is completed, Finance should develop a schedule for periodically updating SAPs in the future.

City’s Response

The Accounting Bureau is committed to continual review and updating of the Standard Accounting Procedures. The current budget includes funding for a person that will be assigned to reviewing and updating the procedures on a full-time basis. This is one of the positions that we are working with the Personnel Department to fill in order to ensure adequate staffing for the Accounting Bureau.

07-07. CHILDREN AND YOUTH PROGRAM

Foster Care Title IV-E – CFDA #93.658

Adoption Assistance – CFDA #93.659

Medical Assistance Program – CFDA #93.778

Act 148 – Pennsylvania Department of Public Welfare

Condition

The Department of Human Services (DHS) used the methodology that it had employed in past years to calculate rental costs and incorrectly billed the state for the total square footage of a building that houses the operations of the DHS and other city agencies (379,846 square feet of space at a cost of \$8.7 million). Only the rent for floor space utilized by the DHS (175,304 square feet of space at a cost of \$4.1 million) should have been billed. As a result, the DHS overstated rental costs by \$4.6 million in its fiscal 2007 County Children and Youth Social Service Programs Fiscal Summary. Funding for this program is received through the Pennsylvania Department of Public Welfare (DPW).

Criteria

Pennsylvania Code, Title 55, Chapter 3140, sections 3140.42 to 3140.45 and the instructions for completing the Fiscal Summary specify that the state’s share of program expenses must be based on the county’s actual expenditures. Also, Pennsylvania Code, Title 55, Section 3170.52, requires that the amount of rent charged should be prorated in direct relation to the amount of space utilized.

Cause

The basis for the square footage used in the calculation of rental costs reported in the Fiscal Summary was inadequately documented and not properly reviewed for accuracy prior to being billed to the state.

Effect

The fiscal 2007 County Children and Youth Social Service Programs Fiscal Summary included a \$4.6 million unallowable cost. Because the DHS is reimbursed a percentage of the expenditures it reports to the DPW, we calculate the reporting of an unallowable cost has resulted in an excess reimbursement request of \$3,662,108. This amount represents questioned costs distributed to the following programs:

Funding Source	Questioned Cost
CFDA #93.658	\$680,394
CFDA #93.659	\$164,681
CFDA #93.778	\$2,503
DPW – Act 148	\$2,814,530
Total	\$3,662,108

07-07. CHILDREN AND YOUTH PROGRAM (Continued)

Foster Care Title IV-E – CFDA #93.658

Adoption Assistance – CFDA #93.659

Medical Assistance Program – CFDA #93.778

Act 148 – Pennsylvania Department of Public Welfare

Recommendation

DHS management should strengthen report preparation and review procedures to ensure that rent charged to the program is adequately documented and related to the amount of floor space utilized by program employees. The procedures should include routine annual requests for space allocation and cost information from the city's Department of Public Property.

Grantee's Response

DHS does not agree with the floor space allocation that was obtained by the City Controller's Office from the Department of Public Property. A recent report that was completed by DHS' Division of Administration and Management states that DHS occupies approximately 197,482 sq ft. The total unallowable rental cost would be \$4.1 Million.

While DHS believes that the Act 148 invoice included \$4.1 Million of unallowable rental expenses, the amount reported as excess reimbursement should only be \$754,788. This amount would represent questioned costs distributed to the following programs:

Funding Source	Questioned Cost
CFDA #93.658	\$606,438
CFDA #93.659	\$142,129
CFDA #93.778	\$2,221
Total	\$754,788

DHS will reconcile annually with the Department of Public Property on the amount of floor space utilized by the program employees before the final invoices are submitted to the State for reimbursement.

In Fiscal Year 2007, DHS had a \$28 Million State Act 148 overmatch. The City settled with DPW for only \$17 Million. As a result of this agreement, the City's unreimbursed obligations increased by \$11 Million. Therefore, the results of this finding should have no impact on the amount of State Act 148 funds that the City received in Fiscal Year 2007.

07-07. CHILDREN AND YOUTH PROGRAM (Continued)

Foster Care Title IV-E – CFDA #93.658

Adoption Assistance – CFDA #93.659

Medical Assistance Program – CFDA #93.778

Act 148 – Pennsylvania Department of Public Welfare

DHS will submit a revised Fiscal Year 2007 Act 148 invoice to remove these expenditures. DHS will also submit supplemental invoices for Title IV-E Placement Maintenance, Adoption Assistance and Medicaid to adjust the reimbursement from these programs.

Contact Person

John Zanier, Chief Financial Officer, Department of Human Services
(215) 683-6063.

CITY OF PHILADELPHIA

Federal and PA. Department of Public Welfare Findings and Questioned Costs – June 30, 2007

07-08. CHILDREN AND YOUTH PROGRAM (Continued)

Child Welfare Services – State Grants – CFDA #93.645

Foster Care Title IV-E – CFDA #93.658

Adoption Assistance – CFDA #93.659

Chafee Foster Care Independence Program – CFDA #93.674

Medical Assistance Program – CFDA #93.778

Act 148 – Pennsylvania Department of Public Welfare

Recommendation

DHS management should revise its reporting procedure to ensure that only expenditures are included in the County Children and Youth Social Services Programs Fiscal Summary and Independent Living Invoice. Addition adjustments could be made to the subsequent year's invoices for year-end encumbrances that become expenditures.

Grantee's Response

DHS agrees with this finding.

For Fiscal Year 2008, providers were sent letters reminding them that they have a contractual obligation to submit their final invoices by two months after the end of the fiscal year.

DHS does not include year-end encumbered amounts in the Fiscal Summary. There are many year-end encumbrances that are not included on the accounts payable schedule. Each payable amount that is listed has been reviewed by a DHS division representative to ensure that the accounts payable amount for a provider is as accurate as possible.

DHS has shown a huge improvement in its accounts payable listing over prior years. In Fiscal Year 2007, the error rate in the accounts payable schedule has declined to less than two-tenths of 1% of the total DHS purchase of services expenditures.

As a result of the end of the year financial transactions, DHS erroneously reported \$17,954 of accounts payable as Independent Living grant expenditures. In Fiscal Year 2008, DHS will review the Independent Living grant expenditures with the grant manager to ensure that grant expenditures are properly applied.

While DHS agrees that the Act 148 invoice included \$873,147 of unspent expenditures, the amount reported as excess reimbursement should only be \$155,957. This amount would represent questioned costs distributed to the following programs:

CITY OF PHILADELPHIA

Federal and PA. Department of Public Welfare Findings and Questioned Costs – June 30, 2007

07-08. CHILDREN AND YOUTH PROGRAM (Continued)

Child Welfare Services – State Grants – CFDA #93.645

Foster Care Title IV-E – CFDA #93.658

Adoption Assistance – CFDA #93.659

Chafee Foster Care Independence Program – CFDA #93.674

Medical Assistance Program – CFDA #93.778

Act 148 – Pennsylvania Department of Public Welfare

Funding Source	Questioned Cost
CFDA #93.658	\$125,194
CFDA #93.659	\$30,302
CFDA #93.778	\$461
Total	\$155,957

In Fiscal Year 2007, DHS had a \$28 Million State Act 148 overmatch. The City settled with DPW for only \$17 Million. As a result of this agreement, the City's unreimbursed obligations increased by \$11 Million. Therefore, the results of this finding should have no impact on the amount of State Act 148 funds that the City received in Fiscal Year 2007.

DHS will submit a revised Fiscal Year 2007 Act 148 invoice to remove these expenditures. DHS will also submit supplemental invoices for Title IV-E Placement Maintenance, Adoption Assistance and Medicaid to adjust the reimbursement from these programs.

Contact Person

John Zanier, Chief Financial Officer, Department of Human Services
(215) 683-6063.

07-09. CHILDREN AND YOUTH PROGRAM
Foster Care Title IV-E – CFDA #93.658

<u>Condition</u>	The Department of Human Services (DHS) did not ensure the continued eligibility of some recipients of Placement Maintenance (Title IV-E PM) services during fiscal 2007. We reviewed a sample of 28 service recipient cases, 10 of which were established less than 12 months prior to our review date and, therefore did not require recertification. Of the remaining 18 cases requiring eligibility recertification, 12 cases were not timely recertified. Funding for this program is received through the Pennsylvania Department of Public Welfare (DPW).
<u>Criteria</u>	Pennsylvania Code, Title 55, Chapter 3140.113 requires eligibility for Placement Maintenance (Title IV-E PM) services to be recertified, at least, every 12 months.
<u>Cause</u>	DHS management claims that the staff shortage in the Revenue Enhancement Unit, which performs recertification, contributed to a backlog in the performance of eligibility recertification for recipients of Placement Maintenance services.
<u>Effect</u>	Failure to recertify eligibility in a timely manner increases the risk that services could be provided to ineligible recipients. After we brought the 12 cases to management’s attention, DHS staff properly prepared and we reviewed the eligibility recertification for each without exception. Consequently, there are no questioned costs.
<u>Recommendation</u>	DHS management should dedicate the proper amount of human resources needed to the Revenue Enhancement Unit to ensure timely eligibility recertification of recipients of Placement Maintenance services.
<u>Grantee’s Response</u>	A new Redetermination unit of five Administrative Technicians and a supervisor is currently being staffed. Initially, the new Unit will be assigned to reduce the backlog of 5,547 redeterminations in 3,057 records. Of the remaining 2,122 redeterminations in 1,170 records, Center for the Support of Families will be able to complete 922 redeterminations in 508 records under the current contract. The Department will need to use overtime, hire additional staff, or increase the Center for the Support of Families contract to complete the additional 1,200 redeterminations in 662 records. To maintain currency, the existing Redetermination Unit will concentrate on new redeterminations without requesting and monitoring licensure, which is not required to be in the records.
<u>Contact Person</u>	Craig Meixsell, Acting Director, Contract & Compliance Administration, Department of Human Services (215) 683-4201.

**07-10. CHILDREN AND YOUTH PROGRAM
Act 148 – Pennsylvania Department of Public Welfare**

<u>Condition</u>	The Department of Human Services (DHS) prepared its final fiscal 2007 Act 148 County Children and Youth Social Service Programs Fiscal Summary (CY348) omitting \$218,560 of program income as an off-set to the Human Services Development Fund (HSDF) expenditures included in this report. These expenditures were already reported for reimbursement at 100 percent through the HSDF grant. At the time of audit, the DHS had not adjusted its Fiscal Summary report to the state for the double billing of HSDF funds. Funding for this program is received through the Pennsylvania Department of Public Welfare (DPW).
<u>Criteria</u>	DHS is required to report any revenue received from sources other than Act 148 in the appropriate column of form CY348 as required by Title 55, Chapter 3140.46. The 100 percent reimbursement of HSDF expenditures for child welfare should be included in the program income column per the Fiscal Reporting Forms and Instructions for County Children and Youth Social Services Programs, issued by the DPW.
<u>Cause</u>	DHS' fiscal unit did not properly account for HSDF expenditures made through the General Fund and related revenues in preparing the Fiscal Summary report for submission to the DPW. The omission was not detected by the DHS' review and approval process.
<u>Effect</u>	DPW is being billed for the same expenditures twice. The first time the DHS will receive 100 percent reimbursement through the HSDF. The second time the DHS will receive an 80 percent reimbursement through the Children and Youth Program. The second reimbursement creates a \$174,848 questioned cost.
<u>Recommendation</u>	DHS' fiscal unit, which is responsible for proper reporting, should establish procedures to ensure that all expenditures that are reimbursed by the HSDF are accounted for as program income on the CY348 report.
<u>Grantee's Response</u>	DHS agrees with this finding. As a result of the end of the year financial transactions, DHS erroneously did not report \$218,560 of HSDF funds as program income.

**07-10. CHILDREN AND YOUTH PROGRAM (Continued)
Act 148 – Pennsylvania Department of Public Welfare**

In Fiscal Year 2008, DHS will review HSDF expenditures with the grant manager to ensure that DHS-related expenditures are properly applied.

While DHS agrees that the Act 148 invoice does not include \$218,560 of program income, the amount reported as excess reimbursement should only be \$0.

In Fiscal Year 2007, DHS had a \$28 Million State Act 148 overmatch. The City settled with DPW for only \$17 Million. As a result of this agreement, the City's unreimbursed obligations increased by \$11 Million. Therefore, the results of this finding should have no impact on the amount of State Act 148 funds that the City received in Fiscal Year 2007.

DHS will submit a revised Fiscal Year 2007 Act 148 invoice to include HSDF funds as program income.

Contact Person

John Zanier, Chief Financial Officer, Department of Human Services
(215) 683-6063.

07-11. EMERGENCY SHELTER GRANTS PROGRAM
CFDA #14.231

Condition Of 25 invoices tested, we noted four invoices where the Office of Supportive Housing (OSH) did not recalculate billed amounts for accuracy or match shelter attendance information contained on the invoices to its centralized Homeless Management Information System (HMIS) before approving the invoices for payment and requesting reimbursement from the U.S. Department of Housing and Urban Development (HUD).

Criteria The HMIS Attendance Handbook, prepared by the OSH and given to shelter providers, states that all providers are required to manage and report their shelter attendance through the HMIS. Since the HMIS attendance is the sole source of shelter utilization data, providers would only be reimbursed for shelter stays documented through the shelter's submitted HMIS Attendance Reports. Furthermore, Office of Management and Budget Circular A-87 requires grantees to be responsible for the efficient and effective administration of federal awards through the application of sound management practices.

Cause Established policies and procedures were not strictly followed to ensure that all service provider invoices are reviewed prior to payment and submission for reimbursement.

Effect Shelter stays billed on the four invoices that were not reviewed by the OSH exceeded the number of shelter stays posted by the shelter to the HMIS.

When we questioned why there were significant differences between shelter stays billed on invoices and the attendance information contained in the HMIS, OSH management stated that the HMIS could not always be used since the data entered at some shelter sites could not be fully relied upon. They requested we use the Monthly Sign-in Log (MSIL), which is the basis of information for both the billing and the HMIS. While we agreed to compare the billings to the MSILs, it must be noted that the MSILs are not normally submitted to the OSH. They are obtained from a shelter when they are needed to resolve a billing problem. The MSILs for the invoices we tested were not obtained from the shelter until we submitted our findings to the OSH for review.

However, when we compared the invoices to the MSILs, no significant exceptions were noted. Consequently, there are no questioned costs.

CITY OF PHILADELPHIA

Federal and PA. Department of Public Welfare Findings and Questioned Costs – June 30, 2007

07-11. EMERGENCY SHELTER GRANTS PROGRAM (Continued)
CFDA #14.231

Recommendation

We recommend that OSH management ensure that all shelter service provider invoices are carefully reviewed for accuracy prior to making payment and requesting reimbursement from HUD.

Grantee's Response

During the period under review, the Homeless Management Information System (HMIS) was in an early implementation phase. OSH now has greater confidence in its contractors, who have participated in numerous training sessions, and in the HMIS as a reliable information source. In addition, early in 2007, OSH enhanced its structure for reviewing invoices for accuracy, completeness and compliance. The Contracts Unit is now responsible for reviewing invoices against approved budgets contained in the contract. The Program Compliance Unit now performs a thorough monitoring review for a select number of expired contracts annually. The Fiscal Unit reviews invoices and support detail for mathematical accuracy.

To verify accuracy of invoices as they relate to ESG specifically, OSH will implement a periodic on-site review of Monthly Sign-in Log (MSIL). This review will enable OSH to reconcile the attendance of clients in MSILs with what is reported in the Homeless Management Information System (HMIS) to identify discrepancies. OSH will also review and update its policies and procedures to reflect current practices.

Contact Person

Rodney Cherry, Fiscal Officer, Office of Supportive Housing (215) 686-7180.

07-12. SUBRECIPIENT MONITORING

Condition

Certain city departments (See Schedule I) did not make a conscientious effort to obtain required audit reports from their subrecipients, or perform “during-the-award” subrecipient monitoring to ensure that federal and Pennsylvania Department of Public Welfare (DPW) funds awarded to subrecipients were spent in compliance with laws, regulations, and the provisions of contracts and grant agreements.

According to the Office of the Director of Finance Grant Accounting and Administration Unit’s (GAAU’s) subrecipient database, as of July 3, 2008, there were 98 subrecipients with outstanding current year audit reports representing \$83.6 million. We selected from the database, nine subrecipients receiving federal and DPW funding (\$56.1 million) during fiscal 2007. After nothing more than an e-mail or a phone call to the subrecipient, we received seven (\$46.7 million) outstanding audit reports for fiscal 2007. Additionally, we determined that three subrecipients were included in the database despite having submitted their (\$1.6 million) audit reports to the city. Our limited amount of work reduced the amount applicable to outstanding audit reports to \$35.3 million (\$83.6 million - \$48.3 million).

Additionally, major program testing for fiscal 2007 required us to determine if city departments were performing “during-the-award” subrecipient monitoring. We examined program performance evaluation records for 52 subrecipients and noted that the city’s Department of Human Services (DHS) did not perform “during-the-award” monitoring for four subrecipients that it awarded \$58.9 million in federal and DPW funds. However, DHS did obtain and review audit reports for these four subrecipient agencies.

Criteria

Office of Management and Budget (OMB) Circular A-133 requires city departments to:

- Ensure that subrecipients expending \$500,000 or more in federal awards have met the audit requirements of OMB Circular A-133.
- Receive audit reports from subrecipients within the earlier of 30 days after the subrecipient’s receipt of the audit report or nine months after the end of the audit period, unless a longer period is agreed to in advance.

07-12. SUBRECIPIENT MONITORING (Continued)

- Take appropriate action using sanctions in cases of a subrecipient’s continued inability or unwillingness to submit to an audit in accordance with OMB Circular A-133.
- Perform “during-the-award” monitoring through reporting, site visits, regular contact, or other means.

The DPW Single Audit Supplement requires city departments to ensure that their subrecipients are appropriately audited in accordance with Governmental Auditing Standards, applicable program requirements, contract provisions, the 1996 Single Audit Act Amendments and OMB Circular A-133.

The city’s Subrecipient Audit Guide states that an audit report is due within 120 days after the close of the subrecipient’s fiscal year and that the subrecipient must engage an independent auditor to perform a Single Audit in accordance with OMB Circular A-133.

Cause

Grant accounting policies and procedures established by the city to ensure compliance with OMB Circular A-133, the DPW Single Audit Supplement and the city’s Subrecipient Audit Guide were not properly followed by certain city departments and monitored by the GAAU. Departments are not making a conscientious effort to obtain existing audit reports from their subrecipients and timely notify the GAAU of the audit reports that they receive.

Also, city policies and procedures do not include specific sanctions provided by the OMB that city departments can apply to subrecipients that are unwilling or unable to submit to an audit such as:

- Withholding a percentage of federal awards until the audit is completed satisfactorily;
- Suspending federal awards until the audit is conducted; or
- Terminating the federal award.

Finally, city policies and procedures are unclear as to whether “during-the-award” monitoring should be performed for subrecipients that are subject to audit.

07-12. SUBRECIPIENT MONITORING (Continued)

Effect

Failing to adequately monitor subrecipient activity provides the city with no assurance that subrecipients expended federal and DPW funds in compliance with laws, regulations, and the provisions of contracts or grant agreements. Audit reports representing \$35.3 million had not been submitted by subrecipients to certain city departments for review. We consider the \$35.3 million to be a questioned cost. (See Schedule I)

Major program testing revealed that the DHS obtained audit reports submitted by the four subrecipients that received no “during-the-award” monitoring. Accordingly, costs related to those subrecipients were not questioned.

Recommendation

We recommend that city departments make a more conscientious effort to obtain existing subrecipient audit reports and timely notify the GAAU of audit reports that they receive. Additionally, we recommend that city departments perform “during-the-award” monitoring for all subrecipients. Grant accounting policies and procedures established to ensure compliance with OMB Circular A-133, the DPW Single Audit Supplement and the city’s Subrecipient Audit Guide should be followed by city departments and monitored by the GAAU.

Finally, we recommend that the GAAU amend its grant accounting policies and procedures to:

- Include steps to be taken by city departments in imposing sanctions on subrecipients that fail to submit audit reports.
- Require city departments to perform “during-the-award” monitoring for all subrecipients including those that are subject to audit.

Grantee’s Response

GAAU has revised the existing subrecipient monitoring policy to require city departments to communicate audit requirements, in writing, to subrecipients by June, annually. The letter will advise each subrecipient of its reporting requirements, audit requirements, due dates, and the possibility of sanctions for non-compliance. In addition, the procedure was amended to include monitoring for all subrecipients and imposing sanctions, where necessary.

07-12. SUBRECIPIENT MONITORING (Continued)

However, contrary to the audit condition concerning the absence of *during the award* monitoring, the city does perform *during the award* monitoring. Units within each department maintain on-going communication with subrecipients, and perform desk reviews of subrecipient's programmatic and fiscal reports *during the award* period. The GAAU asked the City Controller's staff for their interpretation of acceptable types of *during the award* monitoring, but no recommendations were provided.

Also, the vast majority of our subrecipient's single audit reports contain no findings concerning awards received from the city, and therefore it is acceptable for the city to rely on the results of the single audit for its monitoring (per Single Audit Information Service, Thompson Publishing Group, Section 841 – Single Audits, updated August 2007).

Contact Person

Joseph Oswald, Accounting Manager, Office of the Director of Finance (215) 686-5625.

Auditor's Comments on
Grantee's Response

We agree with the GAAU that it is within management's authority to decide the level and intensity of monitoring it will apply to its subrecipients. However, the basis for management's decision to increase or decrease the intensity of subrecipient monitoring should be documented and uniformly applied to all subrecipients. DHS management provided no documentation to support its decision not to perform "during-the-award" monitoring for four subrecipients. Regarding the GAAU's request for an interpretation as to what constitutes acceptable "during-the-award" monitoring; we believe the compliance requirement as stated in the criteria section of the finding is self-explanatory. Finally, we disagree with the GAAU's interpretation of the information contained in the Thompson Publishing Group, Single Audit Information Service. We believe that a Single Audit report can be used by management to substantiate its decision to increase or decrease the intensity of "during-the-award" subrecipient monitoring not eliminate it.

CITY OF PHILADELPHIA

Federal and PA. Department of Public Welfare Findings and Questioned Costs – June 30, 2007

Schedule I

GAAU Schedule of Subrecipient Audit Reports Not Obtained

CFDA #	DEPARTMENT						GAAU TOTAL (as of July 3, 2008)	REPORTS PREVIOUSLY SUBMITTED TO CITY	REPORTS OBTAINED BY AUDITOR	ADJUSTED TOTAL
	06	08	14	22	24	42	2007			
14.218	\$9,659,721	\$0	\$0	\$0	\$0	\$378,358	\$10,038,079	\$0	\$9,659,721	\$378,358
14.231	0	0	0	0	1,709,206	0	1,709,206	0	0	1,709,206
14.235	0	0	0	0	845,147	0	845,147	0	845,147	0
14.238	0	0	0	0	71,611	0	71,611	0	0	71,611
14.239	5,774,261	0	0	0	0	0	5,774,261	0	5,774,261	0
14.241	455,576	0	0	0	0	0	455,576	0	455,576	0
84.181	0	0	445,000	0	0	0	445,000	0	0	445,000
93.150	0	0	38,218	0	0	0	38,218	0	38,218	0
93.558	0	0	22,100	18,416	0	0	40,516	0	0	40,516
93.658	0	0	0	1,988,204	0	0	1,988,204	0	0	1,988,204
93.667	0	188,762	643,953	0	51,837	0	884,552	0	643,953	240,599
93.778	0	0	13,028,541	0	0	0	13,028,541	1,168,015	10,370,146	1,490,380
93.914	0	0	5,445,467	0	0	0	5,445,467	0	0	5,445,467
93.917	0	0	428,023	0	0	0	428,023	0	0	428,023
93.926	0	0	708,454	0	0	0	708,454	0	0	708,454
93.940	0	0	1,587,925	0	0	0	1,587,925	0	0	1,587,925
93.944	0	0	881,319	0	0	0	881,319	200,000	0	681,319
93.959	0	0	2,916,183	0	158,021	0	3,074,204	0	68,018	3,006,186
Total Federal	\$15,889,558	\$188,762	\$26,145,183	\$2,006,620	\$2,835,822	\$378,358	\$47,444,303	\$1,368,015	\$27,855,040	\$18,221,248
DPW	\$0	\$0	\$28,073,450	\$6,816,250	\$1,337,211	\$0	\$36,226,911	\$238,919	\$18,881,469	\$17,106,523
TOTAL	\$15,889,558	\$188,762	\$54,218,633	\$8,822,870	\$4,173,033	\$378,358	\$83,671,214	\$1,606,934	\$46,736,509	\$35,327,771

Summary Schedule of Prior Years Audit Findings

**CITY OF PHILADELPHIA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FISCAL YEAR ENDED JUNE 30, 2007**

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**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2007**

Reference Number	Status	Questioned Costs
2006 - 08	Unresolved	\$645,471
<p>Condition : DHS included inadequately documented expenditures related to a Recreation Department after-school care program in its fiscal 2006 County Children and Youth Social Service Programs fiscal summary. The Recreation Department did not adequately document the allocation of employee time spent working on TANF activities and non-TANF activities. The employees whose salaries were allocated did not prepare, maintain, or approve contemporaneous personnel activity reports or an equivalent form of documentation.</p> <p>2007 Update : The PaDPW has not begun testing the questioned costs for the Children and Youth Program, per its January 7, 2008 letter. Therefore, a determination of the questioned costs will be made sometime after the submission of the 2007 single audit.</p> <p>Contact : John Zanier (215) 683-6063</p>		
2006 - 09	Resolved	\$0
<p>Condition : Our examination of 26 cases that the DHS included on placement maintenance reimbursement invoices revealed four cases where the child was documented as being 18-years old. In all four cases, DHS acknowledged that the child was ineligible.</p> <p>2007 Update : Per PaDPW's January 7, 2008 letter, the finding was adequately addressed through the corrective action plan and corresponding adjustment to the Placement Maintenance billings, therefore, no further action is required in connection with this finding.</p> <p>Contact : Craig Meixsell (215) 683-6031</p>		
2005 - 09	Resolved	\$0
<p>Condition : The Department of Human Services (DHS) included in its fiscal 2005 County Children and Youth Social Service Programs Fiscal Summary unspent (encumbered) funds as expenditures.</p> <p>2007 Update : Per PaDPW's November 20, 2007 letter, the questioned costs of \$9,079,162 were eliminated by a revision to the submitted invoice. Also, the corrective action plan, and additional information received from the independent auditor, adequately addressed the finding. Therefore, no further action is required in connection with this finding.</p> <p>Contact : John Zanier (215) 683-6063</p>		

City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2007

Reference Number	Status	Questioned Costs
2005 - 10	Unresolved	\$107,163
<p>Condition : During fiscal 2005, the Department of Human Services (DHS) transferred computer equipment costing \$792,714 purchased with Children & Youth Program grant funds to other city departments for uses unrelated to the Children and Youth Program. DHS did not determine the remaining value of the transferred equipment and did not reimburse the program as required.</p>		
<p>2007 Update : Questioned costs of \$107,163 will be considered at settlement, per a November 20, 2007 letter from PaDPW.</p>		
<p>Contact : John Zanier (215) 683-6063</p>		
<hr/>		
2005 - 11	Unresolved	\$1,146,525
<p>Condition : The Department of Human Services (DHS) included \$1,433,157 in inadequately documented expenditures related to a Recreation Department after-school care program in its fiscal 2005 County Children and Youth Social Service Programs Fiscal Summary. For seven of nine months Recreation employees whose salaries were allocated to TANF and non-TANF activities did not prepare, maintain, or approve contemporaneous personal activity reports.</p>		
<p>2007 Update : The questioned costs of \$1,433,157 will be considered at settlement, per a November 20, 2007 letter from PaDPW.</p>		
<p>Contact : John Zanier (215) 683-6063</p>		
<hr/>		
2005 - 12	Resolved	\$0
<p>Condition : The Department of Human Services (DHS) has one subrecipient that continues to obtain audit reports that do not reference the Pennsylvania Department of Public Welfare (DPW) Single Audit Compliance Supplement and/or the City of Philadelphia Subrecipient Audit Guide. The subrecipient responded to request for corrective action letters by stating that to add the references in the audit reports would require additional audit fees.</p>		
<p>2007 Update : Per PaDPW's November 20, 2007 letter, the subrecipient's FY 2006 single audit report contained the necessary compliance requirements, therefore, no further action is required in connection with this finding. Questioned costs of \$3,330,106 were waived.</p>		
<p>Contact : Stanley Odyniec (215) 683-4208</p>		

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2007**

Reference Number	Status	Questioned Costs
2004 - 08	Unresolved	\$1,259,457
<p>Condition : The Department of Human Services (DHS) included in its fiscal year 2004 County Children and Youth Social Service Programs Fiscal Summary unspent (encumbered) funds as expenditures.</p> <p>2007 Update : Questioned costs will be considered at settlement, per PaDPW's July 2, 2007 letter from the Bureau of Financial Operations.</p> <p>Contact : John Zanier (215) 683-6063</p>		
2004 - 10	Unresolved	\$215,940
<p>Condition : The Department of Human Services (DHS) acquired computers with grant funds and transferred this equipment to other city departments for uses that were unrelated to the purpose of the Children and Youth Program.</p> <p>2007 Update : Questioned costs will be considered at settlement, per PaDPW's July 2, 2007 letter from the Bureau of Financial Operations.</p> <p>Contact : Kevin Gallagher (215) 683-5708</p>		
2004 - 12	Unresolved	\$1,594,329
<p>Condition : The Department of Human Services (DHS) included inadequately documented expenditures related to a Recreation Department after-school care program in its fiscal year 2004 County Children and Youth Social Service Programs Fiscal Summary. The Recreation Department did not document the allocation of employee time spent working on TANF activities and non-TANF activities. The employees whose salaries were allocated did not prepare, maintain, or approve contemporaneous personal activity reports or an equivalent form of documentation.</p> <p>2007 Update : Questioned costs will be considered at settlement, per PaDPW's July 2, 2007 letter from the Bureau of Financial Operations.</p> <p>Contact : John Zanier (215) 683-6063</p>		

City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2007

Reference Number	Status	Questioned Costs
2003 - 03	Resolved	\$0
<p>Condition : The Department of Human Services (DHS) included in its fiscal year 2003 County Children and Youth Social Service Programs Fiscal Summary unspent (encumbered) funds as well as undocumented expenditures. Funding for this program is received through the Pennsylvania Department of Public Welfare (DPW).</p>		
<p>2007 Update : Per correspondence from PaDPW on January 22, 2008, fiscal years 1998 through 2003 were closed by the Audit Settlement Unit. Upon settlement, all related findings, and questioned costs, are considered closed. Therefore, questioned costs of \$75,639 were waived.</p>		
<p>Contact : John Zanier (215) 683-6063</p>		
<hr/>		
2003 - 05	Resolved	\$0
<p>Condition : The Department of Human Services (DHS) included undocumented expenditures related to a Recreation Department after school care program in its fiscal year 2003 County Children and Youth Social Service Programs Fiscal Summary. Funding for this program is received through the Pennsylvania Department of Public Welfare (DPW).</p>		
<p>2007 Update : Per correspondence from PaDPW on January 22, 2008, fiscal years 1998 through 2003 were closed by the Audit Settlement Unit. Upon settlement, all related findings, and questioned costs, are considered closed. Therefore, questioned costs of \$1,784,462 were waived.</p>		
<p>Contact : John Zanier (215) 683-6063</p>		
<hr/>		
2003 - 06	Resolved	\$0
<p>Condition : The Department of Human Services (DHS) did not properly document eligibility for all children receiving Title IV-E Placement Maintenance (IV-E PM) services. For five of nineteen Title IV-E PM case files tested, DHS did not have documentation to indicate that a review of the child's eligibility occurred every six months, as required. Funding for this program is received through the Pennsylvania Department of Public Welfare (DPW).</p>		
<p>2007 Update : No further action is required in connection with this finding, per a letter from PaDPW's Bureau of Financial Operations dated July 2, 2007.</p>		
<p>Contact : Craig Meixsell (215) 683-6031</p>		

City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2007

Reference Number	Status	Questioned Costs
1999 - 05	Resolved	\$0
<p>Condition : DHS prepared its final fiscal year 1999 County Children and Youth Social Service Programs Fiscal Summary using total obligations that consisted of expenditures and encumbered funds. At the time of audit, DHS had not adjusted its report to the State for any unspent encumbered funds.</p> <p>2007 Update : Per correspondence from PaDPW on January 22, 2008, fiscal years 1998 through 2003 were closed by the Audit Settlement Unit. Upon settlement, all related findings, and questioned costs, are considered closed. Therefore, questioned costs of \$3,177,395 were waived.</p> <p>Contact : John Zanier (215) 683-6063</p>		
1999 - 08	Resolved	\$0
<p>Condition : DHS prepared its final fiscal year 1999 Adoption and Foster Care Analysis and Reporting System (AFCARS) invoice using total obligations that consisted of expenditures and encumbered funds. At the time of audit, DHS had not adjusted its report to the State for any unspent encumbered funds.</p> <p>2007 Update : Per correspondence from PaDPW on January 22, 2008, fiscal years 1998 through 2003 were closed by the Audit Settlement Unit. Upon settlement, all related findings, and questioned costs, are considered closed. Therefore, questioned costs of \$187,872 were waived.</p> <p>Contact : John Zanier (215) 683-6063</p>		
1998 - 15	Resolved	\$0
<p>Condition : DHS reported total obligation in its FY98 Children & Youth Fiscal Summary and did not adjust for amounts encumbered but unspent, as of the date of the audit.</p> <p>2007 Update : Per correspondence from PaDPW on January 22, 2008, fiscal years 1998 through 2003 were closed by the Audit Settlement Unit. Upon settlement, all related findings, and questioned costs, are considered closed. Therefore, questioned costs of \$958,808 were waived.</p> <p>Contact : John Zanier (215) 683-6063</p>		

Combined Homeless Assistance Program

City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2007

Reference Number	Status	Questioned Costs
2005 - 08	Resolved	\$0
<p>Condition : The Office of Emergency Shelter Services (OESS) does not have a system in place to monitor subrecipient activity which amounted to \$5,011,402 for fiscal 2005. OESS does not follow-up on the status of Single Audit reports due from subrecipients, desk review audit reports that have been received, and follow-up on audit findings cited in reports.</p> <p>2007 Update : Per PaDPW's November 20, 2007 letter, DPW will continue to monitor this finding through future single audits to ensure subrecipient review has been implemented.</p> <p>Contact : Robert V. Hess (215) 686-7106</p>		
2002 - 06	Resolved	\$0
<p>Condition : The Office of Emergency Shelter Services (OESS) does not follow-up on the status of Single Audit reports due from subrecipients, desk review results for subrecipient audits that have been received, and audit findings cited in reports. The Health Department performs desk reviews of subrecipient audit reports on behalf of OESS. Desk reviews for fiscal 2002 audits indicated that 18 of 26 reports were either deficient with regard to reporting in accordance with established standards and requirements, or contained audit findings to be followed-up. OESS took no action to follow-up on either the deficient reports or the audit findings. In addition, two subrecipients that received \$489,599 in funding have not yet submitted their required audit reports.</p> <p>2007 Update : No further action is required with regard to this finding per correspondence, between the Grants Accounting Unit and PaDPW's Audit Resloution Unit, dated 1/22/08.</p> <p>Contact : Robert V. Hess (215) 686-7106</p>		
Temporary Assistance for Needy Families		
2001 - 02	Resolved	\$0
<p>Condition : DHS FY2001 TANF final invoice included \$500,000 in expenditures, for which there was no supporting documentation, for the after school program.</p> <p>2007 Update : Per correspondence from PaDPW on January 22, 2008, fiscal years 1998 through 2003 were closed by the Audit Settlement Unit. Upon settlement, all related findings, and questioned costs, are considered closed. Therefore, questioned costs of \$500,000 were waived.</p> <p>Contact : John Zanier (215) 683-6063</p>		

Total PA Department of Public Welfare Questioned Costs: \$5,498,487

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2007**

Reference Number	Status	Questioned Costs
PA Department of Transportation		
Davis-Bacon Act		
2005 - 06	Resolved	\$0
Condition : The city's Labor Standards Unit did not perform monitoring procedures for Commerce Department – Division of Aviation (Airport), Streets Department and Fairmount Park grant-funded capital programs that would ensure compliance with minimum wage regulations of the Davis-Bacon Act.		
2007 Update : Finding resolved in a letter from the Commonwealth of Pennsylvania's Department of Transportation, dated September 8, 2008.		
Contact : Perritti DiVirgilio (215) 686-2132		
<hr/>		
2004 - 05	Resolved	\$0
Condition : The city's Labor Standards Unit did not perform monitoring procedures for Street's Department grant funded capital programs that would ensure compliance with minimum wage regulations of the Davis-Bacon Act.		
2007 Update : The finding was resolved by Pa DOT in its February 14, 2008 letter accepting the city's FY 2004 single audit report.		
Contact : Perritti DiVirgilio (215) 686-2132		
<hr/>		
Total PA Department of Transportation Questioned Costs:		\$0

City of Philadelphia
 Summary Schedule of Prior Audit Findings
 Fiscal Year Ended June 30, 2007

Reference Number	Status	Questioned Costs
U.S. Department of Housing & Urban Development		
Community Development Block Grant		
2005 - 07	Unresolved	\$0
<p>Condition : The Office of Housing and Community Development (OHCD) indefinitely extended the pay-off date for an \$8 million Community Development Block Grant (CDBG) float loan (due in 1997) without properly identifying the loan extensions as new activity in subsequent action plans as required. As of June 30, 2005, the float loan was still outstanding. However, on August 1, 2006 the float loan was repaid.</p> <p>2007 Update : OHCD concurs with this comment. The Policy and Planning Unit will ensure that should a float loan extend beyond the maximum loan period, as indicated in the code of federal regulations, the loan will be identified as a new activity in subsequent plans. OHCD has implemented the corrective action by noting in the Year 33 Consolidated Plan that was submitted to HUD. Furthermore, the float loan cited was paid off. OHCD is awaiting an official response from USHUD to resolve this finding.</p> <p>Contact : Ezra Tepel (215) 686-9725</p>		
Supportive Housing Program		
2005 - 08	Unresolved	\$0
<p>Condition : The Office of Emergency Shelter Services (OESS) does not have a system in place to monitor subrecipient activity which amounted to \$5,011,402 for fiscal 2005. OESS does not follow-up on the status of Single Audit reports due from subrecipients, desk review audit reports that have been received, and follow-up on audit findings cited in reports.</p> <p>2007 Update : OSH hired an Auditor Trainee in June, 2007 to follow up on the status of single audit reports from subrecipients, perform desk reviews, and follow up on audit findings cited in the reports.</p> <p>Contact : Robert V. Hess (215) 686-7106</p>		
Total U.S. Department of Housing & Urban Development Questioned Costs:		\$0

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2007**

Reference Number	Status	Questioned Costs
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U.S. Department of Transportation

Davis-Bacon Act

2005 - 06	Resolved	\$0
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Condition : The city's Labor Standards Unit did not perform monitoring procedures for Commerce Department – Division of Aviation (Airport), Streets Department and Fairmount Park grant-funded capital programs that would ensure compliance with minimum wage regulations of the Davis-Bacon Act.

2007 Update : The US DOT's Federal Aviation Administration resolved this finding in a letter dated February 21, 2008.

Contact : Perritti DiVirgilio (215) 686-2132

2004 - 05	Unresolved	\$0
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Condition : The city's Labor Standards Unit did not perform monitoring procedures for Street's Department grant funded capital programs that would ensure compliance with minimum wage regulations of the Davis-Bacon Act.

2007 Update : Since late 2006, the PLSU has conducted in house employee training on how to monitor prevailing wage projects. This training included the proper documentation to be maintained in the file folder (Wage rates, bid opening date, NTP, Sub-contractors list). In addition, the training focused on how to properly review, and monitor certified payroll reports, and the importance of matching on site employee interviews to the corresponding certified payroll report. The PLSU staff was instructed to monitor each, and every certified payroll report for compliance. Staff members were told of the procedures to take when discrepancies are discovered. In 2007, the PLSU had a representative from HUD come in to conduct a training seminar on prevailing wage compliance, as it relates to Federally funded public works projects. This acted to reinforce what the in house training provided. In August 2007, all staff members participated in a Federal Labor Standards Act Audio Conference with other monitoring agencies in a question and answer session, with a panel of leading experts in law and government on prevailing wage issues. Currently the PLSU is finishing an in-house audit of staff members files for compliance. A program is being developed to help any staff members not in compliance, come in to, and remain in compliance. Today, the PLSU has three dedicated field inspectors to conduct on site employee interviews. The PLSU is NOW in compliance with reviewing ALL construction contracts so that they are in compliance with the Davis-Bacon Act. The PLSU is waiting for a response from the Grantor to officially close out this issue.

Contact : Perritti DiVirgilio (215) 686-2132

SUPPLEMENTARY FINANCIAL INFORMATION SECTION

Pennsylvania Department of Public Welfare

**Pennsylvania Department of Community and
Economic Development**



CITY OF PHILADELPHIA

OFFICE OF THE CONTROLLER
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ALAN BUTKOVITZ
City Controller

ALBERT F. SCAPEROTTO
Deputy City Controller

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE

To the Honorable Mayor and Honorable Members
of the Council of the City of Philadelphia

To the Commonwealth of Pennsylvania,
Department of Public Welfare

We have performed the procedures enumerated below, which were agreed to by the City of Philadelphia, Pennsylvania and the Commonwealth of Pennsylvania, Department of Public Welfare (DPW) solely to assist you in evaluating the financial schedules and exhibits required by the DPW Single Audit Supplement for the year ended June 30, 2007. Management of the City of Philadelphia is responsible for the preparation of these financial schedules and exhibits. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

- (a) We have compared the amounts and classifications on the supplemental financial schedules listed below, which summarize amounts reported to the DPW for fiscal year ended June 30, 2007, and for the Title IV-D Child Support Program – Supplementals for the years indicated, to the corresponding amounts in the books and records of the City of Philadelphia used to prepare financial statements audited by us. We also compared the example schedules in the DPW Single Audit Supplement to these schedules to determine that they are presented, at a minimum, at the level of detail and in the format required by the DPW Single Audit Supplement pertaining to this period.

C I T Y O F P H I L A D E L P H I A
OFFICE OF THE CONTROLLER

<u>Program Name</u>	<u>Number</u>	<u>Referenced Schedule/Exhibit</u>
Title IV-D Child Support Program	A-1(a)	Summary of Expenditures
Title IV-D Child Support Program – Supplemental (2006)	A-1(a)	Summary of Expenditures
Title IV-D Child Support Program – Supplemental (2007)	A-1(a)	Summary of Expenditures
County Children and Youth Social Service Programs	I	Revenues and Expenditures
Low Income Home Energy Assistance Program Crisis Administration	II	Revenues and Expenditures
Mental Health/Mental Retardation	IV(a)MH IV(b)MH IV(c)MR IV(d)MR	Revenues, Expenditures and Carryover Funds – MH Income and Expenditures – MH Revenues, Expenditures and Carryover Funds – MR Income and Expenditures – MR
Community –Based Medicaid Initiatives	V(e)MR	Cost Settlement Report
Human Services Development Fund	X	Revenues and Expenditures
Combined Homeless Assistance Program	XIX(a)	Revenues and Expenditures
Pennfree Bridge Housing Program	-	Revenues and Expenditures

- (b) We have inquired of management as to whether there were any adjustments to reported revenues or expenditures which were not reflected on reports submitted to the DPW for the period in question.

The procedures detailed in the two preceding paragraphs, (a) and (b) above, disclosed the following findings which have not been reflected on the following exhibits:

Exhibit I County Children and Youth Social Services Programs

- Expenditures are overstated by \$873,147 as a result of the inclusion of \$873,147 in encumbered but unspent funds. Of this amount, \$695,590 has been reported as reimbursable through the DPW from state and federal funds.

Exhibit V (e) Community-Based Medicaid Initiatives

- Incorrect allocation rates were used to calculate Promise Federal Revenue and Match Funds causing Total Adjusted Medical Assistance Revenue to be overstated and Other Revenue to be understated by \$17,801.

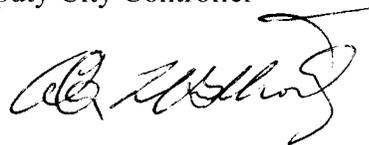
We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the accompanying financial schedules and exhibits required by the DPW Single Audit Supplement. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the management of the City of Philadelphia, Pennsylvania, City Council and the DPW and is not intended to be and should not be used by anyone other than these specified parties.

October 10, 2008



ALBERT F. SCAPEROTTO, CPA
Deputy City Controller



ALAN BUTKOVITZ
City Controller

CITY OF PHILADELPHIA
SUMMARY OF EXPENDITURES
TITLE IV-D CHILD SUPPORT PROGRAM
FISCAL YEAR ENDED JUNE 30, 2007

EXHIBIT A-1(a)

COMPARISON OF SINGLE AUDIT EXPENDITURES WITH THE REPORTED EXPENDITURES

County: Philadelphia				Year Ended: Fiscal Year 2007									
Single Audit Expenditures				Reported Expenditures				Single Audit Over/Under Reported					
Quarter Ending:	Total	Unallowable	Net	Amt Paid	Total	Unallowable	Net	Amt Paid	Total	Unallowable	Net	Amt Paid	
09/30/06													
1. Salary/Overhead	6,904,750.00	1,149,053.00	5,755,697.00	3,798,760.00	6,904,750.00	1,149,053.00	5,755,697.00	3,798,760.00	0.00	0.00	0.00	0.00	
2. Fee/Costs	52.00	0.00	52.00	34.00	52.00	0.00	52.00	34.00	0.00	0.00	0.00	0.00	
3. Interest & Program Income	33,467.00	410.00	33,057.00	21,818.00	33,467.00	410.00	33,057.00	21,818.00	0.00	0.00	0.00	0.00	
4. Blood Testing Fee	16,822.00	0.00	16,822.00	15,140.00	16,822.00	0.00	16,822.00	15,140.00	0.00	0.00	0.00	0.00	
5. Blood Testing Costs	70,532.00	0.00	70,532.00	63,479.00	70,532.00	0.00	70,532.00	63,479.00	0.00	0.00	0.00	0.00	
6. ADP	4,453.00	53.00	4,400.00	2,904.00	4,453.00	53.00	4,400.00	2,904.00	0.00	0.00	0.00	0.00	
Net Total (1-2-3-4+5+6)	6,929,394.00	1,148,696.00	5,780,698.00	3,828,151.00	6,929,394.00	1,148,696.00	5,780,698.00	3,828,151.00	0.00	0.00	0.00	0.00	
12/31/06													
1. Salary/Overhead	10,677,771.00	3,212,819.00	7,464,952.00	4,926,868.00	10,677,771.00	3,212,819.00	7,464,952.00	4,926,868.00	0.00	0.00	0.00	0.00	
2. Fee/Costs	44.00	0.00	44.00	29.00	44.00	0.00	44.00	29.00	0.00	0.00	0.00	0.00	
3. Interest & Program Income	43,622.00	619.00	43,003.00	28,382.00	43,622.00	619.00	43,003.00	28,382.00	0.00	0.00	0.00	0.00	
4. Blood Testing Fee	13,237.00	0.00	13,237.00	8,736.00	13,237.00	0.00	13,237.00	8,736.00	0.00	0.00	0.00	0.00	
5. Blood Testing Costs	21,780.00	0.00	21,780.00	14,375.00	21,780.00	0.00	21,780.00	14,375.00	0.00	0.00	0.00	0.00	
6. ADP	963.00	16.00	947.00	625.00	963.00	16.00	947.00	625.00	0.00	0.00	0.00	0.00	
Net Total (1-2-3-4+5+6)	10,643,611.00	3,212,216.00	7,431,395.00	4,904,721.00	10,643,611.00	3,212,216.00	7,431,395.00	4,904,721.00	0.00	0.00	0.00	0.00	
03/31/07													
1. Salary/Overhead	7,785,814.00	433,178.00	7,352,636.00	4,852,740.00	7,785,814.00	433,178.00	7,352,636.00	4,852,740.00	0.00	0.00	0.00	0.00	
2. Fee/Costs	90.00	0.00	90.00	59.00	90.00	0.00	90.00	59.00	0.00	0.00	0.00	0.00	
3. Interest & Program Income	48,541.00	635.00	47,906.00	31,618.00	48,541.00	635.00	47,906.00	31,618.00	0.00	0.00	0.00	0.00	
4. Blood Testing Fee	18,964.00	0.00	18,964.00	12,516.00	18,964.00	0.00	18,964.00	12,516.00	0.00	0.00	0.00	0.00	
5. Blood Testing Costs	98,318.00	0.00	98,318.00	64,890.00	98,318.00	0.00	98,318.00	64,890.00	0.00	0.00	0.00	0.00	
6. ADP	6,165.00	88.00	6,077.00	4,011.00	6,165.00	88.00	6,077.00	4,011.00	0.00	0.00	0.00	0.00	
Net Total (1-2-3-4+5+6)	7,822,702.00	432,631.00	7,390,071.00	4,877,448.00	7,822,702.00	432,631.00	7,390,071.00	4,877,448.00	0.00	0.00	0.00	0.00	
06/30/07													
1. Salary/Overhead	9,107,721.00	933,321.00	8,174,400.00	5,395,104.00	9,107,721.00	933,321.00	8,174,400.00	5,395,104.00	0.00	0.00	0.00	0.00	
2. Fee/Costs	53.00	0.00	53.00	35.00	53.00	0.00	53.00	35.00	0.00	0.00	0.00	0.00	
3. Interest & Program Income	49,998.00	670.00	49,328.00	32,556.00	49,998.00	670.00	49,328.00	32,556.00	0.00	0.00	0.00	0.00	
4. Blood Testing Fee	15,951.00	0.00	15,951.00	10,528.00	15,951.00	0.00	15,951.00	10,528.00	0.00	0.00	0.00	0.00	
5. Blood Testing Costs	48,292.00	0.00	48,292.00	31,873.00	48,292.00	0.00	48,292.00	31,873.00	0.00	0.00	0.00	0.00	
6. ADP	7,470.00	104.00	7,366.00	4,862.00	7,470.00	104.00	7,366.00	4,862.00	0.00	0.00	0.00	0.00	
Net Total (1-2-3-4+5+6)	9,097,481.00	932,755.00	8,164,726.00	5,388,720.00	9,097,481.00	932,755.00	8,164,726.00	5,388,720.00	0.00	0.00	0.00	0.00	

CITY OF PHILADELPHIA
SUMMARY OF EXPENDITURES
TITLE IV-D CHILD SUPPORT PROGRAM
FISCAL YEAR ENDED JUNE 30, 2007

EXHIBIT A-1(a)

COMPARISON OF SINGLE AUDIT EXPENDITURES WITH THE REPORTED EXPENDITURES - SUPPLEMENTALS

County: Philadelphia				Year Ended: Fiscal Year 2006									
Single Audit Expenditures				Reported Expenditures				Single Audit Over/Under Reported					
Quarter Ending:	Total	Unallowable	Net	Amt Paid	Total	Unallowable	Net	Amt Paid	Total	Unallowable	Net	Amt Paid	
09/30/05													
1. Salary/Overhead	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2. Fee/Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3. Interest & Program Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4. Blood Testing Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5. Blood Testing Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6. ADP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Net Total (1-2-3-4+5+6)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
12/31/05													
1. Salary/Overhead	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2. Fee/Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3. Interest & Program Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4. Blood Testing Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5. Blood Testing Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6. ADP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Net Total (1-2-3-4+5+6)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
03/31/06													
1. Salary/Overhead	(148.00)	(2.00)	(146.00)	(96.00)	(148.00)	(2.00)	(146.00)	(96.00)	0.00	0.00	0.00	0.00	
2. Fee/Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3. Interest & Program Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4. Blood Testing Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5. Blood Testing Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6. ADP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Net Total (1-2-3-4+5+6)	(148.00)	(2.00)	(146.00)	(96.00)	(148.00)	(2.00)	(146.00)	(96.00)	0.00	0.00	0.00	0.00	
06/30/06													
1. Salary/Overhead	654.00	8,470.00	(7,816.00)	(5,159.00)	654.00	8,470.00	(7,816.00)	(5,159.00)	0.00	0.00	0.00	0.00	
2. Fee/Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3. Interest & Program Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4. Blood Testing Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5. Blood Testing Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6. ADP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Net Total (1-2-3-4+5+6)	654.00	8,470.00	(7,816.00)	(5,159.00)	654.00	8,470.00	(7,816.00)	(5,159.00)	0.00	0.00	0.00	0.00	

**CITY OF PHILADELPHIA
SUMMARY OF EXPENDITURES
TITLE IV-D CHILD SUPPORT PROGRAM
FISCAL YEAR ENDED JUNE 30, 2007**

EXHIBIT A-1(a)

COMPARISON OF SINGLE AUDIT EXPENDITURES WITH THE REPORTED EXPENDITURES - SUPPLEMENTALS

County: Philadelphia				Year Ended: Fiscal Year 2007									
Single Audit Expenditures				Reported Expenditures				Single Audit Over/Under Reported					
Quarter Ending: 09/30/06	Total	Unallowable	Net	Amt Paid	Total	Unallowable	Net	Amt Paid	Total	Unallowable	Net	Amt Paid	
1. Salary/Overhead	721,878.00	(52,939.00)	774,817.00	511,379.00	721,878.00	(52,939.00)	774,817.00	511,379.00	0.00	0.00	0.00	0.00	
2. Fee/Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3. Interest & Program Income	(24.00)	0.00	(24.00)	(16.00)	(24.00)	0.00	(24.00)	(16.00)	0.00	0.00	0.00	0.00	
4. Blood Testing Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5. Blood Testing Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6. ADP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Net Total (1-2-3-4+5+6)	721,902.00	(52,939.00)	774,841.00	511,395.00	721,902.00	(52,939.00)	774,841.00	511,395.00	0.00	0.00	0.00	0.00	
Quarter Ending: 12/31/06	Total	Unallowable	Net	Amt Paid	Total	Unallowable	Net	Amt Paid	Total	Unallowable	Net	Amt Paid	
1. Salary/Overhead	241,312.00	(72,316.00)	313,628.00	206,994.00	241,312.00	(72,316.00)	313,628.00	206,994.00	0.00	0.00	0.00	0.00	
2. Fee/Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3. Interest & Program Income	(49.00)	0.00	(49.00)	(32.00)	(49.00)	0.00	(49.00)	(32.00)	0.00	0.00	0.00	0.00	
4. Blood Testing Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5. Blood Testing Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6. ADP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Net Total (1-2-3-4+5+6)	241,361.00	(72,316.00)	313,677.00	207,026.00	241,361.00	(72,316.00)	313,677.00	207,026.00	0.00	0.00	0.00	0.00	
Quarter Ending: 03/31/07	Total	Unallowable	Net	Amt Paid	Total	Unallowable	Net	Amt Paid	Total	Unallowable	Net	Amt Paid	
1. Salary/Overhead	0.00	(12,145.00)	12,145.00	8,016.00	0.00	(12,145.00)	12,145.00	8,016.00	0.00	0.00	0.00	0.00	
2. Fee/Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3. Interest & Program Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4. Blood Testing Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5. Blood Testing Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6. ADP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Net Total (1-2-3-4+5+6)	0.00	(12,145.00)	12,145.00	8,016.00	0.00	(12,145.00)	12,145.00	8,016.00	0.00	0.00	0.00	0.00	
Quarter Ending: 06/30/07	Total	Unallowable	Net	Amt Paid	Total	Unallowable	Net	Amt Paid	Total	Unallowable	Net	Amt Paid	
1. Salary/Overhead	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2. Fee/Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3. Interest & Program Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4. Blood Testing Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5. Blood Testing Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6. ADP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Net Total (1-2-3-4+5+6)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

**PHILADELPHIA COUNTY
SCHEDULE OF REVENUES AND EXPENDITURES
COUNTY CHILDREN AND YOUTH PROGRAM
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2007**

	GRAND TOTAL	FEDERAL TITLE XX	FEDERAL TITLE IV-E	FEDERAL TITLE IV-B	FEDERAL OTHER	FEDERAL TANF	MEDICAL ASSISTANCE	PROGRAM INCOME	NET TOTAL	STATE ACT 148	LOCAL SHARE	
NET CHILD WELFARE EXPENDITURES :												
01. 100 % Reimbursement	9,304,609	0	971,375	0	0	0	0	0	8,333,234	8,333,234	0	
02. 90 % Reimbursement	17,908,514	0	3,378,757	0	0	4,106,561	0	70,969	10,352,227	9,317,004	1,035,223	
03. 80 % Reimbursement	466,042,618	2,748,156	79,092,708	2,735,192	0	26,098,827	0	24,942,719	330,425,016	264,340,006	66,085,009	
04. 60 % Reimbursement	138,146,382	0	28,988,611	0	0	0	331,802	793,279	108,032,690	64,819,615	43,213,076	
05. 50 % Reimbursement	44,748,013	0	819,729	0	0	0	0	0	43,928,284	21,964,145	21,964,139	
06. Other Reimbursement	0	0	0	0	0	0	0	0	0	0	0	
07. TOTAL (Lines 1 - 6)	676,150,136	2,748,156	113,251,180	2,735,192	0	30,205,388	331,802	25,806,967	501,071,451	368,774,004	132,297,447	
YDC/YFC PLACEMENT COSTS												
08. 80 % DPW Participation	0	0	0	0	0	0	0	0	0	0	0	
09. 60 % DPW Participation	17,572,426	0	0	0	0	0	0	0	17,572,426	10,543,456	7,028,970	
10. TOTAL YDC/YFC COST	17,572,426	0	0	0	0	0	0	0	17,572,426	10,543,456	7,028,970	
11. RESERVED DPW USE	0	0	0	0	0	0	0	0	0	0	0	
12. NON-ALLOWABLE EXPENDITURES :	19,331,568	0	0	0	0	0	0	0	19,331,568	0	19,331,568	
13. TOTAL EXPENDITURES :	713,054,130	2,748,156	113,251,180	2,735,192	0	30,205,388	331,802	25,806,967	537,975,445	379,317,460	158,657,985	
14. Total HSDF Used for Child Welfare :	0	15. Total Title IV-D Collections :					3,855,510	16. Total IV-D/IV-E Collections :				2,642,911
A. State Act 148, Line 7 :	368,774,004	B. State Act 148 Allocation :					340,203,847	C. Adj. State Share (Lower of A or B) :				340,203,847

**SCHEDULE OF REVENUES AND EXPENDITURES
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM CRISIS ADMINISTRATION**

Auditee: Philadelphia County
Period: 11/6/06 - 4/17/07

Contract No.

4000010343

<u>REVENUES</u>	<u>Reported</u>	<u>Actual</u>
PA. Department of Public Welfare	369,300	369,300
Interest Income	0	0
Total Revenues	<u>369,300</u>	<u>369,300</u>
 <u>EXPENDITURES</u>		
Personnel:		
Wages	208,198	208,198
FICA	0	0
Workmen's Compensation	0	0
Unemployment Compensation	0	0
Retirement	0	0
Medical Insurance	0	0
Total Personnel	<u>208,198</u>	<u>208,198</u>
Operating Costs:		
Travel - Staff	4,039	3,954
Telephone	4,601	2,445
Community Groups	151,262	152,073
Postage	0	0
Printing	0	0
Freight Charges	0	0
Rental of Real Estate	0	0
Housekeeping Supplies	0	0
Office Supplies	1,200	1,199
Equipment Rental	0	0
Total Operating	<u>161,102</u>	<u>159,671</u>
Audit Costs:	0	0
Total Expenditures	<u>369,300</u>	<u>367,869</u>
Excess of Revenue Over (Under) Expenditures	<u>0</u>	<u>1,431</u>

An adjustment was made to reduce reported expenditures by \$1,431 to reflect actual expenditures.

PHILADELPHIA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CARRYOVER FUNDS
MENTAL HEALTH SERVICES
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2007

SOURCE OF DPW FUNDS	APP	DPW FUNDS AVAILABLE			Cost Eligible for DPW Participation (4)	Balance of Funds (5)	Grant Fund Adjs. (6)	CSR State Grant Fund Adjs. (6B)		Total Fund Balance
		Carryover (1)	Allotment (2)	Total Allocation (3)						
A. MH SERVICES	10248	206,852	125,650,126	125,856,978	124,105,771	1,751,207	0	0	0	1,751,207
B. OTHER STATE FUNDS										
1. Specialized Residences	10258	0	1,300,784	1,300,784	1,300,784	0	0	0	0	0
2. BH Initiative	10262	0	4,601,940	4,601,940	4,601,940	0	0	0	0	0
3. BH IGT	10262	0	896,811	896,811	896,811	0	0	0	0	0
4. New Directions	10244	0	0	0	0	0	0	0	0	0
5. Total Other State		0	6,799,535	6,799,535	6,799,535	0	0	0	0	0
C. SSBG	70135	0	7,902,745	7,902,745	7,902,745	0	0	0	0	0
D. CMHSBG	70167	0	1,947,995	1,947,995	1,797,406	150,589	0	0	0	150,589
E. OTHER FEDERAL FUNDS										
1. Max. Part. Project	70121	0	0	0	0	0	0	0	0	0
2. PATH Homeless	70154	0	382,956	382,956	382,956	0	0	0	0	0
3. Capitalization of POMS	70522	0	0	0	0	0	0	0	0	0
4. COSIG Grant	70561	0	0	0	0	0	0	0	0	0
5. MH Systems Transformation	70589	0	0	0	0	0	0	0	0	0
6. Federal SSBG - Hurricane Katrina	70684	0	180,804	180,804	72,745	108,059	0	0	0	108,059
7. Terrorism Related Disaster Relief	80168	0	0	0	0	0	0	0	0	0
8. Bioterrorism Hosp Prep/Pub Hth Prep Resp	80343	0	3,000	3,000	3,000	0	0	0	0	0
9. Federal Regular Svs Crisis Counsel Prog	82413	0	325,275	325,275	285,997	39,278	(39,278)	0	0	0
10. Federal Crisis Counseling - Summer Flood	82427	0	0	0	0	0	0	0	0	0
11. Reserved	00001	0	0	0	0	0	0	0	0	0
12. Reserved	00002	0	0	0	0	0	0	0	0	0
13. Total Other Federal		0	892,035	892,035	744,698	147,337	(39,278)	0	0	108,059
F. TOTAL		206,852	143,192,436	143,399,288	141,350,155	2,049,133	(39,278)	0	0	2,009,855

**PHILADELPHIA COUNTY
REPORT OF INCOME AND EXPENDITURES
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2007**

MENTAL HEALTH PROGRAM	Adult Dvpt Training	Admin Management	Admin Office	Community Employ Services
I. TOTAL ALLOCATION				
II. TOTAL EXPENDITURES	0	10,326,411	10,315,345	0
III. COSTS OVER ALLOCATION				
A. County Funded Eligible	0	0	936,912	0
B. County Funded Ineligible	0	0	920,121	0
C. Other Eligible	0	694,161	0	0
D. Other Ineligible	0	0	0	0
E. Total Costs Over Allocation	0	694,161	1,857,033	0
IV. REVENUES				
A. Program Service Fees	0	0	0	0
B. Private Insurance	0	9,466	0	0
C. Medical Assistance	0	778	0	0
D. Medical Assistance - MA 325	0	0	0	0
E. Medical Assistance - Admin Claims	0	0	17,789	0
F. Room and Board	0	0	0	0
G. Earned Interest	0	11,413	0	0
H. Other	0	368,074	0	0
I. Total Revenue :	0	389,731	17,789	0
V. DPW REIMBURSEMENT				
A. Base Allocation 90 %	0	4,310,700	7,596,471	0
B. Base Allocation 100 %	0	0	0	0
C. DPW Categorical Funding 90% Subtotal	0	0	0	0
D. DPW Categorical Funding 100% Subtotal	0	157,960	0	0
E. SSBG 90% Adult	0	0	0	0
SSBG 90% Child	0	0	0	0
SSBG 100% Adult	0	4,294,892	0	0
SSBG 100% Child	0	0	0	0
F. CMHSBG (ADAMH) 90%	0	0	0	0
CMHSBG (ADAMH) 100%	0	0	0	0
VI. COUNTY MATCH				
10 % County Match	0	478,967	844,052	0
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	0	9,242,519	8,440,523	0
VIII. TOTAL CARRYOVER				

**PHILADELPHIA COUNTY
REPORT OF INCOME AND EXPENDITURES
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2007**

MENTAL HEALTH PROGRAM	Crisis Intervention	Community Services	Day Treatment	Emergency Services
I. TOTAL ALLOCATION				
II. TOTAL EXPENDITURES	0	6,204,396	2,017,559	23,835,580
III. COSTS OVER ALLOCATION				
A. County Funded Eligible	0	0	0	0
B. County Funded Ineligible	0	0	0	217,105
C. Other Eligible	0	155,177	278,087	1,092,074
D. Other Ineligible	0	0	0	0
E. Total Costs Over Allocation	0	155,177	278,087	1,309,179
IV. REVENUES				
A. Program Service Fees	0	0	4,639	334
B. Private Insurance	0	0	580	1,028,542
C. Medical Assistance	0	0	81,244	155,276
D. Medical Assistance - MA 325	0	0	0	0
E. Medical Assistance - Admin Claims	0	0	0	0
F. Room and Board	0	0	0	0
G. Earned Interest	0	260,725	0	3,009
H. Other	0	369,858	54,334	8,369,869
I. Total Revenue :	0	630,583	140,797	9,557,030
V. DPW REIMBURSEMENT				
A. Base Allocation 90 %	0	3,504,479	0	11,529,453
B. Base Allocation 100 %	0	0	1,078,388	0
C. DPW Categorical Funding 90% Subtotal	0	0	0	0
D. DPW Categorical Funding 100% Subtotal	0	1,298,300	520,287	56,243
E. SSBG 90% Adult	0	0	0	0
SSBG 90% Child	0	0	0	0
SSBG 100% Adult	0	0	0	0
SSBG 100% Child	0	0	0	0
F. CMHSBG (ADAMH) 90%	0	0	0	0
CMHSBG (ADAMH) 100%	0	226,411	0	102,625
VI. COUNTY MATCH				
10 % County Match	0	389,446	0	1,281,050
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	0	5,418,636	1,598,675	12,969,371
VIII. TOTAL CARRYOVER				

**PHILADELPHIA COUNTY
REPORT OF INCOME AND EXPENDITURES
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2007**

MENTAL HEALTH PROGRAM	Fam Based Services	Fam Sup Services	Housing Support Services	Int Case Management
I. TOTAL ALLOCATION				
II. TOTAL EXPENDITURES	324,980	172,324	32,893	6,127,413
III. COSTS OVER ALLOCATION				
A. County Funded Eligible	0	0	0	134,114
B. County Funded Ineligible	0	0	0	0
C. Other Eligible	0	0	0	0
D. Other Ineligible	0	0	0	0
E. Total Costs Over Allocation	0	0	0	134,114
IV. REVENUES				
A. Program Service Fees	0	0	0	0
B. Private Insurance	0	0	0	0
C. Medical Assistance	2,397	0	0	107,344
D. Medical Assistance - MA 325	0	0	0	0
E. Medical Assistance - Admin Claims	0	0	0	0
F. Room and Board	0	0	0	0
G. Earned Interest	0	0	0	0
H. Other	0	0	0	1,787,233
I. Total Revenue :	2,397	0	0	1,894,577
V. DPW REIMBURSEMENT				
A. Base Allocation 90 %	0	155,092	29,604	0
B. Base Allocation 100 %	322,583	0	0	2,935,001
C. DPW Categorical Funding 90% Subtotal	0	0	0	0
D. DPW Categorical Funding 100% Subtotal	0	0	0	1,163,721
E. SSBG 90% Adult	0	0	0	0
SSBG 90% Child	0	0	0	0
SSBG 100% Adult	0	0	0	0
SSBG 100% Child	0	0	0	0
F. CMHSBG (ADAMH) 90%	0	0	0	0
CMHSBG (ADAMH) 100%	0	0	0	0
	0	0	0	0
VI. COUNTY MATCH				
10 % County Match	0	17,232	3,289	0
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	322,583	172,324	32,893	4,098,722
VIII. TOTAL CARRYOVER				

**PHILADELPHIA COUNTY
REPORT OF INCOME AND EXPENDITURES
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2007**

MENTAL HEALTH PROGRAM	Psychiatric Inpt Hosp	Outpatient	Psychiatric Rehab	Comm Res Services
I. TOTAL ALLOCATION				
II. TOTAL EXPENDITURES	1,038,143	21,168,033	37,784	92,007,705
III. COSTS OVER ALLOCATION				
A. County Funded Eligible	0	24,240	0	1,550,358
B. County Funded Ineligible	0	0	0	0
C. Other Eligible	0	3,072,396	0	763,262
D. Other Ineligible	0	0	0	0
E. Total Costs Over Allocation	0	3,096,636	0	2,313,620
IV. REVENUES				
A. Program Service Fees	0	604,285	0	0
B. Private Insurance	0	1,364,545	0	0
C. Medical Assistance	19,332	120,602	0	284,133
D. Medical Assistance - MA 325	0	0	0	0
E. Medical Assistance - Admin Claims	0	0	0	0
F. Room and Board	0	0	0	6,457,824
G. Earned Interest	0	32,699	0	71,320
H. Other	0	2,963,460	0	3,990,506
I. Total Revenue :	19,332	5,085,591	0	10,803,783
V. DPW REIMBURSEMENT				
A. Base Allocation 90 %	0	7,295,499	0	15,055,542
B. Base Allocation 100 %	1,018,811	0	37,784	0
C. DPW Categorical Funding 90% Subtotal	0	0	0	2,953,496
D. DPW Categorical Funding 100% Subtotal	0	4,717,907	0	58,843,797
E. SSBG 90% Adult	0	0	0	0
SSBG 90% Child	0	0	0	0
SSBG 100% Adult	0	0	0	0
SSBG 100% Child	0	0	0	0
F. CMHSBG (ADAMH) 90%	0	0	0	0
CMHSBG (ADAMH) 100%	0	157,445	0	0
VI. COUNTY MATCH				
10 % County Match	0	814,955	0	2,037,467
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	1,018,811	12,985,806	37,784	78,890,302
VIII. TOTAL CARRYOVER				

**PHILADELPHIA COUNTY
REPORT OF INCOME AND EXPENDITURES
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2007**

MENTAL HEALTH PROGRAM	Resource Coordination	Soc Rehab Services	Vocational Rehab	Totals
I. TOTAL ALLOCATION				143,399,288
II. TOTAL EXPENDITURES	735,223	9,803,004	5,996,080	190,142,873
III. COSTS OVER ALLOCATION				
A. County Funded Eligible	0	634,529	0	3,280,153
B. County Funded Ineligible	0	0	0	1,137,226
C. Other Eligible	0	0	1,046,634	7,101,791
D. Other Ineligible	0	0	0	0
E. Total Costs Over Allocation	0	634,529	1,046,634	11,519,170
IV. REVENUES				
A. Program Service Fees	0	1,022	0	610,280
B. Private Insurance	0	8,735	0	2,411,868
C. Medical Assistance	28,908	25,465	0	825,479
D. Medical Assistance - MA 325	0	0	0	0
E. Medical Assistance - Admin Claims	0	0	0	17,789
F. Room and Board	0	0	0	6,457,824
G. Earned Interest	0	693	0	379,859
H. Other	0	771,681	1,412,856	20,087,871
I. Total Revenue :	28,908	807,596	1,412,856	30,790,970
V. DPW REIMBURSEMENT				
A. Base Allocation 90 %	0	4,087,175	1,457,899	55,021,914
B. Base Allocation 100 %	665,763	0	0	6,058,330
C. DPW Categorical Funding 90% Subtotal	0	0	0	2,953,496
D. DPW Categorical Funding 100% Subtotal	0	849,813	8,236	67,616,264
E. SSBG 90% Adult	0	0	0	0
SSBG 90% Child	0	0	0	0
SSBG 100% Adult	0	2,134,334	1,473,519	7,902,745
SSBG 100% Child	0	0	0	0
F. CMHSBG (ADAMH) 90%	0	0	0	0
CMHSBG (ADAMH) 100%	40,552	835,426	434,947	1,797,406
VI. COUNTY MATCH				
10 % County Match	0	454,131	161,989	6,482,578
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	706,315	8,360,879	3,536,590	147,832,733
VIII. TOTAL CARRYOVER				2,049,133

PHILADELPHIA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CARRYOVER FUNDS
MENTAL RETARDATION SERVICES
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2007

SOURCE OF DPW FUNDS	APP	DPW FUNDS AVAILABLE			Cost Eligible for DPW Participation	Balance of Funds	Grant Fund Adjs.	CSR St. Grant Fd Adjs.	CSR- Promise Adjs.	Total Fund Balance
		Carryover Funds	Allotment	Total Allocation						
A. MR SERVICES										
1. Community (NR/Res)	10255	0	29,329,688	29,329,688	29,329,688	0	0	0	0	0
2. SSBG	70177	0	1,291,861	1,291,861	1,291,861	0	0	0	0	0
3. Reserved	00001	0	0	0	0	0	0	0	0	0
4. Subtotal MR Services :		0	30,621,549	30,621,549	30,621,549	0	0	0	0	0
B. WAIVER										
1. Consolidated Waiver Services	10255/70175	448,948	218,458,832	218,907,780	217,438,066	1,469,714	0	0	0	1,469,714
2. Waiver Administration	10255/70175	0	14,456,512	14,456,512	14,456,512	0	0	0	0	0
3. P/FDS Waiver Services	10255/70175	0	12,674,630	12,674,630	12,674,630	0	0	0	0	0
4. Reserved	00002	0	0	0	0	0	0	0	0	0
5. Subtotal Waiver :		448,948	245,589,974	246,038,922	244,569,208	1,469,714	0	0	0	1,469,714
C. TOTAL		448,948	276,211,523	276,660,471	275,190,757	1,469,714	0	0	0	1,469,714

PHILADELPHIA COUNTY
REPORT OF INCOME AND EXPENDITURES
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2007

MENTAL RETARDATION PROGRAM	Admin Office	Community Habilitation	Community Residential	Employment Services
I. TOTAL ALLOCATION	0	0	0	0
II. TOTAL EXPENDITURES	19,724,344	10,289,043	211,574,212	6,662,104
III. COSTS OVER ALLOCATION				
A. County Funded Eligible	751,975	0	0	0
B. County Funded Ineligible	1,472,137	0	0	0
C. Other Eligible	0	1,035	0	0
D. Other Ineligible	0	0	3,996	278
E. Total Costs Over Allocation	2,224,112	1,035	3,996	278
IV. REVENUES				
A. Program Service Fees	0	0	0	0
B. Private Insurance Fees	0	0	0	0
C. Medical Assistance - Gen	0	0	0	0
D. Medical Assistance - MA EI	0	0	0	0
E. Medical Assistance - Admin Claims	664,926	0	0	0
F. Room and Board	0	0	8,016,486	0
G. Earned Interest	0	36,195	149,816	22,362
H. Other	11,500	425,021	107,413	100,962
I. Total Revenue :	676,426	461,216	8,273,715	123,324
V. DPW REIMBURSEMENT				
A. Base Allocation 90 %	1,532,131	331,942	0	2,207,065
B. Base Allocation 100 %	0	0	13,627,593	0
C. DPW Categorical 90% Subtotal	0	40,887	0	0
D. DPW Categorical 100% Subtotal	15,121,438	9,412,537	188,744,088	3,722,343
E. SSBG 90% Adult	0	0	0	327,478
SSBG 90% Child	0	0	0	0
SSBG 100% Adult	0	0	924,820	0
SSBG 100% Child	0	0	0	0
VI. COUNTY MATCH				
10 % County Match	170,237	41,426	0	281,616
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	16,823,806	9,826,792	203,296,501	6,538,502
VIII. TOTAL CARRYOVER				

**PHILADELPHIA COUNTY
REPORT OF INCOME AND EXPENDITURES
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2007**

MENTAL RETARDATION PROGRAM	Home & Community	Other	Pre-Voc	Respite
I. TOTAL ALLOCATION				
II. TOTAL EXPENDITURES	14,642,508	0	12,601,752	1,999,611
III. COSTS OVER ALLOCATION				
A. County Funded Eligible	0	0	0	0
B. County Funded Ineligible	0	0	0	0
C. Other Eligible	0	0	0	0
D. Other Ineligible	0	0	0	0
E. Total Costs Over Allocation	0	0	0	0
IV. REVENUES				
A. Program Service Fees	0	0	0	0
B. Private Insurance	0	0	0	0
C. Medical Assistance - Gen	0	0	0	0
D. Medical Assistance - MA EI	0	0	0	0
E. Medical Assistance - Admin Claims	0	0	0	0
F. Room and Board	0	0	0	0
G. Earned Interest	11,223	0	469,298	0
H. Other	313	0	988,862	0
I. Total Revenue :	11,536	0	1,458,160	0
V. DPW REIMBURSEMENT				
A. Base Allocation 90 %	1,536,316	0	266,643	473,522
B. Base Allocation 100 %	0	0	0	0
C. DPW Categorical 90% Subtotal	492,592	0	0	0
D. DPW Categorical 100% Subtotal	12,376,630	0	10,803,363	1,473,475
E. SSBG 90% Adult	0	0	39,563	0
SSBG 90% Child	0	0	0	0
SSBG 100% Adult	0	0	0	0
SSBG 100% Child	0	0	0	0
VI. COUNTY MATCH				
10 % County Match	225,434	0	34,023	52,614
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	14,630,972	0	11,143,592	1,999,611
VIII. TOTAL CARRYOVER				

**PHILADELPHIA COUNTY
REPORT OF INCOME AND EXPENDITURES
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2007**

MENTAL RETARDATION PROGRAM	Special Support	Supports Coordination	Transportation	Total
I. TOTAL ALLOCATION				276,660,471
II. TOTAL EXPENDITURES	2,932,427	15,896,533	1,068,787	297,391,321
III. COSTS OVER ALLOCATION				
A. County Funded Eligible	0	29,101	0	781,076
B. County Funded Ineligible	0	302,015	0	1,774,152
C. Other Eligible	0	0	0	1,035
D. Other Ineligible	0	0	11	4,285
E. Total Costs Over Allocation	0	331,116	11	2,560,548
IV. REVENUES				
A. Program Service Fees	0	0	0	0
B. Private Insurance	0	0	0	0
C. Medical Assistance - Gen	0	7,668,104	0	7,668,104
D. Medical Assistance - MA EI	0	0	0	0
E. Medical Assistance - Admin Claims	0	0	0	664,926
F. Room and Board	0	0	0	8,016,486
G. Earned Interest	0	2,572	0	691,466
H. Other	0	0	0	1,634,071
I. Total Revenue :	0	7,670,676	0	18,675,053
V. DPW REIMBURSEMENT				
A. Base Allocation 90 %	0	0	6,039	6,353,658
B. Base Allocation 100 %	0	0	0	13,627,593
C. DPW Categorical 90% Subtotal	0	1,430,475	0	1,963,954
D. DPW Categorical 100% Subtotal	2,932,427	6,305,324	1,062,066	251,953,691
E. SSBG 90% Adult	0	0	0	367,041
SSBG 90% Child	0	0	0	0
SSBG 100% Adult	0	0	0	924,820
SSBG 100% Child	0	0	0	0
VI. COUNTY MATCH				
10 % County Match	0	158,942	671	964,963
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	2,932,427	7,894,741	1,068,776	276,155,720
VIII. TOTAL CARRYOVER				1,469,714

DEPARTMENT OF PUBLIC WELFARE
COMMUNITY-BASED MEDICAID INITIATIVES
COST SETTLEMENT REPORT (CSR)

HEADER DATA:	INTERIM	<u>X</u>		
	FINAL	<u> </u>		
COUNTY/JOINDER:	<u>Philadelphia</u>	OPERATED BY:	FISCAL YEAR:	<u>2006-2007</u>
PROVIDER NAME:	<u>MRS</u>	COUNTY	PROGRAM:	<u>MR</u>
PROVIDER TYPE:	<u>32</u>	PROVIDER	SERVICE ACTIVITY:	<u>TSM</u>
PROVIDER ID # (MPI):	<u>100007695</u>		REVISION #:	<u> </u>
PROV SVC LOC #:	<u>0074</u>			

1. Service Delivery Analysis	Actual Units	Budgeted Units	Budgeted Expenditures
			<u>\$2,872,053</u>
a. MA (FFP) Eligible Units	<u>151,309</u>	<u>121,604</u>	Approved Billable Rate(s)
b. Non-MA (Non-FFP) Units	<u>0</u>	<u>0</u>	<u>\$23.62</u>
c. Combined Units	<u>151,309</u>	<u>121,604</u>	<u>\$23.62</u>

2. Expenditures			
a. Total Program Expenditures		<u>\$2,781,359</u>	
b. Less: Retained Revenue Allowance	-	<u>\$0</u>	
c. Less: Other Expenses Not Allowable for Federal Reimbursement	-	<u>\$0</u>	
d. Expenditures Eligible for DPW State/Fed Participation			<u>\$2,781,359</u>

3. Revenues			
(1) PROMISe Federal Revenue	<u>\$1,967,017</u>		
(2) Match Funds for 3(1)	<u>\$1,606,902</u>		
(3) Revenues Supporting Non-FFP Units	<u>\$0</u>		
a. Net Program Revenues (1+2+3)			<u>\$3,573,919</u>
b. Revenues Supporting Expenditures from 2b & 2c		+ <u>\$0</u>	
c. Total Program Revenues		<u>\$3,573,919</u>	

4. Expenditures Minus Revenues (2d-3a)	Underpayment / (Overpayment)	<u>(\$792,560)</u>
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5. Service Delivery	Actual Units	Actual Rate	Reconciled Revenues
a. MA (FFP) Eligible Units	<u>151,309</u>	x <u>\$18.3820</u>	= <u>\$2,781,362</u>
b. Non-MA (Non-FFP) Units	<u>0</u>	x <u>(2d/5c Units)</u>	= <u>\$0</u>
c. Combined Units	<u>151,309</u>	x <u>(round to 4 dec.)</u>	= <u>\$2,781,362</u>

6. Reconciliation				
a. FFP	<u>\$2,781,362</u>	-	<u>\$3,573,919</u>	= <u>(\$792,557)</u>
	(5a)		3(1) + 3(2)	
b. Non-FFP	<u>\$0</u>	-	<u>\$0</u>	= <u>\$0</u>
	(5b)		3(3)	

7. State/Federal Split of Difference:				
a. FFP	<u>(\$792,557)</u>	x .5439 =	<u>(\$431,072)</u>	Federal - Underpayment (Overpayment)
	(6a)			
b. FFP	<u>(\$792,557)</u>	x .4561 =	<u>(\$361,485)</u>	State - Underpayment (Overpayment)
	(6a)			
c. Non-FFP	<u>\$0</u>	x 1.00 =	<u>\$0</u>	BFO/CSR
	(6b)			06/07

DEPARTMENT OF PUBLIC WELFARE
 COMMUNITY-BASED MEDICAID INITIATIVES
 COST SETTLEMENT REPORT (CSR)

8. Reconciliation Recap

Overpayment			
a.	<u> X </u>	PROMISe Gross Adjustment Requested	<u> (\$431,072) </u>
Underpayment			
b.	<u> </u>	PROMISe Gross Adjustment Requested to Initiate Payment Complete State Match Verification	<u> </u>
c.	<u> </u>	No PROMISe Gross Adjustment Requested; State match unavailable in current fiscal year.	

<u>PROVIDER INFORMATION</u>		STATE MATCH VERIFICATION	
Provider Name:	MRS		
Provider MA ID Number:	100007695		
Provider Location Number:	0074		
Service Activity:	TSM		
Service Dates:	July 1, 2006 through June 30, 2007		
State Match Paid:	<u> </u>		
<u>Signature</u>	<u>Title</u>	<u>Date</u>	

<u>Signature and Title of Person Completing CSR</u>	<u>Name of Provider</u>	<u>Date</u>
<u>Signature and Title of Person Reviewing and Accepting CSR</u>	<u>Name of County/Joinder</u>	<u>Date</u>

I certify that the interim reconciliation of the rate negotiated for this Medicaid Initiative for the period shown is true and correct to the best of my knowledge, and is reflective of accrued Medicaid revenues, and minimal service delivery requirement as prescribed by the Department.

<u>County MH/MR Administrator Signature</u>	<u>Date</u>

CSR SUMMARY

A. Total Program Expenditures (2a)		<u> \$2,781,359 </u>
B1. PROMISe Federal Revenue Reported on line 3(1)	<u> \$1,967,017 </u>	
B2. PROMISe gross adjustment requested (section 8)	<u> (\$431,072) </u>	
B. Total Adjusted MA revenue (B1 + B2)		<u> \$1,535,945 </u>
C. Other revenue (A minus B)		<u> \$1,245,413 </u>

**PHILADELPHIA COUNTY
HUMAN SERVICES DEVELOPMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2007**

<u>REVENUE</u>	<u>Reported</u>	<u>Actual</u>
Pa. Department of Public Welfare	10,438,833	10,438,833
Interest Income	118,628	118,628
Fees	0	0
Client Contributions	0	0
Other	0	0
Total Revenue	<u>10,557,461</u>	<u>10,557,461</u>
 Expenditures		
Categorical:		
Adult Services	4,142,268	4,142,268
Aging	0	0
Drug and Alcohol	0	0
Children and Youth	250,000	250,000
Mental Health	734,478	734,478
Mental Retardation	0	0
Homeless Assistance	1,736,346	1,736,346
Specialized	2,223,301	2,223,301
Generic		
Service Coordination	544,560	544,560
County Administration	926,508	926,508
Total Expenditures	<u>10,557,461</u>	<u>10,557,461</u>
Excess of Revenue Over (Under) Expenditures	<u>0</u>	<u>0</u>

**PHILADELPHIA COUNTY
SCHEDULE OF REVENUES AND EXPENDITURES
COMBINED HOMELESS ASSISTANCE PROGRAM
FISCAL YEAR ENDED JUNE 30, 2007**

I. SOURCES OF FUNDING		TOTAL AVAILABLE FUNDS
DPW Allocation	A	7,593,292
Client Contributions	B	34,562
Other	C	560,256
Interest Earned	D	22,181
TOTAL HAP FUNDING	E	8,210,291

II. Expenses	Bridge Housing	Case Management	Rental Assistance	Emergency Shelter	Innovative Supportive Housing Services		TOTAL
On Behalf of Clients	471,406		362,629	598,771		F	1,432,806
Personnel	2,650,707	2,282,125				G	4,932,832
Operating	662,643	274,666				H	937,309
Fixed Assets\Equipment	151,378					I	151,378
SUBTOTAL	3,936,134	2,556,791	362,629	598,771	0	J	7,454,324

COUNTY ADMINISTRATION (Max. 10% of Total HAP Funding)	K	745,020
TOTAL HAP EXPENSES	L	8,199,344
TOTAL UNEXPENDED FUNDS		10,946

PHILADELPHIA COUNTY
PENNFREE BRIDGE HOUSING PROGRAM
SCHEDULE OF REVENUES AND EXPENDITURES
FISCAL YEAR ENDED JUNE 30,2007

EXPENSES

PERSONNEL	
Wages and Salaries	805,761
Benefits	190,071
Training/Conferences	505,436
SUB TOTAL	1,501,268

OPERATING	
Rent	176,133
Communications	13,155
Insurance	14,031
Legal Service/Audits	500
Supplies	105,001
Staff Travel	418
Overhead	38,837
Systems Consultant	0
Occupancy Costs	0
Utilities	0
Building Maintenance	0
Staff Development	0
Drug/Urine Testing	0
Other	0
SUB TOTAL	348,075

FIXED ASSETS	
Equipment	63,239
Furnishings	2,990
Repairs	16,501
SUB TOTAL	82,730

CLIENTS	
Food	52,110
Rent	202,470
Security Deposits	0
Utilities	65,314
Purchased Service	6,058
Transportation	157,185
Other	1,165
SUB TOTAL	484,302

TOTAL EXPENSES	2,416,375
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INCOME

SOURCES OF FUNDING	
Allocations	1,251,800
Interest	12,212
Client Contributions	34,496
Other	1,117,867
TOTAL FUNDING	2,416,375

RECONCILIATION	
TOTAL FUNDING	2,416,375
TOTAL EXPENSES	2,416,375
UNEXPENDED FUNDS	0



CITY OF PHILADELPHIA

OFFICE OF THE CONTROLLER
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ALAN BUTKOVITZ
City Controller

ALBERT F. SCAPEROTTO
Deputy City Controller

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

To the Honorable Mayor and Honorable Members
of the Council of the City of Philadelphia

To the Commonwealth of Pennsylvania,
Department of Community and Economic Development

We have performed the procedures enumerated below, which were agreed to by the City of Philadelphia, Pennsylvania and the Commonwealth of Pennsylvania, Department of Community and Economic Development (DCED) solely to assist you in evaluating the financial schedule required by the DCED for the year ended June 30, 2007. Management of the City of Philadelphia is responsible for the preparation of this financial schedule. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

- (a) We have compared the amounts and classifications on the supplemental financial schedule titled Federal Cash Receipts Passed through the DCED for the fiscal year ended June 30, 2007 to the corresponding amounts in the books and records of the City of Philadelphia used to prepare financial statements audited by us. We also compared the example schedule required by the DCED to this schedule to determine that it is presented, at a minimum, at the level of detail and in the format required by the DCED.

C I T Y O F P H I L A D E L P H I A
OFFICE OF THE CONTROLLER

- (b) We have inquired of management as to whether there were any adjustments to reported revenues or expenditures which were not reflected on reports submitted to the DCED for the period in question.

The procedures detailed in the two preceding paragraphs, (a) and (b) above, disclosed no adjustments or findings which have not been reflected on the corresponding schedule of Federal Cash Receipts Passed through the DCED.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the accompanying financial schedule required by the DCED. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the management of the City of Philadelphia, Pennsylvania, City Council and the DCED and is not intended to be and should not be used by anyone other than these specified parties.

October 10, 2008


ALBERT F. SCAPEROTTO, CPA
Deputy City Controller


ALAN BUTKOVITZ
City Controller

City of Philadelphia
Schedule of Federal Cash Receipts Passed Through the Pennsylvania
Department of Community and Economic Development
July 1, 2006 to June 30, 2007

<u>Grantor Agency/</u> Project Title	City ID Number	CFDA Number	Contract Number	Federal Awards	Federal Receipts
<u>U.S. Department of Housing & Urban Development</u>					
Passed-Through - PA Department of Community and Economic Development:					
Shelter Project - (7429)	240469	14.231	C000007429	140,000	51,500
Subtotal: Emergency Shelter Grants Program				<u>140,000</u>	<u>51,500</u>
Total U.S. Department of Housing & Urban Development:				<u>140,000</u>	<u>51,500</u>
<u>U.S. Department of Health & Human Services</u>					
Passed-Through - PA Department of Community and Economic Development:					
PA Access Grant - TANF	06ADA1	93.558	C000002599	646,198	144,221
Supported Work Program	080249	93.558	Client Funding/Allocat	920,318	311,879
Subtotal: Temporary Assistance for Needy Families				<u>1,566,516</u>	<u>456,100</u>
Community Services Block Grant	142526	93.569	C000022700	448,452	448,452
Community Services Block Grant	160324	93.569	C000022700	500,000	500,000
Community Services Block Grant	080246	93.569	C000022700	728	728
Community Services Block Grant	142525	93.569	C000022700	40,548	40,548
CSBG - Administration	080248	93.569	C000022700	1,148,507	1,143,209
CSBG - Case Management	240654	93.569	C000022700	500,000	500,000
CSBG - CSP	080213	93.569	C000002932/1	8,659,806	1,249,904
CSBG - CSP	080247	93.569	C000022700	2,402,496	2,407,793
Subtotal: Community Services Block Grant				<u>13,700,537</u>	<u>6,290,634</u>
Empowerment Zone	080035	93.585	907151470	79,017,404	9,845,616
Subtotal: Empowerment Zone Program				<u>79,017,404</u>	<u>9,845,616</u>
Total U.S. Department of Health & Human Services:				<u>94,284,457</u>	<u>16,592,350</u>
Total Federal Cash Receipts Passed Through PaDCED:				<u><u>94,424,457</u></u>	<u><u>16,643,850</u></u>