

**City of Philadelphia,  
Pennsylvania**



**Ben Franklin**

**Schedule of Financial Assistance  
Fiscal Year Ended  
June 30, 2013  
Office of the Director of Finance**



# **City of Philadelphia, Pennsylvania**

## **Schedule of Financial Assistance**

**Fiscal Year Ended June 30, 2013**

**CITY OF PHILADELPHIA  
SCHEDULE OF FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

---

**TABLE OF CONTENTS**

**INTRODUCTORY SECTION**

Letter of Transmittal	2-4
-----------------------	-----

**FINANCIAL SECTION**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

American Recovery & Reinvestment Act	7-9
--------------------------------------	-----

Federal Agencies:

U.S. Department of Agriculture	9
U.S. Department of Commerce	9
U.S. Department of Defense	10
U.S. Housing and Urban Development	10-13
U.S. Department of the Interior	13
U.S. Department of Justice	13-15
U.S. Department of Labor	15
U.S. Department of Transportation	15-17
U.S. Equal Employment Opportunity Commission	17-18
U.S. General Services Administration	18
U.S. Library of Congress	18
U.S. National Foundation on the Art and The Humanities	18
U.S. Environmental Protection Agency	18-19
U.S. Department of Energy	19
U.S. Department of Education	19

**CITY OF PHILADELPHIA  
SCHEDULE OF FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

---

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**

U.S. Elections Assistance Commission	19-20
U.S. Department of Health and Human Services	20-25
U.S. Corporation for National and Community Service	25
U.S. Social Security Administration	25
U.S. Department of Homeland Security	25-26
<i>Notes to the Schedule of Expenditures of Federal Awards</i>	28-31

**SCHEDULE OF EXPENDITURES OF PENNSYLVANIA DEPARTMENT  
OF PUBLIC WELFARE AWARDS**

Mental Health/Intellectual Disabilities Program	33
Children and Youth Program	34-35
Combined Homeless Assistance Program	35
Human Services Development Fund	35-36
Child Support Enforcement Program	36
Other PaDPW Assistance	36-37
<i>Notes to the Schedule of Expenditures of DPW Awards</i>	39

**INDEPENDENT AUDITOR'S SECTION**

<b>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</b>	41-43
---	-------

**CITY OF PHILADELPHIA  
SCHEDULE OF FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

---

**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE PADPW SINGLE AUDIT SUPPLEMENT** **44-47**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS** **49-86**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS** **89-105**

**SUPPLEMENTARY FINANCIAL INFORMATION SECTION**

**PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE**

INDEPENDENT ACCOUNTANT'S REPORT ON  
APPLYING AGREED-UPON PROCEDURES FOR THE  
PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE **108-110**

Title IV-D Child Support Program **111-114**

County Children and Youth Social Services **115**

Mental Health/Intellectual Disabilities Program **116-121**

Homeless Assistance Program **122**

**PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC  
DEVELOPMENT**

INDEPENDENT ACCOUNTANT'S REPORT ON  
APPLYING AGREED-UPON PROCEDURES FOR THE  
PENNSYLVANIA DEPARTMENT OF COMMUNITY AND  
ECONOMIC DEVELOPMENT **123-124**

Federal Cash Receipts Passed Through PaDCED **125**

# **INTRODUCTORY SECTION**

## **Letter of Transmittal**



# CITY OF PHILADELPHIA

**OFFICE OF THE DIRECTOR OF FINANCE**

1401 John F. Kennedy Blvd.  
Room 1330, Municipal Services Bldg.  
Philadelphia, Pennsylvania 19102-1693  
(215) 686-6140  
FAX (215) 568-1947

**ROB DUBOW**

Director of Finance

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

February 23, 2015

Dear Mayor Nutter:

The Schedule of Financial Assistance (SFA) of the City of Philadelphia for the fiscal year ended June 30, 2013, 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, 2013, presents the entire operations of the City. The CAFR was issued under separate cover on February 24, 2014. 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, dated January 28, 2015, is reported in conjunction with the Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133. 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 year after our fiscal year end of June 30, 2013. 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 June 30, 2013, 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 PaDECD 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 Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements; and on (3) Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance. 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 to 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**

# **Schedule of Expenditures of Federal Awards**

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<u>Grantor Agency/</u> Project Title	City ID Number	CFDA	Contract Number	Federal Awards	Federal Expenditures
<b><u>American Recovery &amp; Reinvestment Act</u></b>					
<b>Direct- American Recovery &amp; Reinvestment Act:</b>					
ARRA - PCC - Phila. Freedom Rings	040101	11.557	42-41-B10517	6,362,129	2,003,938
ARRA - CDBG-R	062111	14.253	B-09-MY-42-0012	14,046,629	148,461
ARRA - Neighborhood Stabilization Pgm 2	062112	14.256	B-09-LN-PA-0013	39,542,532	8,607,122
ARRA - NSP 2 - L&I Demolitions	260138	14.256	B-09-LN-PA-0013	4,400,000	1,534,349
ARRA- NSO 2 Program Income	062145	14.256	Program Income	7,932,052	7,932,052
ARRA- Homeless Prev & Rapid Re-Hsg(HPRP)	240870	14.257	S-09-MY-42-0001	21,486,240	428,406
ARRA- Cops Hiring Recovery Prg (CHRP)	110793	16.710	2009-RJ-WX-0074	10,903,350	1,921,750
ARRA - Megan's Law Registration Verification S	840502	16.803	2009-AJ-06-23945 / 2009-SU-B	7,620	6,431
ARRA -2009 JAG- Community Court	840491	16.804	2009-SB-B9-0753	805,362	133,436
ARRA -2009 JAG- Grant Administration	100570	16.804	2009-SB-B9-0753	224,631	30,748
ARRA -2009 JAG- Mural Restoration Crew	100603	16.804	2009-SB-B9-0753	1,376,196	124,706
ARRA -2009 JAG- Phila Police Dept	110791	16.804	2009-SB-B9-0753	4,283,552	1,162,254
ARRA - Local Energy Assurance Plan	100595	81.122	DE-OE0000338	300,000	201,766
ARRA - EECBG - Building Code	260134	81.128	DE-EE0000927	300,000	86,634
ARRA - EECBG Proj Energy Smart Greater PHL	320011	81.128	DE-EE00003568	25,000	5,825
ARRA - EECBG- Retrofit Loans	420337	81.128	DE-EE0000927	4,750,000	22,959
ARRA -EECBG- Bicycle Parking Racks	120556	81.128	DE-EE0000927	294,947	97,409
ARRA- EECBG- Energy Efficiency Retrofits	100580	81.128	DE-EE0000927	931,740	779,636
ARRA- EECBG- Energy Efficiency Retrofits	100590	81.128	DE-EE00003568	3,035,200	1,063,425
ARRA- EECBG- Energy Mgt Capacity	460104	81.128	DE-EE0000927	584,265	108,789
ARRA- EECBG- Greenworks Philadelphia	100582	81.128	DE-EE0000927	381,704	77,590
ARRA- EECBG- Retrofit Grants	420338	81.128	DE-EE0000927	1,000,000	88,513
ARRA- EECBG- Retrofit Loans	420348	81.128	DE-EE00003568	13,692,093	1,038,629
ARRA- EECBG- Retrofit Loans	062119	81.128	DE-EE00003568	8,272,707	1,059,536
ARRA- EECBG- Support & Training	100581	81.128	DE-EE0000927	308,159	65,000
ARRA- Enhance Interoperability of Electric Rcds	143058	93.712	1U66IP000423-01	912,733	29,888
ARRA- Enhanced Evaluation-CPPW Nutrition	143066	93.724	3U58DP002626-01S1	1,747,143	17,216
ARRA- Hlthy Nutrit & Phys Activity Init	142955	93.724	1U58DP002626-01	15,018,277	94,021
ARRA- Tobacco Policy & Control Init	142956	93.724	1U58DP002633-01	10,356,927	146,042
ARRA-IT ELC (Epidemiology & Lab Cap)	143056	93.729	1U50CI000815-01	252,752	45,177
ARRA - CBIS Sector 23 & Term A-EAST	C42593	97.117	HSTS04-09-H-REC136	19,550,422	3,434,763
<b>Subtotal: Direct American Recovery &amp; Reinvestment Act</b>				<b>193,084,362</b>	<b>32,496,474</b>
<b>Passed-Through- PA Department of Transportation:</b>					
ARRA - Center City Resurfacing	120552	20.205	067542	356,157	58,412
ARRA - Center City Resurfacing	C12230	20.205	067542B	3,222,000	779,477

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<u>Grantor Agency/</u> Project Title	City ID Number	CFDA	Contract Number	Federal Awards	Federal Expenditures
ARRA - City Wide 101-Resurface & Restore	120550	20.205	066595B	893,646	111,889
ARRA - City Wide 102-Resurface & Restore	120551	20.205	067555	443,000	98,848
ARRA - CityWide 101	C12212	20.205	066595B	6,222,140	1,202,583
ARRA - CityWide 102	C12215	20.205	067555	4,442,300	793,423
ARRA - TIGER - 58th St. Connector	C12243	20.205	068531	984,960	856,823
ARRA - TIGER - CSX Pedestrian Bridge	C12242	20.205	068529A	4,400,000	1,322,566
ARRA - TIGER - N. Delaware Ave Greenway	C12251	20.205	068575	1,760,000	1,648,337
ARRA - TIGER - Schuylkill River Park Brdwalk	C12245	20.205	068547	6,200,000	5,345,033
ARRA - TIGER - Schuylkill Tr at Bartram Garde	C12248	20.205	068554	877,701	134,683
ARRA - TIGER - Schuylkill Tr at Shawmont	C12246	20.205	068528A	996,025	475,843
ARRA - TIGER - Walnut Street Gateway	C12244	20.205	068535	1,695,384	816,899
<b>Subtotal: Passed-Through PA Department of Transportation</b>				<u>32,493,313</u>	<u>13,644,817</u>
<b>Passed-Through- PA Department of Community &amp; Economic Development:</b>					
ARRA - HPRP (46166)	240886	14.257	C000046166	2,091,608	6,505
ARRA - HPRP- State Comp- Achievability	240881	14.257	C000046132	90,000	10,620
<b>Subtotal: Passed-Through PA Department of Community &amp; Economic Develop</b>				<u>2,181,608</u>	<u>17,125</u>
<b>Passed-Through- PA Commission on Crime &amp; Delinquency:</b>					
ARRA - 2009 JAG-Phila. County Re-Entry Strate	100636	16.803	2009-AJ-04-23547	20,000	5,675
ARRA - Adult Probation Officer Jobs Creation	840644	16.803	2009-AJ-04-20927	159,656	8,907
ARRA - DUI Treatment Court	840636	16.803	2009-AJ-02-21026	295,591	17,428
ARRA - Mental Health Court	840672	16.803	2009-AJ-04-21062	208,522	49,855
ARRA - Sustain Juvenile Probation Officers	840643	16.803	2009-AJ-02-21059	399,140	24,541
ARRA - Technology for Optimum Performance	690354	16.803	2009-AJ-06-20849	492,243	42,906
ARRA - Victim Svcs Job Creation Grt	690353	16.803	2009-AJ-08-20852	105,098	5,003
<b>Subtotal: Passed-Through PA Commission on Crime &amp; Delinquency</b>				<u>1,680,250</u>	<u>154,315</u>
<b>Passed-Through- Philadelphia Housing Development Corporation:</b>					
ARRA - Prevailing Wg Compliance Monitoring	100579	81.042	Cooperative Agreeemnt	50,000	15
<b>Subtotal: Passed-Through Philadelphia Housing Development Corporation</b>				<u>50,000</u>	<u>15</u>
<b>Passed-Through- Pennvest:</b>					
ARRA - Federal Drinking Water	280122	66.468	5100090902-CW	42,886,030	3,282,140
ARRA - Federal Drinking Water	280034	66.468	51001240902-CW	57,268,193	731,372
<b>Subtotal: Passed-Through Pennvest</b>				<u>100,154,223</u>	<u>4,013,512</u>

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<u>Grantor Agency/</u> Project Title	City ID Number	CFDA	Contract Number	Federal Awards	Federal Expenditures
<b>Total American Recovery &amp; Reinvestment Act:</b>				<b>329,643,756</b>	<b>50,326,257</b>
<b><u>U.S. Department of Agriculture</u></b>					
<b>Cluster- PA Department of Education:</b>					
School Lunch Breakfast and Milk	221289	10.555	Receipts	150,427	134,967
Summer Fodd Inspection service	143316	10.559	receipts	60,000	60,000
Summer Food Program	160373	10.559	Budget	5,252,080	9,394
Summer Food Program	160388	10.559	Budget	5,459,706	4,943,747
Summer Food Program	160400	10.559	300-51-726-0	5,791,989	257,172
<b>Subtotal: Cluster PA Department of Education</b>				<b>16,714,202</b>	<b>5,405,279</b>
<b>Direct- U.S. Department of Agriculture:</b>					
SNAP Fraud Program	690384	10.000	Grant Agreement	15,000	8,378
<b>Subtotal: Direct U.S. Department of Agriculture</b>				<b>15,000</b>	<b>8,378</b>
<b>Passed-Through- PA Department of Education:</b>					
Afterschool Snack Program	160401	10.558	300-51-726-0	1,090,000	1,089,996
Child & Adult Care Food Prg	240900	10.558	Agreement #300-51-653-0	1,085,652	914,297
<b>Subtotal: Passed-Through PA Department of Education</b>				<b>2,175,652</b>	<b>2,004,294</b>
<b>Passed-Through- PA Department of Conservation &amp; National Resources:</b>					
I-95 Corridor / Green Plan	170276	10.675	Challenge Grant Agreement-SPC	60,000	6,318
<b>Subtotal: Passed-Through PA Department of Conservation &amp; National Resour</b>				<b>60,000</b>	<b>6,318</b>
<b>Total U.S. Department of Agriculture:</b>				<b>18,964,854</b>	<b>7,424,269</b>
<b><u>U.S. Department of Commerce</u></b>					
<b>Passed-Through- PA Department of Environmental Protection:</b>					
Coastal Zone Management Implementation	280160	11.419	ME#4100059552	24,000	19,178
Coastal Zone Management Implementation	424938	11.419	7C-K-460	75,000	75,000
<b>Subtotal: Passed-Through PA Department of Environmental Protection</b>				<b>99,000</b>	<b>94,178</b>
<b>Total U.S. Department of Commerce:</b>				<b>99,000</b>	<b>94,178</b>

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<u>Grantor Agency/</u> Project Title	City ID Number	CFDA	Contract Number	Federal Awards	Federal Expenditures
<b><u>U.S. Department of Defense</u></b>					
<b>Direct- U.S. Department of Defense:</b>					
Payment in Lieu of R. E. Taxes	363633	12.112	receipts	1,257	1,257
<b>Subtotal: Direct U.S. Department of Defense</b>				<b>1,257</b>	<b>1,257</b>
<b>Total U.S. Department of Defense:</b>				<b>1,257</b>	<b>1,257</b>
<b><u>U.S. Department of Housing &amp; Urban Development</u></b>					
<b>Direct- U.S. Department of Housing &amp; Urban Development:</b>					
HUD Homes Inspection Services	143010	14.000	HO3C94023800000	365,520	96,391
HUD Homes Inspection Services	143126	14.000	H03C94023800000	73,214	73,214
CDBG YEAR 29	06986	14.218	B-03-MC-42-0012	63,763,000	263,431
CDBG YEAR 30	06986	14.218	B-04-MC-42-0012	63,067,000	683,864
CDBG YEAR 31	06986	14.218	B-05-MC-42-0012	59,721,856	147,783
CDBG YEAR 32	06986	14.218	B-06-MC-42-0012	53,718,163	87,082
CDBG YEAR 33	06986	14.218	B-07-MC-42-0012	53,642,987	81,882
CDBG YEAR 34	06986	14.218	B-08-MC-42-0012	51,734,740	670,527
CDBG YEAR 35	06986	14.218	B-08-MC-42-0012	52,379,922	2,467,463
CDBG YEAR 36	06986	14.218	B-08-MC-42-0012	55,325,903	1,250,237
CDBG YEAR 37	06986	14.218	B-09-MC-42-0012	46,186,638	6,596,610
CDBG YEAR 38	06986	14.218	B-09-MC-42-0012	40,616,350	24,575,960
CDBG YEAR 38 Program Income	06986	14.218	B-09-MC-42-0012	2,617,798	2,617,798
Neighborhood Stabilization Pgm Funds	06NSP01	14.218	B-08-MN-42-0002	16,832,873	56,265
SECTION 108 LOAN REPAYMENT YR 38	06986	14.218	B-09-MC-42-0012	2,676,855	2,676,855
McKinney Emergency Solutions	241015	14.231	E-12-MC-42-001	3,999,642	3,090,732
McKinney Shelter Program (S-11)	240970	14.231	E-11-MC-42-0001	3,502,323	1,344,228
SHP - CATCH - Patriot House (434B3T000900)	240951	14.235	PA0434B3T000900	880,696	220,947
SHP - Fattah Homes	240665	14.235	PA01B500034	457,024	30,561
SHP - HMIS Expansion	241033	14.235	PA-0037B-3T001104	99,272	16,211
SHP - HMIS Expansion (37B3T1003)	240983	14.235	PA0037B3T001003	99,272	45,971
SHP - HMIS Renewal (36B3T001104)	241032	14.235	PA0036B3T001104	147,924	61,897
SHP - My Place Germantown (473BT1001)	240991	14.235	PA0473B3T001001	221,550	69,188
SHP - PEC - Jannie's Place (3B3T000800)	240932	14.235	PA0003B3T000800	584,199	39,900
SHP - PEC-Fattah Homes (700002)	240872	14.235	PA01B700002	753,395	396,965
SHP - WOE - Proj Restoration (471B3T001102)	241031	14.235	PA0471B3T001102	315,094	232,529
SHP- Prj Homes-St John Evan (700004)	240873	14.235	PA01B700004	420,000	20,000
SHP- Project Home - Fairmount Gardens	240678	14.235	PA-0502B-3T00-1000	381,000	342,900

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<b>Grantor Agency/ Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
SHP- Raise Hope- Belfield Avenue Townhouses	241045	14.235	PA-0546B-3T001101	78,604	35,277
SHP- Raise of Hope- Belfield Avenue	240669	14.235	PA01B500032	655,957	108,328
SPC - 1260 HDC - Arch (334C3T001103)	241018	14.238	PA0334C3T001103	107,880	61,815
SPC - 1260 HDC - HOPIN I (40C3T1003)	240997	14.238	PA0040C3T001003	873,612	268,594
SPC - 1260 HDC - HOPIN II (41C3T001104)	241016	14.238	PA0041C3T001104	706,512	371,636
SPC - 1260 HDC - HOPIN IV (336C3T001103)	241019	14.238	PA0336C3T001103	431,520	361,589
SPC - 1260 HDC - New Keys (337C3T001103)	241020	14.238	PA0337C3T001103	377,580	238,993
SPC - 1260 HDC - SAFE (339C3T001103)	241021	14.238	PA0339C3T001103	448,968	324,682
SPC - 1260 Housing development Corp - CTT	241041	14.238	PA0468C3T001102	215,760	98,533
SPC - 1260 Housing Development Corp - Hopin I	241044	14.238	PA-00040C-3T00 1104	872,400	388,212
SPC - APM - Escalera (23C3T1003)	240978	14.238	PA0023C3T001003	85,248	8,292
SPC - APM - Escalera (23C3T1104)	241024	14.238	PA0023C3T001104	85,014	23,777
SPC - APM - Esperanza (466C3T001102)	241022	14.238	PA0466C3T001102	116,328	92,343
SPC - APM - Proyecto Hogareno (33C3T1003)	240980	14.238	PA0033C3T001003	296,172	62,117
SPC - APM - Proyecto Hogareno (33C3T1104)	241025	14.238	PA0033C3T001104	295,740	129,409
SPC - Bethesda - Bainbridge (13C3T1104)	240999	14.238	PA0013C3T001104	166,812	91,260
SPC - Calcutta House - Serenity Court	241028	14.238	PA-0077C-3T001104	63,828	39,394
SPC - Calcutta House - Serenity Court (77C3T10)	240979	14.238	PA0077C3T001003	63,936	13,244
SPC - Calcutta Hse Apts (2C3T)	240891	14.238	PA0002C3T000800	202,080	31,538
SPC - CoC- APM - Esperanza	241082	14.238	PA 0466L3 T001203	120,600	7,856
SPC - Frrnds Rehab Prm-Asst Lvg I (467C3T)	240982	14.238	PA0467C3T001001	129,384	43,887
SPC - Frrnds Rehab Prm-Asst Lvg I (467C3T110)	241029	14.238	PA0467C3T001102	129,192	63,837
SPC - Gaudenzia-Tioga Arms (40-0001)	240735	14.238	PA01C40-0001	2,471,364	106,741
SPC - Pathways to Housing (04C3T)	240892	14.238	PA0004C3T000800	2,879,640	359,332
SPC - PCRC - Pathways/Reunification (72C3T)	241000	14.238	PA0072C3T001104	953,940	567,909
SPC - PCRC-D&A/Efficiencies/MH (58C3T0011)	241017	14.238	PA0058C3T001003	811,320	444,524
SPC - Phila Veterans Multi Service - Freedom's C	241043	14.238	PA-0027C-3T00-1104	316,980	180,078
SPC - Prj HOME St. John Evangelist (70-0059)	240822	14.238	PA01C70-0059	1,432,200	189,182
SPC - Proj Home - Kate's Place (469C3T1001)	240994	14.238	PA0469C3T001001	106,560	1,244
SPC - Proj Home - Kate's Place (469C3T1102)	241034	14.238	PA0469C3T001102	106,380	63,629
SPC - Proj Home - Kate's Place II (547C3T00110)	241035	14.238	PA0547C3T001101	189,120	104,187
SPC - Project Home - Hope Haven II	241038	14.238	PA-0039C-3T001104	70,920	51,040
SPC - Project Home - Rowan Diamond	241036	14.238	PA-0470C-3T00 1102	133,224	78,608
SPC - Project Home - Rowan Judson	241037	14.238	PA-0338 C3-T00 1103	430,200	351,850
SPC - Project Home - St. John II (06C3T000800)	240953	14.238	PA0006C3T000800	441,600	34,660
SPC - Project Home - The Crossings/ST Elizabet	241039	14.238	PA-0049C-3T001104	380,604	313,013
SPC - Salvation Army - Mid-City Apts (593T001	241023	14.238	PA0059C3T001104	312,936	299,514
SPC- Calcutta Hse-Independ Plc I (51C3T1003)	240977	14.238	PA0051C3T001003	28,416	2,460

The accompanying notes are an integral part of this schedule.



**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<b><u>Grantor Agency/</u></b>	<b><u>City ID</u></b>	<b><u>Number</u></b>	<b><u>CFDA</u></b>	<b><u>Contract Number</u></b>	<b><u>Federal Awards</u></b>	<b><u>Federal Expenditures</u></b>
Project Title						
SPC- Calcutta Hse-Independ Plc I (51C3T1104)	241026	14.238	PA0051C3T001104		28,368	20,687
SPC- Frnds Rehab Pgm-Asst Lvg II(12C3T1003)	240976	14.238	PA0012C3T001003		182,448	10,300
SPC- Frnds Rehab Pgm-Asst Lvg II(12C3T1104)	241030	14.238	PA0012C3T001104		182,136	119,002
SPC- Gaudenzia - Shelton Court	240677	14.238	PA-0568C-3T000 1100		451,500	54,069
SPC-Calcutta Hse-Independence Pl2 (52C3T100	240981	14.238	PA0052C3T001003		14,208	3,485
SPC-Calcutta Hse-Independence Pl2 (52C3T110	241027	14.238	PA0052C3T001104		14,184	7,335
SPC-Prj Home-St John E. Hse Bonus (01C70)	240871	14.238	PA01C70001		2,701,680	211,130
SPC-Proj HOME - Hope Haven II (39C3T1003)	240992	14.238	PA0039C3T001003		71,040	12,658
SPC-Proj HOME - Rowan Diamond (470C3T100	240993	14.238	PA0470C3T001001		133,476	39,441
SPC-Proj HOME - Rowan Judson (338C3T1002)	240995	14.238	PA0338C3T001002		430,920	31,634
Home - Payroll - FY13	062126	14.239	M-12-MC-42_0203		233,000	211,612
HOME Investment Partnership - FY00	06HM00	14.239	M-99-MC-42-0203		14,601,000	22,004
HOME Investment Partnership - FY01	06HM01	14.239	M-00-MC-42-0203		14,685,000	151,203
HOME Investment Partnership - FY04	06HM04	14.239	M-03-MC-42-0203		16,780,000	113,240
HOME Investment Partnership - FY06	06HM06	14.239	M-05-MC-42-0203		16,044,850	3,745
HOME Investment Partnership - FY09	06HM09	14.239	M-08-MC-42-0203		14,701,876	2,079,499
HOME Investment Partnership - FY10	06HM10	14.239	M-09-MC-42-0203		16,365,392	857,523
HOME Investment Partnership - FY11	06HM11	14.239	M-10-MC-42-0203		16,275,816	5,104,236
HOME Investment Partnership - FY11	06HM12	14.239	M-11-MC-42-0203		13,855,331	4,173,259
HOME Investment Partnership - FY97	060056	14.239	M-97-MC-42-0203		12,613,000	13,553
HOME Investment Partnerships - FY12	06HM13	14.239	M-12-MC-42_0203		8,258,796	1,845,313
HOPWA - FY04	06HW04	14.241	PA-H-03-F001		5,643,000	56,540
HOPWA - FY05	06HW05	14.241	PA-H-04-F001		7,632,000	90,024
HOPWA - FY06	06HW06	14.241	PA-H-05-F001		7,336,000	200,511
HOPWA - FY07	06HW07	14.241	PA-H-06-F-001		6,903,000	239,135
HOPWA - FY08	06HW08	14.241	PA-H-07-F-001		6,470,000	461,574
HOPWA - FY09	06HW09	14.241	PA-H-08-F-001		6,852,000	407,217
HOPWA - FY10	06HW10	14.241	PA-H-09-F-001		8,466,376	1,117,513
HOPWA - FY11	06HW11	14.241	PA-H-10-F-001		8,536,271	233,588
HOPWA - FY12	06HW12	14.241	PA-H-11-F-001		7,163,175	296,020
HOPWA - FY13	06HW13	14.241	PAH12F001		6,820,887	6,820,887
HOPWA - Payroll - FY12	062121	14.241	PA-H-11-F-001		222,000	21
HOPWA - Payroll - FY13	062127	14.241	PAH12F001		231,000	224,037
BEDI - Edison Square	420360	14.246	B-11-BD-42-1003		1,250,000	1,250,000
EDI - 52nd Street - Commercial Corridor	420261	14.251	B-06-SP-PA-0857		297,000	247,000
EDI - FY10 Special PJT - 9th & Berks	420354	14.251	B-10-SP-PA-0132		487,000	487,000
HUD Lead Hazard Demo (S.H.) - Part 5	143191	14.905	PALHD0230-11		3,000,000	87,002
Project A.I.R.	143166	14.913	LHH10-05		1,000,000	523,673

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<u>Grantor Agency/</u> Project Title	City ID Number	CFDA	Contract Number	Federal Awards	Federal Expenditures
<b>Subtotal: Direct U.S. Department of Housing &amp; Urban Development</b>				819,106,471	82,096,644
<b>Passed-Through- PA Department of Health:</b>					
HUD Residential Lead Abatement - State	143142	14.900	SAP# 4100050098	168,592	31,646
HUD Residential Lead Abatement- State	143263	14.900	SAP# 4100050098 A1	46,603	46,602
<b>Subtotal: Passed-Through PA Department of Health</b>				215,195	78,248
<b>Passed-Through- PA Department of Community &amp; Economic Development:</b>					
Neighborhood Stabilization Pgm (NSP) Funds	06NSP02	14.225	C000045739	7,100,000	1,634,122
Shelter Project (DCED 11)	240950	14.231	C000050144	236,851	164,942
Shelter Project (DCED 13)	241076	14.231	C000053476	200,000	5,826
<b>Subtotal: Passed-Through PA Department of Community &amp; Economic Develop</b>				7,536,851	1,804,890
<b>Passed-Through- Philadelphia Housing Authority:</b>					
Davis-Bacon Wage Rate Monitoring	100634	14.850	Cooperative Agreement	150,000	106,166
<b>Subtotal: Passed-Through Philadelphia Housing Authority</b>				150,000	106,166
<b>Passed-Through- Philadelphia Redevelopment Authority:</b>					
Financing Adjustment Factor (FAF) Funds	06FAF09	14.182	Intergov't Coop Agreement	1,500,000	55,761
<b>Subtotal: Passed-Through Philadelphia Redevelopment Authority</b>				1,500,000	55,761
<b>Total U.S. Department of Housing &amp; Urban Development:</b>				<b>828,508,517</b>	<b>84,141,710</b>
<b><u>U.S. Department of the Interior</u></b>					
<b>Direct- U.S. Department of the Interior:</b>					
Tinicum Wildlife Preserve	360114	15.608	P.L. 95-469	4,208	4,208
<b>Subtotal: Direct U.S. Department of the Interior</b>				4,208	4,208
<b>Total U.S. Department of the Interior:</b>				<b>4,208</b>	<b>4,208</b>
<b><u>U.S. Department of Justice</u></b>					
<b>Direct- U.S. Department of Justice:</b>					
Domestic Violence Arrests & Enforcement	690398	16.525	2011-WE-AX-0007	54,647	25,358
Domestic Violence Arrests & Enforcement	100626	16.525	2011-WE-AX-0007	894,353	674,102
Forensic Casework DNA Backlog Reduction Pro	111043	16.564	2012-DN-BX-0109	1,000,761	202,269
REIMB-SCAAP Program (All Years)	230112	16.579	2010-AP-BX-0576	74,027	74,027
State Criminal Alien Assist (SCAAP)	230111	16.579	Receipts	17,364	17,364

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<u>Grantor Agency/</u> Project Title	<u>City</u> <u>ID</u> Number	<u>CFDA</u>	<u>Contract Number</u>	<u>Federal</u> <u>Awards</u>	<u>Federal</u> <u>Expenditures</u>
07 Byrne-YVRP - Adult Probation	840480	16.580	2007-DD-BX-0720	210	210
Drug Violence Intelligence Initiatives-HIDTA '11	111023	16.580	G11PC0003A	203,200	63,563
Drug Violence Intelligence Initiatives-HIDTA '12	111040	16.580	G12PC0003A	203,200	60,237
HIDTA - Drug Violence Intelligence	110929	16.580	G10PC0003A	203,200	113,080
Philadelphia Smart Policing Initiative II	111030	16.580	2011-DG-BX-0025	325,000	138,350
Philadelphia Smart Policing Project	111001	16.580	2009-DG-BX-0037	500,000	53,239
2009 COPS Technology Grant	110799	16.710	2009CKWX0459	260,000	21,085
JAG V	260130	16.738	2009-DJ-BX-1061	140,000	30,753
JAG V	160370	16.738	2009-DJ-BX-1061	160,000	115,031
JAG V	110795	16.738	2009-DJ-BX-1061	2,488,205	467,802
JAG V - Drug Treatment Court	840627	16.738	2009-DJ-BX-1061	168,000	47,832
JAG V - Interest	110796	16.738	2009-DJ-BX-1061	3,401	3,355
JAG V - Night Court	840626	16.738	2009-DJ-BX-1061	96,000	3,940
JAG VI	111015	16.738	2010-DJ-BX-0877	2,370,890	596,104
JAG VI - Veterans Court	840651	16.738	2010-DJ-BX-0877	65,000	10,058
JAG VII	111027	16.738	2011-DJ-BX-3490	1,442,100	222,227
JAG VII	690396	16.738	2011-DJ-BX-3490	653,639	191,762
JAG VII - Courtroom Operatons AVC	840676	16.738	2011-DJ-BX-3490	200,000	199,321
JAG VII - Treatment Court	840674	16.738	2011-DJ-BX-3490	88,094	36,070
JAG VIII	111041	16.738	2012-DJ-BX-0175	811,483	70,777
JAG VIII - Mental Health	840697	16.738	2012-DJ-BX-0175	266,631	45,377
Forensic Casework D.N.A. Backlog Reduction	111017	16.741	2010-DN-BX-K114	968,799	60,246
Forensic Casework D.N.A. Backlog Reduction	111029	16.741	2011-DN-BX-K425	1,146,517	361,286
2010 Philadelphia Responds Pre-Trial Team	150402	16.745	2010-MO-BX-0050	93,551	17,799
Project DAWN Court	840678	16.745	2011-MO-BX-0015	250,000	132,823
Performance-Based Prosecution Project	690370	16.751	2010-DB-BX-K083	641,695	198,403
Federal Forfeiture - DOJ - All Years	110993	16.922	Receipts	5,785,328	3,572,299
<b>Subtotal: Direct U.S. Department of Justice</b>				<b>21,575,295</b>	<b>7,826,149</b>
<b>Passed-Through- PA Commission of Crime &amp; Delinquency:</b>					
JABG XIII	690389	16.523	2009/2010-JB-11-22137	523,634	126,638
JABG XIV	690413	16.523	2011-JB-11-22784	356,186	255,287
JABG XV	690433	16.523	2012-JB-FX-0015	245,598	4,154
Electronic Parole Petitions	100627	16.525	2008-JR-04-21922	60,000	60,000
Juvenile Diversion Expansion - YSC	150449	16.540	2009/2010-J-04-22440	124,067	124,067
Youth Aid Panel (YAP) Enhancement - 2009	690391	16.540	2009-J-04-22433	62,855	32,213
Youth Aid Panel (YAP) Enhancement - 2010	690392	16.540	2009-2010-J-04-22433	62,145	16,275
E. Byrne JAG Pgm - CJAB - Search	690388	16.738	2009-JG-04-22143	100,000	3,840

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<b><u>Grantor Agency/</u></b>	<b><u>City ID</u></b>	<b><u>CFDA</u></b>	<b><u>Contract Number</u></b>	<b><u>Federal Awards</u></b>	<b><u>Federal Expenditures</u></b>
<b>Project Title</b>	<b>Number</b>				
E. Byrne JAG Pgm - Elder Victim/Witness	690390	16.738	2007-JG-03-21337-2	33,987	3,080
E. Byrne JAG Pgm - Family Justice Center	690387	16.738	2009-JG-02-22204	204,000	96,253
Elder Victim/ Witness - Year 3	690406	16.738	2010-DJ-BX-0313	11,327	7,862
JAG VIII	690415	16.738	2012-DJ-BX-0175	513,639	388,032
JAG VIII - Warrant Court	690416	16.738	2012-DJ-BX-0175	122,000	90,293
Philadelphia Police FIU Backlog Project	111039	16.742	2011-CD-BX-0017	73,052	73,052
<b>Subtotal: Passed-Through PA Commission of Crime &amp; Delinquency</b>				<b>2,492,490</b>	<b>1,281,045</b>
<b>Total U.S. Department of Justice:</b>				<b>24,067,785</b>	<b>9,107,194</b>
<b><u>U.S. Department of Labor</u></b>					
<b>Passed-Through- Private Industry Council:</b>					
Phil-A-Job II - Work Experience	160387	17.250	Award Letter 03/23/12	203,600	166,936
Phil-A-Job II - Work Experience	160408	17.250	10088/S124	166,800	18,784
<b>Subtotal: Passed-Through Private Industry Council</b>				<b>370,400</b>	<b>185,721</b>
<b>Passed-Through- Philadelphia Corporation for the Aging:</b>					
Comm on Aging - PCA	050287	17.235	Award Letter 06/07/2011	822,522	480
Senior Community Service Employment Program	050291	17.235	1-0301-00	992,303	903,080
<b>Subtotal: Passed-Through Philadelphia Corporation for the Aging</b>				<b>1,814,825</b>	<b>903,560</b>
<b>Total U.S. Department of Labor:</b>				<b>2,185,225</b>	<b>1,089,281</b>
<b><u>U.S. Department of Transportation</u></b>					
<b>Direct- U.S. Department of Transportation:</b>					
Construct RW's-EIS Phase 5	C42576	20.106	3-42-0076-081-07	1,500,000	19,903
High Speed Exit TWK & TWK Ext	C42599	20.106	3-42-0076-097-2011	1,328,415	212,015
Improve Runway 9R/27L Safety Area	C42586	20.106	3-42-0076-076-06	4,575,000	612,129
Land P9 & P13, Const TW K East	C42600	20.106	3-42-0076-101-13	21,099,126	16,003,417
Noise Mitigation - PH 6	C42573	20.106	3-42-0076-092-09	7,700,000	228,141
Noise Mitigation - PH 7	C42573	20.106	3-42-0076-094-10	5,449,600	150,446
Noise Mitigation - PH 8	C42573	20.106	3-42-0076-099-11	5,156,983	2,065,608
PNE Rehab Runway 6-24	C42598	20.106	3-42-0074-018-2011	318,068	104,614
PNE-Rehab Txwys F, G, H, & J	C42596	20.106	3-42-0074-017-2010	1,160,264	4,472
Rehab Runway 9L/27R	C42597	20.106	3-42-0076-095-2010	2,092,409	126,049
Rehab Runway 9L/27R	C42597	20.106	3-42-76-98-2011	15,077,043	7,280,803
Rehab Runway 9L/27R-Phase 3	C42597	20.106	3-42-76-100-2012	12,970,104	3,972,355

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<b><u>Grantor Agency/</u></b>	<b><u>City ID</u></b>	<b><u>Number</u></b>	<b><u>CFDA</u></b>	<b><u>Contract Number</u></b>	<b><u>Federal Awards</u></b>	<b><u>Federal Expenditures</u></b>
<b>Project Title</b>						
Rehab Taxiway S - PH 4	C42588	20.106	3-42-0076-091-09		8,487,359	385,777
VALE GPU	C42589	20.106	3-42-0076-096-10		1,033,722	513,929
VALE Project Infrastructure - PH 2	C42589	20.106	3-42-0076-089-09		2,973,718	133,656
VALE Project Infrastructure - PH 3	C42589	20.106	3-42-0076-093-09		7,396,867	228,803
FY 2011 High Priority Grant	111031	20.218	FM-MHP-0045-11-01-01		175,020	33,794
<b>Subtotal: Direct U.S. Department of Transportation</b>					<b>98,493,698</b>	<b>32,075,910</b>
<b>Passed-Through- PA Department of Transportation:</b>						
40th St/AMTRAK	C12112	20.205	065282F		3,034,267	667,646
40th St/AMTRAK	C12112	20.205	067575		10,949,202	2,106,022
41st St/AMTRAK	C12207	20.205	065467A		3,622,400	186,654
52nd St & Lancaster Ave	C12214	20.205	066516		1,789,610	481,328
58th St. Connector	C12243	20.205	068531A		2,127,950	1,719,524
American Cities/Safe Rts Schools	C12250	20.205	06551		320,000	92,824
Bridge Design/Inspection-CY	120251	20.205	receipts		149,564	149,564
Center City Resurfacing	C12230	20.205	067542B		3,067,133	1,429,511
Chinatown Streetscape	C12232	20.205	067588A		860,000	40,851
Citywide 103B	C12240	20.205	068520		56,000	35,274
Cresheim Valley Drive Demo 1	C12225	20.205	066595C		1,112,120	534,119
CSX Pedestrian Bridge	C12242	20.205	068529A		2,552,877	1,567,462
Delaware Ave (Lewis-Orthodox)	C12169	20.205	06569B		5,141,600	41,403
Delaware River Heritage Trail	C17046	20.205	66582		375,000	232,779
East Falls Reconnects	C12235	20.205	067536		624,003	16,860
Federal Highways-CY	120241	20.205	receipts		267,096	267,096
Germantown Avenue Streetscape	C12236	20.205	067584A		536,000	447,323
Lehigh Ave East (Broad - Richmond)	C12190	20.205	068538		5,266,102	1,472,466
Lehigh Ave West(Broad - Ridge)	C12199	20.205	065702A; 68577		3,802,122	642,032
Market St Signals (46th to 63rd)	C12124	20.205	067583A		9,217,264	2,920,475
MidEast Girard Ave Streetscape	C12233	20.205	067589A		881,000	40,517
Montgomery Avenue/Amtrak	C12182	20.205	065595D		2,275,200	14,219
National Bridge Inspection System	120364	20.205	068559		175,732	67,503
Passyunk Ave (Broad - 63rd St)	C12188	20.205	067537A		5,642,712	4,414,937
Penn's Landing/Waterfront Imps	C12245	20.205	068547A		825,000	136,064
Rising Sun Ave/CONRAIL	C12180	20.205	065743		2,043,200	175,251
Roxborough Streetscape (Ridge Ave)	C12241	20.205	067590B		1,762,880	288,792
Signal Retiming Grant	120371	20.205	068513A		350,000	110,323
Signal Retiming Grant	120334	20.205	068513A		700,000	82,457
South St Br Inspection Fed-CY	120274	20.205	receipts		41,836	41,836

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<b><u>Grantor Agency/</u></b>	<b><u>City ID</u></b>	<b><u>Number</u></b>	<b><u>CFDA</u></b>	<b><u>Contract Number</u></b>	<b><u>Federal Awards</u></b>	<b><u>Federal Expenditures</u></b>
<b>Project Title</b>						
South St/Schuylkill	C12132	20.205	065469C		12,792,656	723,385
Temple Univ Station Access Enhancement	C12238	20.205	068502		2,323,728	880,362
TIGER - N. Delaware Ave Greenway	C12251	20.205	068575A		1,225,435	241,231
TIGER - Schuylkill River Park Boardwalk	C12245	20.205	068547A		5,058,634	3,100,680
TIGER - Schuylkill River Tr (Shawmount)	C12246	20.205	068528A		692,147	466,398
TIGER - Schuylkill River Tr at Bartram Garden	C12248	20.205	068554		1,364,103	275,746
TMA Assistance Pgm FY 2012-13	460112	20.205	520920		51,200	50,000
Traffic Operations Center	C12249	20.205	068553		280,000	113,532
Vine St Expressway Enhancement	C12239	20.205	068503		1,616,954	162,431
Walnut Street Gateway	C12244	20.205	068535		1,341,155	693,738
Willow Grove Avenue/Septa	C12227	20.205	067525D		192,000	61,368
Motor Carrier Safety Assist Pgm	111048	20.218	Prj # FM-MHP-0089-12-01-00		30,800	8,174
Chestnut Hill Parking Lots	C12221	20.500	PA-04-0032-00		247,500	87,591
2013 Buckle Up PA -Seat Belt Enforce Pgm	111052	20.600	2003-001		25,200	25,200
Comprehensive Highway Safety Program	150482	20.600	CTSP-2013-PHIL-0011		302,219	302,219
Highway Safety Corridor - Roosevelt Blvd.	111037	20.600	HSGP-2012-00008		119,603	49,117
Highway Safety Corridor - Roosevelt Blvd.	111046	20.600	HSGP-G-2013-00006		119,603	70,729
Sobriety CKPT & Expand DUI Enforcement	111036	20.600	IDP-2012-0032		130,000	47,511
Sobriety CKPT & Expand DUI Enforcement	111045	20.600	IDP-G-2013-0037		129,970	68,387
<b>Subtotal: Passed-Through PA Department of Transportation</b>					<b>97,610,777</b>	<b>27,850,910</b>
<b>Passed-Through- Delaware Valley Regional Planning Commission:</b>						
2035 District Plans & Zoning Maps Revision	510156	20.205	Award Letter		100,000	94,655
Complete Streets Handbook	460109	20.205	10-67-111		86,000	11,191
East Kensington Community Development Plan	510155	20.205	12-67-123		32,000	31,999
Regional GIS Implementation and Coordination	120362	20.205	13-53-305		25,000	25,000
Short Range Planning XXVII	510163	20.205	13-63-006		108,145	101,044
Transit Planning & Programmimg	460108	20.205	12/63-005		81,243	316
Transit Planning and Programming	460113	20.205	13-63-005		89,012	83,076
<b>Subtotal: Passed-Through Delaware Valley Regional Planning Commission</b>					<b>521,400</b>	<b>347,281</b>
<b>Total U.S. Department of Transportation:</b>					<b>196,625,875</b>	<b>60,274,101</b>
<b><u>U.S. Equal Employment Opportunity Commission</u></b>						
<b>Direct- U.S. Equal Employment Opportunity Commission:</b>						
Deferred Cases- EEOC	540028	30.002	8/5010/37		32,650	32,650
<b>Subtotal: Direct U.S. Equal Employment Opportunity Commission</b>					<b>32,650</b>	<b>32,650</b>

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<u>Grantor Agency/</u> Project Title	City ID Number	CFDA	Contract Number	Federal Awards	Federal Expenditures
<b>Total U.S. Equal Employment Opportunity Commission:</b>				<b>32,650</b>	<b>32,650</b>
<b><u>U.S. General Services Administration</u></b>					
<b>Passed-Through- PA Department of State:</b>					
PA HAVA Interest - Section 101	730031	39.011	4100029047 - Interest	10,745	1,067
<b>Subtotal: Passed-Through PA Department of State</b>				<b>10,745</b>	<b>1,067</b>
<b>Total U.S. General Services Administration:</b>				<b>10,745</b>	<b>1,067</b>
<b><u>U.S. Library of Congress</u></b>					
<b>Direct- U.S. Library of Congress:</b>					
National Library Service Material	520998	42.001	Donated Books	163,487	163,487
<b>Subtotal: Direct U.S. Library of Congress</b>				<b>163,487</b>	<b>163,487</b>
<b>Total U.S. Library of Congress:</b>				<b>163,487</b>	<b>163,487</b>
<b><u>U.S. National Foundation on the Arts &amp; the Humanities</u></b>					
<b>Direct- U.S. National Foundation on the Arts &amp; the Humanities:</b>					
El Gran Teatro de La Luna	580004	45.024	11-6200-7038	35,000	5,550
<b>Subtotal: Direct U.S. National Foundation on the Arts &amp; the Humanities</b>				<b>35,000</b>	<b>5,550</b>
<b>Total U.S. National Foundation on the Arts &amp; the Humanities:</b>				<b>35,000</b>	<b>5,550</b>
<b><u>U.S. Environmental Protection Agency</u></b>					
<b>Direct- U.S. Environmental Protection Agency:</b>					
Air Pollution Control Program	143233	66.001	A-00304511-4	1,834,092	670,001
Air Pollution Control Program - FED	143117	66.001	A-00304511-3	1,817,716	753,164
Air Pollution Control Program - FED - Supl	143184	66.001	A-00304511-3	82,545	70,213
National Air Toxics Trends Site	143256	66.034	XA-97333003-1	39,000	39,000
Near Road Monitoring Station	143332	66.034	XA-96313801-0	200,000	182,710
Particle Matter 2.5 Air Monitoring Program	143096	66.034	PM-97311803-0	256,870	123,107
South Philadelphia Community Scale Monitoring	143193	66.034	XA-96311601-0	363,291	124,247
NTL Clean Diesel Funding Asst Program	420267	66.039	DE-97391701-02	475,669	340,165
Watershed Security Warning System	280199	66.478	H1-83413701-2	5,750,000	1,812
Watershed Security Warning System	280202	66.478	H1-83413701-5	3,750,000	2,141,977
Particle Matter 2.5 Air Monitoring Program - City	143218	66.606	PM-97311803-2	163,387	8,753

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<u>Grantor Agency/</u>	<u>City</u>				<u>Federal</u>	<u>Federal</u>
Project Title	ID	Number	CFDA	Contract Number	Awards	Expenditures
Environmental Information Exchange Network	143397	66.608	4100060414		200,000	57,000
Composting Program	230044	66.808	X1-96303201-1		15,000	3,195
<b>Subtotal: Direct U.S. Environmental Protection Agency</b>					<b>14,947,570</b>	<b>4,515,344</b>
<b>Passed-Through- PENNVEST:</b>						
Green Infrastructure at Phila. Rec. Ctrs	160384	66.458	51001021005-CN		528,644	14,040
Green Infrastructure Tree Planting	C17056	66.458	51001021005-CN		1,825,375	110,879
<b>Subtotal: Passed-Through PENNVEST</b>					<b>2,354,019</b>	<b>124,919</b>
<b>Total U.S. Environmental Protection Agency:</b>					<b>17,301,589</b>	<b>4,640,262</b>
<b><u>U.S. Department of Energy</u></b>						
<b>Direct- U.S. Department of Energy:</b>						
Philadelphia Solar City Partnership	100546	81.117	DE-FC36-08GO18096		220,000	1,166
<b>Subtotal: Direct U.S. Department of Energy</b>					<b>220,000</b>	<b>1,166</b>
<b>Total U.S. Department of Energy:</b>					<b>220,000</b>	<b>1,166</b>
<b><u>U.S. Department of Education</u></b>						
<b>Passed-Through- PA Department of Public Welfare:</b>						
ID- Early Intervention (70170)	150461	84.181	Award Letter		2,054,730	2,054,730
<b>Subtotal: Passed-Through PA Department of Public Welfare</b>					<b>2,054,730</b>	<b>2,054,730</b>
<b>Passed-Through- School District of Philadelphia:</b>						
Educational Enrichment Program	241052	84.196	Contract # 367/F13		65,000	63,935
<b>Subtotal: Passed-Through School District of Philadelphia</b>					<b>65,000</b>	<b>63,935</b>
<b>Total U.S. Department of Education:</b>					<b>2,119,730</b>	<b>2,118,665</b>
<b><u>U.S. Elections Assistance Commssion</u></b>						
<b>Passed-Through- PA Department of State:</b>						
HAVA - Title II - Section 251 Polling Places	730028	90.401	4100029051		1,457,878	1,041
HAVA - Title II - Title III Requirements	730026	90.401	4100029051		1,907,709	119,970
HAVA - Title II - Voting Systems	730024	90.401	4100029051		8,081,878	100,714
PA HAVA Interest - Section 251	730033	90.401	4100029051 - Interest Distributi		2,267,745	263,796
<b>Subtotal: Passed-Through PA Department of State</b>					<b>13,715,210</b>	<b>485,521</b>

The accompanying notes are an integral part of this schedule.



**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<u>Grantor Agency/</u>	<u>City</u>			<u>Federal</u>	<u>Federal</u>
Project Title	ID	CFDA	Contract Number	Awards	Expenditures
<b>Total U.S. Elections Assistance Commssion:</b>				<b>13,715,210</b>	<b>485,521</b>
<b><u>U.S. Department of Health &amp; Human Services</u></b>					
<b>Direct- U.S. Department of Health &amp; Human Services:</b>					
Food Protection Task Force Conference for SEP	143170	93.103	5R13FD003774-03	6,250	625
Food Protection Task Force Conference for South	143271	93.103	5R13FD003774-04	6,250	6,250
Connect Kids to Health	143143	93.110	5 H17MC08974-05-00	50,000	36,118
Federal Tuberculosis Control	143104	93.116	5U52PS300451-31 Revised	853,725	325,960
Federal Tuberculosis Control	143222	93.116	5U52PS300451-32	838,609	372,418
Women, Infant, Children, Youth HIV Services	143341	93.153	1 H12HA24868-01-00	350,000	198,824
Varicella & Viral Vaccine Surveillance	142730	93.185	3U01IP000019-05S1 Revised	599,340	3,333
Phila Homeless Engm't Intensive Case Mgt	150430	93.243	5H79TI021471-03	349,343	49,701
Phila Homeless Engm't Intensive Case Mgt	150470	93.243	5H79TI021471-04	262,148	262,148
Phila Integrative Health Initiative	143175	93.243	3U79SM060705-01S1	1,352,140	78,354
Philadelphia Alliance for Child Trauma Services	150491	93.243	1U79SM061087-01	400,000	262,764
Philadelphia Integrative Health Initiative	143243	93.243	5U79SM060705-02	1,394,327	825,397
Childhood Immunization Program	143085	93.268	5H231P322538-10	2,739,549	2,035,265
Immunization Program - Donated Vaccines	149999	93.268	Direct Assistance/Vaccine	26,538,143	26,538,143
Adult Viral Hepatitis Coord'r	143127	93.270	5U51PS000868-05 Revised	94,503	55,512
Philadelphia Viral Hepatitis Prevention	143242	93.270	1U51PS004045-01	78,488	60,625
Philadelphia Viral Hepatitis Surveillnce	143335	93.270	1U51PS004045-01	380,693	161,069
Strengthening Public Health Infrastructure	143173	93.507	5U58CD001249-02	1,628,813	146,003
Strengthening Public Health Infrastructure for Im	143334	93.507	5U58cd001249-03	1,541,464	683,970
Activities to Strengthen Epidemiology, Lab & HI	143106	93.521	5U50CI000930-02	469,560	165,537
Building Epidemiology Laboratory Capacity	143203	93.521	3U50CI000930-02S3	107,401	105,826
Epidemiology Laboratory Capacity - Supplement	143204	93.521	3U50CK000228-01S1	63,343	52,192
PPHF- Building EPID Lab Cap (ELC)	143205	93.521	3U50CI000930-02S2 Revised	507,767	173,863
Facilitate Development of Implimentation - HIV	143178	93.523	1U65PS003624-01	1,073,725	619,944
Facilitate Development of Implimentation - HIV	143177	93.523	1U65PS003624-01	450,000	133,511
Affordable Care Act-Health Center Planning	143176	93.527	1P04CS22973-01-00	80,000	34,495
Community Transformation Grant	143192	93.531	1U58DP03557-01	1,547,297	52,532
Community Transformation Grant	143333	93.531	5U58DP003557-02	1,824,004	1,473,676
Immunization VTrcks	143320	93.539	1H23IP000550-01	180,000	180,000
Teamwork to Enhance Early Childhood (TEECH)	221158	93.652	Award No. 90CO1094/01	250,000	39,697
HIV Emergency Relief	143152	93.914	6 H89HA00013-22-02	1,374,186	1,147,766
HIV Emergency Relief	143270	93.914	H89HA00013-23-01	1,373,340	152,014
HIV Emergency Relief - UA/CMI	143285	93.914	H89HA00013-23-01	508,794	138,401
HIV Emergency Relief Project	143150	93.914	6 H89HA00013-22-02	21,385,124	16,814,743

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<b><u>Grantor Agency/</u></b>	<b><u>City ID</u></b>	<b><u>CFDA</u></b>	<b><u>Contract Number</u></b>	<b><u>Federal Awards</u></b>	<b><u>Federal Expenditures</u></b>
<b>Project Title</b>	<b>Number</b>				
HIV Emergency Relief Project	143269	93.914	H89HA00013-23-01	20,039,268	5,549,520
HIV Emergency Relief -UA/CMI	143153	93.914	6 H89HA00013-22-02	669,974	344,645
HIV Emergency Relief-CQI	143148	93.914	6 H89HA00013-22-02	607,428	334,782
HIV Emergency Relief-CQI	143268	93.914	H89HA00013-23-01	449,023	105,844
Outpatient HIV Early Intervention	143083	93.918	2 H76HA00077-21-02	853,174	423,320
Outpatient HIV Early Intervention	143208	93.918	H76HA00077	812,416	460,388
Healthy Start Initiative	143082	93.926	5 H49MC00135-12-00	2,185,755	2,134,663
Healthy Start Initiative	143207	93.926	H49MC00135-13-02	2,040,850	410
Healthy Start North-Elm Disparities	143109	93.926	1 H49MC24119-01-00	732,342	681,903
Healthy Start North-Elm Disparities	143226	93.926	H49MC24119-02-02	732,342	334
AIDS Prevention Project	143014	93.940	2U62PS323472-07 Revised	6,072,518	56,997
AIDS Prevention Project	143130	93.940	1U62PS003645-01	4,392,764	2,628,119
AIDS Prevention Project	143248	93.940	5U62PS003645-02	3,658,736	1,711,846
AIDS Prevention Project - AACO Education	143186	93.940	1U62PS003645-01	81,957	50,371
AIDS Prevention Project - AACO Education	143251	93.940	5U62PS003645-02	86,135	40,167
AIDS Prevention Project - C&T Health Centers	143185	93.940	1U62PS003645-01	692,327	354,239
AIDS Prevention Project - C&T Health Centers	143250	93.940	5U62PS003645-02	556,615	319,917
AIDS Prevention Project - City Jails	143189	93.940	1U62PS003645-01	1,669,206	938,975
AIDS Prevention Project - City Jails	143254	93.940	5U62PS003645-02	1,672,438	832,953
AIDS Prevention Project - Evaluation	143187	93.940	1U62PS003645-01	70,451	70,451
AIDS Prevention Project - Evaluation	143252	93.940	5U62PS003645-02	50,670	17,848
AIDS Prevention Project - Prison HE/RR	143188	93.940	1U62PS003645-01	244,725	119,045
AIDS Prevention Project - Prison HE/RR	143253	93.940	5U62PS003645-02	212,039	106,026
Development & Implement of HIV Prevention	143245	93.940	5U65PS003624-02	227,317	124,900
Development & Implement of HIV Prevention	143246	93.940	5U65PS003624-02	795,883	415,105
National HIV Behavioral Surveillance	143129	93.940	5U1BOS003253-02(S1)	816,889	197,237
National HIV Behavioral Surveillance	143363	93.940	5U1BPS003253-03	817,026	161,296
Program Collaboration & Service Integration	143132	93.940	5U38PS003152-02	336,054	186,411
Program Collaboration and Service Integration	143249	93.940	5U38PS003152-03	336,054	150,000
HIV/AIDS Surveillance - Incidence	143110	93.944	5 U62PS001044-05W1, Revised	407,313	203,516
HIV/Aids Surveillance - Incidence	143227	93.944	1U62PS003959-01 Revised	232,617	146,706
HIV/AIDS Surveillance & Seroprevalence	143111	93.944	5 U62PS001044-05W1, Revised	710,487	406,162
HIV/AIDS Surveillance & Seroprevalence	143355	93.944	5 U62PS001044-05W1, Revised	69,002	59,531
HIV/Aids Surveillance & Seroprevalence	143228	93.944	1U62PS003959-01 Revised	936,726	477,867
Medical Monitoring Project	143199	93.944	5U62PS001608-04	442,726	431,816
Medical Monitoring Project	143346	93.944	5U62PS001608-05	411,694	33,019
Sexually Transmitted Disease	143088	93.977	5H25PS0001351-04	2,079,548	1,171,426
Sexually Transmitted Disease	143212	93.977	5H25PS001351-05 Revised	1,968,151	695,416

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<u>Grantor Agency/</u>	<u>City ID</u>	<u>CFDA</u>	<u>Contract Number</u>	<u>Federal Awards</u>	<u>Federal Expenditures</u>
Project Title	Number				
Sexually Transmitted Disease Infertility	143087	93.977	5H25PS0001351-04	479,275	431,431
Sexually Transmitted Disease Infertility	143211	93.977	5H25PS001351-05 Revised	452,546	105,657
STD - Program Income	143090	93.977	5H25PS0001351-04 - Program I	136,708	135,058
STD Surveillance Network	143089	93.977	5H25PS001237-04	211,192	204,182
STD Surveillance Network	143213	93.977	5H25PS001237-05	212,161	795
<b>Subtotal: Direct U.S. Department of Health &amp; Human Services</b>				<b>131,320,848</b>	<b>76,406,971</b>
<b>Passed-Through- PA Department of Health:</b>					
Immunization and Vaccines for Children	143209	93.268	1H23IP000735-01 Revised	2,634,574	598,764
Access To Recovery - SAMHSA - FY11	150404	93.275	10TI23081A	2,526,224	155,240
Access to Recovery- SAMHSA	150471	93.275	SAP 410053214	3,459,989	3,431,778
Bioterrorism Grant	143292	93.283	SAP# 4100059103	15,000	15,000
Bioterrorism Grant - Core (PREV B)	143137	93.283	SAP# 4100055421	684,220	37,124
Bioterrorism Grant- Cities Readiness Initiative	143259	93.283	SAP# 4100059103	900,000	834,493
Bioterrorism Grant- Core	143258	93.283	SAP# 4100059103	471,141	460,374
Bioterrorism Grt - Cities Readiness Init	143138	93.283	SAP# 4100055421	983,106	79,686
Colorectal Cancer Screening Program	142982	93.283	SAP #4100051395	695,000	168,389
Colorectal Cancer Screening Program	143101	93.283	SAP#4100051395	348,500	44,530
Tobacco Control Programs - MSA Tobacco	143283	93.507	4000015245	13,934	13,934
PA State Refugee Health Coordinator Program	143287	93.566	SAP# 4100056164	78,563	50,014
MSA Tobacco	143343	93.724	SAP# 4000015245	102,540	94,290
IMM Capacity Blding Strengthen Infra & Perfor	143318	93.733	1H2319000697-01	1,310,274	225,000
EMS Annual Work Program (Federal)	130204	93.889	SAP# 4100045902 SAF4	41,200	39,982
Ryan White Title II- Federal	143266	93.917	SAP# 4100055255	3,040,348	3,039,953
Ryan White Title II- RW Part B	143284	93.917	SAP# 4100055255	1,013,449	1,008,217
SAPT - Alcohol Intvn/Trmt	150347	93.959	ME #00136 /SAP 4100027188	2,505,346	230,141
SAPT - Alcohol Intvn/Trmt	150391	93.959	ME #00136 /SAP 4100053214	2,263,533	105,459
SAPT - Alcohol Prevention	150390	93.959	ME #00136 /SAP 4100053214	637,838	541
SAPT - Drug Intvn/Trmt	150349	93.959	ME #00136 /SAP 4100027188	8,012,138	193,198
SAPT - Drug Intvn/Trmt	150389	93.959	ME #00136 /SAP 4100053214	7,141,390	200,911
SAPT - Drug Prevention	150388	93.959	ME #00136 /SAP 4100053214	1,848,430	523
SAPT- Alcohol Intvn/Trmt	150477	93.959	ME #00136 /SAP 4100053214	2,263,533	2,263,583
SAPT- Alcohol Prevention	150476	93.959	ME #00136 /SAP 4100053214	637,838	637,838
SAPT- Drug Intvn/Trmt	150475	93.959	ME #00136 /SAP 4100053214	6,720,132	6,720,132
SAPT- Drug Prevention	150474	93.959	ME #00136 /SAP 4100053214	1,848,430	1,848,430
Child & Adolescent Services	143274	93.994	SAP#4100058603	887,487	711,590
Childhood Lead Poisoning Prevention Program	143275	93.994	SAP# 4100050692-R1	336,198	325,771
Children w/ Special Health Care Needs	143231	93.994	SAP#4100058603	789,600	719,887

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<u>Grantor Agency/</u>	<u>City ID</u>	<u>CFDA</u>	<u>Contract Number</u>	<u>Federal Awards</u>	<u>Federal Expenditures</u>
Project Title	Number				
MCFH Primary Preventive Services	143229	93.994	SAP#4100058603	997,148	731,403
<b>Subtotal: Passed-Through PA Department of Health</b>				<u>55,207,103</u>	<u>24,986,177</u>
<b>Passed-Through- PA Department of State:</b>					
HAVA - Section 261 - Title III Reqmt's	730027	93.617	4100030268	318,934	318,934
<b>Subtotal: Passed-Through PA Department of State</b>				<u>318,934</u>	<u>318,934</u>
<b>Passed-Through- PA Department of Public Welfare:</b>					
Title IV-E Subsidized Permanent Legal Custodiar	221302	93.090	Award Letter	6,049,093	6,049,093
MH- Homeless Grant (70154)	150455	93.150	Allocation Letter	1,073,008	1,073,008
MH- Jail Diversion & Trauma Rec (70747)	150457	93.243	Allocation Letter	193,228	136,974
Supported Work Prog (Workwise)- F	080295	93.558	Contract # 4100058283	252,056	31
Supported Work Prog (Workwise)- F	080297	93.558	Contract # 4100058283	1,043,822	169,527
Supported Work Program (Workwise) -F	080301	93.558	Contract # 4100045783	1,295,301	922,895
Temporary Assistance for Needy Families	221298	93.558	Award Letter	24,338,259	24,338,259
Child Support Enforcement	690401	93.563	Title IV-D	1,261,879	1,261,879
Child Support Program	840681	93.563	Title IV-D	19,560,189	17,521,516
Unallocated IV-D Payments	840008	93.563	ME 4513321800	7,921,177	6,577,220
Title IV-B	221303	93.645	Award Letter	2,735,197	2,735,197
Information Technology Grant (ITG)	221338	93.658	Certification Letter	423,700	423,700
Title IV-E Foster Care	221299	93.658	Certification Letter	44,333,936	44,333,936
Title IV-E Program	229995	93.658	Child Support SSI	4,215,497	4,215,497
Title IV-E Adoption Assistance	221300	93.659	Certification Letter	22,806,112	22,806,112
Child Protective Services	221288	93.667	Award Letter	2,888,308	2,716,191
Family Preservation Funds- Title XX	150451	93.667	Award Letter	605,304	605,304
HAP - Adminstration	241008	93.667	Award Letter	136,328	136,328
HAP - Bridge Housing	241007	93.667	Award Letter	2,583,143	2,583,143
HAP - Case Management	241006	93.667	Award Letter	1,463,520	1,463,520
HAP - Program Income	241011	93.667	Program Income	874	874
ID- SSBG (70177)	150462	93.667	Allocation Letter	1,410,755	1,410,755
MH- SSBG (70135)	150454	93.667	Allocation Letter	5,532,135	5,532,135
Title IV-E Independent Living Grant (Chafee)	221305	93.674	Award Letter	1,060,068	1,060,068
ID- TSM Admin (70175)	150465	93.778	Allocation Letter	612,998	612,998
ID- Waiver Admin (70175)	150463	93.778	Allocation Letter	6,864,272	6,863,220
ID- Waiver EI (70184)	150464	93.778	Award Letter	478,452	393,625
MEDICARE PART D-RETIREEES	350380	93.778	receipts	282,919	282,919
MH - Intensive Case Management	150488	93.778	Allocation Letter	14,335	14,335
Title IV-E Medical Assistance	221301	93.778	Award Letter	254,181	254,181

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<u>Grantor Agency/</u>	<u>City ID</u>	<u>CFDA</u>	<u>Contract Number</u>	<u>Federal Awards</u>	<u>Federal Expenditures</u>
Project Title	Number				
MH- CMHSBG (70167)	150456	93.958	Allocation Letter	2,203,831	2,203,831
HAP - Bridge Housing (PENNFREE)	241009	93.959	Award Letter	1,251,804	1,251,804
HAP - Program Income (PENNFREE)	241010	93.959	Program Income	292	292
<b>Subtotal: Passed-Through PA Department of Public Welfare</b>				<u>165,145,973</u>	<u>159,950,369</u>
<b>Passed-Through- PA Department of Community &amp; Economic Development:</b>					
Community Service Block Grant	160390	93.569	MOU	552,938	237,155
Community Service Block Grant	160406	93.569	MOU	278,495	206,267
Community Service Block Grant	080305	93.569	C000052543	2,418,035	7,672
Community Service Block Grant - LEAD	143221	93.569	MOU	222,000	148,725
Community Services Block Grant	080291	93.569	C000052543	4,887,642	19,113
Community Services Block Grant	120365	93.569	C000052543	640,342	640,342
Community Services Block Grant -LEAD	143103	93.569	MOU	203,548	203,548
CSBG - Administration	080284	93.569	C000047408	907,343	8,269
CSBG - Administration	080292	93.569	C000052543	780,403	490,763
CSBG - Case Management	240918	93.569	C000052543	500,000	499,941
CSBG - CSP	080277	93.569	C000047408	3,045,638	141,500
CSBG - CSP	080285	93.569	C000047408	2,916,198	433,463
CSBG - CSP	080293	93.569	C000052543	4,107,239	1,593,221
CSBG - CSP	080303	93.569	C000052543	4,028,991	437,770
CSBG- Administration	080304	93.569	C000052543	858,651	383,982
<b>Subtotal: Passed-Through PA Department of Community &amp; Economic Develop</b>				<u>26,347,463</u>	<u>5,451,730</u>
<b>Passed-Through- PA Commission of Crime &amp; Delinquency:</b>					
Welfare Fraud FY13	690405	93.560	FC# 4000017050	500,000	500,000
<b>Subtotal: Passed-Through PA Commission of Crime &amp; Delinquency</b>				<u>500,000</u>	<u>500,000</u>
<b>Passed-Through- Family Planning Council:</b>					
Family Planning Services	143086	93.217	SAP 4100038434	201,528	28,753
Family Planning Services	143210	93.217	130301	440,304	116,018
C & B Cancer Prevention (F)	143030	93.919	110304	443,566	240,727
C & B Cancer Prevention (F)	143144	93.919	120304	236,898	176,902
<b>Subtotal: Passed-Through Family Planning Council</b>				<u>1,322,296</u>	<u>562,399</u>
<b>Passed-Through- Philadelphia Corporation for the Aging:</b>					
Older Adult Program	160394	93.044	PCA Allocation	751,926	280
Older Adult Program	160404	93.044	PCA Allocation	739,921	739,921
Comm on Aging - Apprise	050289	93.779	Award Letter 05/31/2011 1-030	49,693	30

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<u>Grantor Agency/</u>	<u>City</u>				<u>Federal</u>	<u>Federal</u>
Project Title	ID	Number	CFDA	Contract Number	Awards	Expenditures
Commission on Aging- Apprise	050292	93.779	301-25-3113		44,015	41,838
Med Imprv for Patients & Providers Act(MIPPA)	050290	93.779	1-0301-27		42,752	6,037
<b>Subtotal: Passed-Through Philadelphia Corporation for the Aging</b>					<b>1,628,307</b>	<b>788,106</b>
<b>Passed-Through- Fed Hutchinson Cancer Research Center:</b>						
TLC - Plus: A Study	143200	93.855	SUMIAI068617-07		78,760	78,760
<b>Subtotal: Passed-Through Fed Hutchinson Cancer Research Center</b>					<b>78,760</b>	<b>78,760</b>
<b>Passed-Through- Council of State &amp; Territorial Epidemiologists:</b>						
Enhanced Epidemiology & Lab Capacity	143105	93.283	1U50CK000228-01		286,837	188,826
Influenza Incidence Surveillance Project	143344	93.283	5U38HM000414		143,259	143,393
Phila Health Department Epidemiology and Labo	143223	93.283	5U50CK000228-02 Revised		109,572	39,164
<b>Subtotal: Passed-Through Council of State &amp; Territorial Epidemiologists</b>					<b>539,668</b>	<b>371,384</b>
<b>Total U.S. Department of Health &amp; Human Services:</b>					<b>382,409,352</b>	<b>269,414,830</b>
<b><u>U.S. Corporation for National &amp; Community Services</u></b>						
<b>Direct- U.S. Corporation for National &amp; Community Services:</b>						
Foster Grandparents	080290	94.011	11SFAPA001		482,464	218,021
Foster Grandparents	080299	94.011	11SFAPA001		463,166	242,571
<b>Subtotal: Direct U.S. Corporation for National &amp; Community Services</b>					<b>945,630</b>	<b>460,592</b>
<b>Total U.S. Corporation for National &amp; Community Services:</b>					<b>945,630</b>	<b>460,592</b>
<b><u>U.S. Social Security Administration</u></b>						
<b>Direct- U.S. Social Security Administration:</b>						
SSA-Prisoner Incentive Payments	230050	96.006	Receipt		536,600	536,600
<b>Subtotal: Direct U.S. Social Security Administration</b>					<b>536,600</b>	<b>536,600</b>
<b>Total U.S. Social Security Administration:</b>					<b>536,600</b>	<b>536,600</b>
<b><u>U.S. Department of Homeland Security</u></b>						
<b>Direct- U.S. Department of Homeland Security:</b>						
Natl - US&R - Readiness - Hurricane Sandy	130139	97.025	EMW-2008-CA-1516		1,529,400	1,268,151
PA Task Force I - 2011 Grant	130135	97.025	EMW-2011-CA-K0089-S01		1,143,078	451,852
PA Task Force I - 2012 Grant	130047	97.025	EMW2008CA1516		1,529,400	316,927
PEMA US&R Hurricane Sandy	130148	97.025	PA1012-002-605-283		147,112	123,621

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 2012 to June 30, 2013**

<b>Grantor Agency/ Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
Explosive Detection Canine Team	422189	97.072	HSTS0208-H-CAN442	3,122,793	666,219
Phila Critical Infrastructure Protection	110798	97.080	2009-PD-080-000001	5,000,000	1,812,155
Law Enforcement Grant	422183	97.090	HSTS02-08-H-SLR-231	5,931,122	374,372
Law Enforcement Grant-OTA	422191	97.090	HSTS02-13-H-SLR-201	907,320	302,440
Homeland Security- Bio Watch Security	143260	97.091	2006-ST-091-000007-07	428,118	426,646
EDS at Terminal D-E	C42592	97.100	HSTS04-08-H-CT1031	18,000,000	58,183
Closed Circuit Television System (CCTS), (PC.1	C42595	97.118	HSTS04-09-H-CT7018	5,961,646	2,106,448
<b>Subtotal: Direct U.S. Department of Homeland Security</b>				<b>43,699,989</b>	<b>7,907,013</b>
<b>Passed-Through- PA Emergency Management Agency:</b>					
Hurricane Irene-FEMA	260905	97.036	SGF-026	3,148	3,148
Hurricane Sandy-FEMA	100380	97.036	receipts	37,883	37,883
Hurricane Sandy-FEMA	243368	97.036	CAB-08	5,497	5,497
Hurricane Sandy-FEMA	040027	97.036	DGS-047	4,950	4,950
Hurricane Sandy-FEMA	252139	97.036	CAB-07	2,505	2,505
Citizens Corps Program	100569	97.053	4100045776	17,406	7
EWS TIDAL & MAPPING TOOL	280207	97.056	2008-GB-T8-K003	295,200	191,942
<b>Subtotal: Passed-Through PA Emergency Management Agency</b>				<b>366,589</b>	<b>245,931</b>
<b>Passed-Through- Southeastern Pa. Regional Taskforce:</b>					
2010 Homeland Security Grant	100635	97.067	4100056076	670,000	641,635
2011 Homeland Security Grant	100637	97.067	201-SS-T0-0037	1,452,156	1,108,585
Public Health Preparedness Planner	143273	97.067	UASI Invest. Justification #7	77,500	58,813
<b>Subtotal: Passed-Through Southeastern Pa. Regional Taskforce</b>				<b>2,199,656</b>	<b>1,809,033</b>
<b>Passed-Through- Maritime Exchange for Delaware River &amp; Bay:</b>					
Armored Car Response Vehicle Pgm	111026	97.056	2010-PU-TO-K007	423,352	422,725
Maritime CBRNE Response Unit Project	111025	97.056	2010-PU-TO-K007	324,938	322,363
Port Security Grant - Delaware Valley	110943	97.056	2009-PU-T9-K005 Proj# 09-13	749,289	423,450
Port Security Grant (AMSC) - Equipment - FY11	130133	97.056	2010-PU-T0-K007	332,827	156,317
Port Security Grant (AMSC) - FY12	130134	97.056	2008-GB-T8-K003	978,821	75,091
DVIC- Port Security Program	110942	97.116	2009-PU-T9-K005	926,687	458,923
<b>Subtotal: Passed-Through Maritime Exchange for Delaware River &amp; Bay</b>				<b>3,735,914</b>	<b>1,858,869</b>
<b>Total U.S. Department of Homeland Security:</b>				<b>50,002,148</b>	<b>11,820,846</b>
<b>Total Schedule of Expenditures of Federal Awards:</b>				<b>1,867,592,618</b>	<b>502,143,691</b>

The accompanying notes are an integral part of this schedule.

**CITY OF PHILADELPHIA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**CONTENTS**

<u>Note</u>		<u>Page</u>
1	Basis of Presentation	28
2	Component Units	28
3	Notes to Specific Programs	29
4	Major Programs	29
5	City ID Number	29
6	Governmental Funding Awarded by the City	30



**CITY OF PHILADELPHIA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**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	\$ 456,227,102
Community College of Philadelphia	\$ 100,918,188
Philadelphia Redevelopment Authority	\$ 358,067,122
Philadelphia Authority for Industrial Development	\$ 1,434,886

**CITY OF PHILADELPHIA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**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: 06986, 06SE24). The Economic Development portion is received by the Philadelphia Industrial Development Corporation (PIDC), a quasi-governmental agency. During fiscal year 2013 the City, through PIDC, loaned \$10,155,515 (\$32,500 under contract B-97-MC-420012-E; and, \$10,123,015 under contract B-08-MC-420012. 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 three U.S. Department of Homeland Security (DHS) programs, valued at \$4,206,349 during fiscal year 2012. The federal programs providing DHS funding are:

<b>CFDA</b>	<b>Program</b>	<b>Value</b>
97.008	Urban Areas Security Initiative	\$ 2,791,896
97.067	Homeland Security Grant	934,491
97.071	Metropolitan Medical Response System	122,327
97.073	State Homeland Security Program	158,107
97.078	Buffer Zone Protection Program	199,528

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, 2013**

**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>FY2013 Federal Funding</u>
10.558	Child and Adult Care Food Program	\$ 379,336
11.419	Coastal Zone Management Administration Awards	75,000
11.557	Broadband Technology Opportunites Program	1,257,162
14.182	Lower Income Housing Program	37,388
14.218	Community Development Block Grants/Entitlement Grant	28,155,239
14.225	Community Service Block Grant Discretionary Funds	1,635,034
14.231	Emergency Solutions Grants Program	3,211,631
14.235	Supportive Housing Program	836,209
14.238	Shelter Plus Care	6,974,433
14.239	HOME Investment Partnerships Program	11,662,966
14.241	Housing Opportunities for Persons with AIDS	10,152,097
14.246	Community Development Block Grants/Brownfields Economic Development Initiative	297,000
14.253	Community Dev. Block Grant ARRA Entitlement Grants	1,492,420
14.256	ARRA- Neighborhood Stabilization Program 2	8,603,973
14.257	ARRA- Homelessness Prevention and Rapid Re-Housing Program	548,415
14.900	Lead-Based Paint Hazard Control in Privately-Owned Housing	143,876
14.905	Lead Reduction Demonstration Grant Program	55,190
16.540	Juvenile Justice and Delinquency Prevention	124,067
16.541	Part E – Developing, Testing, and Demonstrating Promising New Programs	1,472
20.600	State and Community Highway Safety	341,983
66.604	Environmental Justice Small Grant Program	4,453
81.128	ARRA- Energy Efficiency and Conservation Block Grant	5,680,943
93.016	Postal Model for Medical Countermeasures	50,000
93.150	Projects for Assistance in Transition from Homelessness	333,734
93.185	Immunization Research, Demonstration, Public Information and Education Training and Clinical Skills Improvement Projects	6,146
93.243	Substance Abuse and Mental Health Services Projects of Regional National Significance	977,853

**CITY OF PHILADELPHIA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

<u>Source</u>	<u>Program</u>	<u>FY2013 Federal Funding</u>
93.268	Immunization Grants	2,001,874
93.270	Adult Virus Hepititas Prevention and Control	149,441
93.275	Substance Abuse and Mental Health Services Access to Recovery	5,073,439
93.283	Center for Disease Control	1,418,073
93.507	Strengthening Public Health Infrastructure	127,326
93.521	Affordable Care Act: Building EPID, Lab and Health Information Systems	300,376
93.527	Affordable Care Act Grants for New and Expanded Services Under The Health Center Programs	1,215
93.531	PPHF 2012: Community Transportation Grants and National Dissemination and Support for Community Transformation Grants	535,017
93.539	Prevention and Public Health Fund Affordable Care Act	180,000
93.558	Temporaty Assistance for Needy Families	24,495,043
93.566	Refugee and Entrant Assistance State Administered Programs	3,781,814
93.569	Community Service Block Grant	1,357,214
93.652	Adoption Opportunities	39,697
93.658	Foster Care Title IV-E	50,391,241
93.667	Social Services Block Grant	1,553,440
93.712	ARRA Immunization	315,924
93.724	ARRA - Prevention and Wellnes	1,725,036
93.729	ARRA - Health Information Technology and Public Health	85,575
93.733	Immunization Program – 2012 Prevention and Public Health & Other Capacity-Building Activities	76,262
93.778	Medical Asstance Program	1,644,127
93.855	Allergy, Immunization & Transplantatoin Research	49,078
93.914	HIV Emergency Relief Project	19,158,158
93.917	HIV Care Formula Grants	3,932,018
93.918	Outpatient Early Intervention Services with Respect to HIV	217,705
93.926	Healthy Start Initiative	2,484,859
93.940	HIV Prevention Activities - Health Department Based	5,800,772
93.944	HIV/AIDS Surveillance	645,114
93.959	Block Grants for Prevention & Treatment of Substance Abuse	9,412,317
93.977	Preventive Health Services-Sexually Transmitted Diseases Control Grants	1,668,722
93.994	Maternal and Child Health Services Block Grant	1,745,695
Total Subrecipient Funding		<u>223,364,895</u>

**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, 2012 to June 30, 2013**

<b><u>Pa. DPW Program</u></b>	<b>City ID</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Grant Awards</b>	<b>Grant Expenditures</b>	<b>Federal Cash Received</b>
Project Title	Number					
<b><u>Mental Health / Intellectual Disabilities</u></b>						
ID - Early intervention (701700)	150461	84.181	Award Letter	2,054,730	2,054,730	2,054,730
ID - TSM Admin Federal (70175)	150425	93.778	Allocation Letter	1,569,334	0	175,620
ID - TSM Admin Federal (70175)	150442	93.778	Allocation Letter	680,693	0	140,353
ID- Community Services (10255)	150466	00.000	Allocation Letter	17,340,227	17,340,227	0
ID- Early Intervention (10235)	150468	00.000	Allocation Letter	14,872,066	14,563,179	0
ID- SSBG (70177)	150462	93.667	Allocation Letter	1,410,755	1,410,755	1,410,755
ID- TSM Admin (70175)	150465	93.778	Allocation Letter	612,998	612,998	612,998
ID- Waiver Admin (10255)	150467	00.000	Allocation Letter	6,864,272	6,863,220	0
ID- Waiver Admin (70175)	150463	93.778	Allocation Letter	6,864,272	6,863,220	6,864,272
ID- Waiver EI (70184)	150464	93.778	Allocation Letter	478,452	393,625	0
MH - Intensive Case Management	150488	93.778	Award Letter	14,335	14,335	0
MH - Program Income	150998	00.000	Program Income	28,242,571	28,242,571	0
MH- Behavioral MH SV (10262)	150459	00.000	Allocation Letter	4,016,773	4,016,773	0
MH- CMHSBG (70167)	150456	93.958	Allocation Letter	2,203,831	2,203,831	2,203,831
MH- Homeless Grant (70154)	150455	93.150	Allocation Letter	1,073,008	1,073,008	1,073,008
MH- Intensive Case Management	150488	93.778	Allocation Letter	14,335	14,335	0
MH- Intensive Case Mgmt (717/956)	150487	93.778	Allocation Letter	25,267	0	25,267
MH- Jail Diversion & Trauma Rec (70747)	150457	93.243	Allocation Letter	193,228	136,974	130,000
MH- Program Maintenance (10248)	150458	00.000	Allocation Letter	119,580,348	119,580,348	0
MH- Specialized Residences (10258)	150460	00.000	Allocation Letter	930,058	930,058	0
MH- SSBG (70135)	150454	93.667	Allocation Letter	5,532,135	5,532,135	5,532,135

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Pennsylvania Department of Public Welfare Awards**  
**July 1, 2012 to June 30, 2013**

<b><u>Pa. DPW Program</u></b>	<b>City ID</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Grant Awards</b>	<b>Grant Expenditures</b>	<b>Federal Cash Received</b>
Project Title	Number					
<b>Total Mental Health / Intellectual Disabilities:</b>				<b>214,573,688</b>	<b>211,846,322</b>	<b>20,222,969</b>
<b><u>Children and Youth Program</u></b>						
Title IV-E Program Income	229995	93.658	Child Support SSI	4,215,497	4,215,497	4,215,497
Child & Youth Act 148 - YDC Costs	221297	00.000	Certification Letter	11,573,076	11,573,076	0
Child & Youth Act 148 -FY13	221297	00.000	Award Letter	402,468,863	333,029,257	0
Child Protective Services -FY13	221288	93.667	Award Letter	2,888,308	2,716,191	2,888,308
Child Welfare Services - Act 148 - FY12	221279	00.000	Children & Youth Program	351,875,938	7,785,793	0
Family Preservation Funds- Title XX	150451	93.667	Award Letter	605,304	605,304	605,304
Temp Asst for Needy Families - FY11	220457	93.558	Certification Letter	25,310,813	0	1,304,130
Temporary Assistance for Needy Families - FY12	221280	93.558	Children & Youth Program	26,033,804	0	14,868,691
Temporary Assistance for Needy Families - FY13	221298	93.558	Certification Letter	24,338,259	24,338,259	7,989,835
Title IV-B	221303	93.645	Award Letter	2,735,197	2,735,197	2,735,197
Title IV-B State Match	221304	00.000	Award Letter	729,384	729,384	0
Title IV-E Adoption Assistance - FY11	220459	93.659	Certification Letter	12,541,069	0	15,058
Title IV-E Adoption Assistance - FY12	221282	93.659	Children & Youth Program	24,649,603	0	10,184,833
Title IV-E Adoption Assistance - FY13	221300	93.659	Certification Letter	22,806,112	22,806,112	14,110,939
Title IV-E Foster Care - FY12	221281	93.658	Children & Youth Program	64,388,671	0	37,021,347
Title IV-E Foster Care - FY13	221299	93.658	Certification Letter	44,333,936	44,333,936	13,854,870
Title IV-E Independent Living	221212	93.674	Award Letter 07/22/2011	1,172,239	0	1,039,196
Title IV-E Independent Living - Interest	221306	93.674	Certification Letter	180	0	180
Title IV-E Independent Living Grant (Chafee)	221305	93.674	Award Letter	1,060,068	1,060,068	1,074,250
Title IV-E Medical Assistance - FY12	221283	93.778	Children & Youth Program	225,262	0	148,288

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Pennsylvania Department of Public Welfare Awards**  
**July 1, 2012 to June 30, 2013**

<b><u>Pa. DPW Program</u></b>	<b>City ID</b>			<b>Grant</b>	<b>Grant</b>	<b>Federal</b>
<b>Project Title</b>	<b>Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Awards</b>	<b>Expenditures</b>	<b>Cash Received</b>
Title IV-E Medical Assistance -FY13	221301	93.778	Certification Letter	254,181	254,181	0
Title IVE Placement Maintenance -FY11	220458	93.658	Certification Letter	5,192,678	0	12,026,750
Title IV-E SPLC - FY12	221287	93.090	Children & Youth Program	5,804,370	0	1,539,324
Title IV-E Subsidized Perm Legal Custodianship	220464	93.658	Award Letter	359,219	0	2,527
Title IV-E Subsidized Permanent Legal Custodiar	221327	93.090	Certification Letter	6,049,092	6,049,093	3,781,186
<b>Total Children and Youth Program:</b>				<b><u>1,041,611,123</u></b>	<b><u>462,231,348</u></b>	<b><u>129,405,709</u></b>
<b><u>Combined Homeless Assistance Program</u></b>						
HAP - Adminstration	241008	93.667	Award Letter	136,328	136,328	136,328
HAP - Bridge Housing	241007	93.667	Award Letter	2,583,143	2,583,143	2,583,143
HAP - Bridge Housing Pennfree	241009	93.959	Award Letter	1,251,804	1,251,804	1,251,804
HAP - Case Management	241006	93.667	Award Letter	1,463,520	1,463,520	1,463,520
HAP - Case Management	241012	00.000	Award Letter	2,535,576	2,535,576	0
HAP - Program Income	241011	93.667	Award Letter	874	874	874
HAP - Program Income	241049	00.000	Award Letter	736	736	0
HAP - Program Income (PENNFREE)	241010	93.959	Program Income	292	292	292
<b>Total Combined Homeless Assistance Program:</b>				<b><u>7,972,273</u></b>	<b><u>7,972,273</u></b>	<b><u>5,435,961</u></b>
<b><u>Human Services Development Fund</u></b>						
HSDF - Case Management Group A	241014	00.000	Award Letter 7/1/2012	411,573	411,573	0
HSDF - Violence Reduction	160402	00.000	Award Letter 07/12/2012	612,800	612,800	0
HSDF- AACO	143234	00.000	Award Letter 07/12/2012	800,000	800,000	0
HSDF- AHS Translation Service	143237	00.000	Award Letter 07/12/2012	160,000	160,000	0

The accompanying notes are an integral part of this schedule.



**City of Philadelphia**  
**Schedule of Expenditures of Pennsylvania Department of Public Welfare Awards**  
**July 1, 2012 to June 30, 2013**

<b><u>Pa. DPW Program</u></b>	<b>City ID</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Grant Awards</b>	<b>Grant Expenditures</b>	<b>Federal Cash Received</b>
Project Title	Number					
HSDF- Children & Youth	221291	00.000	Award Letter 07/12/2012	220,000	220,000	0
HSDF- Financial Administration	143235	00.000	Award Letter 07/12/2012	515,351	515,351	0
HSDF- Health and Opportunity	143239	00.000	Award Letter 07/12/2012	109,799	109,799	0
HSDF- Lead Abatement	143236	00.000	Award Letter 07/12/2012	131,150	131,150	0
HSDF- Program Income	143240	00.000	Award Letter 07/12/2012	920	920	0
HSDF- TB	143202	00.000	Award Letter 07/12/2012	125,495	125,495	0
HSDF- Welcome New Families	143238	00.000	Award Letter 07/12/2012	113,000	113,000	0
Human Services Development Fund (HSDF)	080300	00.000	Award Letter 07/12/2012	92,017	92,017	0
<b>Total Human Services Development Fund:</b>				<b>3,292,105</b>	<b>3,292,105</b>	<b>0</b>
<b><u>Child Support Enforcement</u></b>						
Child Support Enforcement	690376	93.563	Title IV-D	1,041,044	0	447,441
Child Support Enforcement	690401	93.563	Title IV-D	1,261,879	1,261,879	836,509
Child Support Program	840656	93.563	Title IV-D	20,508,880	0	7,087,468
Child Support Program	840681	93.563	Title IV-D	19,560,189	17,521,516	11,872,208
Domestic Relations Division (DRD)	840658	00.000	Settlement Agreement	7,900,000	3,975,870	0
Domestic Relations Division (DRD)	840683	00.000	Settlement Agreement	5,600,000	2,233,800	0
Unallocated IV-D Payments	840008	93.563	ME 4513321800	7,921,177	6,577,220	4,925,856
<b>Total Child Support Enforcement:</b>				<b>63,793,169</b>	<b>31,570,285</b>	<b>25,169,482</b>
<b><u>Other PaDPW Assistance</u></b>						
Act 152 (APP 120)	150320	00.000	Award Letter	2,369,442	12,485	0
Act 152 (App 120)	150484	00.000	Award Letter	1,935,318	1,935,318	0

The accompanying notes are an integral part of this schedule.

**City of Philadelphia**  
**Schedule of Expenditures of Pennsylvania Department of Public Welfare Awards**  
**July 1, 2012 to June 30, 2013**

<b><u>Pa. DPW Program</u></b>	<b>City ID</b>			<b>Grant Awards</b>	<b>Grant Expenditures</b>	<b>Federal Cash Received</b>
<b>Project Title</b>	<b>Number</b>	<b>CFDA</b>	<b>Contract Number</b>			
Act 152 (APP 120)	150397	00.000	Award Letter 08/09/10	2,369,442	215,042	0
ACT 1992-24 REIMB LAWYER FEES	840689	00.000	receipts	81,873	81,873	0
Behavioral Health Services/ IGT (173)	150452	00.000	Award Letter	7,933,283	7,933,283	0
Behavioral Health Services/IGT (173)	150287	00.000	Award Letter	9,946,711	25,473	0
Behavioral Health Services/IGT (173)	150364	00.000	Award Letter 08/09/2010	9,736,555	38,306	0
Child Welfare for Education and Leadership- CW	221290	00.000	Agreement	1,027,992	1,027,990	0
Family Group Decision Making (FGDM)	221296	00.000	Award Letter	1,804,447	1,800,447	0
Family Grp Decision Making (FGDM)	221210	00.000	Award Letter 07/22/11	1,396,302	72,641	0
Functional Family Therapy (FFT)	221295	00.000	Award Letter	128,250	63,241	0
Gambling Addiction Assess & Treat Funds - CO	150479	00.000	Award Letter	1,087,682	894,348	0
Housing Initiative	221292	00.000	Award Letter	1,167,612	795,992	0
Housing Initiative	221205	00.000	Award Letter 07/22/2011	1,297,347	134,048	0
Information Technology Grant (ITG)	221337	00.000	Award Letter	8,674,010	3,732,321	0
Information Technology Grant (ITG)	221338	93.658	Award Letter	8,674,010	423,700	107,110
Information Technology Grant (ITG) - Federal	220472	93.658	Award Letter	908,280	0	2,668,344
Medicare Part D - Retirees	350380	93.778	RECEIPTS	282,919	282,919	282,919
Supported Work Prog (Workwise)- F	080295	93.558	Contract # 4100058283	1,043,822	31	0
Supported Work Prog (Workwise)- F	080297	93.558	Contract # 4100058283	1,043,822	169,527	322,265
Supported Work Prog (Workwise)- S	080298	00.000	Contract # 4100058283	251,479	239	0
Supported Work Program (Workwise) -F	080301	93.558	Contract # 4100045783	1,295,301	922,895	827,287
Time Limited Family Reunification (TLFR)	221308	00.000	Agreement SAP # 4100044433	215,000	167,192	0
<b>Total Other PaDPW Assistance:</b>				<b>64,670,899</b>	<b>20,729,313</b>	<b>4,207,925</b>

The accompanying notes are an integral part of this schedule.

---

**City of Philadelphia**  
**Schedule of Expenditures of Pennsylvania Department of Public Welfare Awards**  
**July 1, 2012 to June 30, 2013**

<u><b>Pa. DPW Program</b></u>	<b>City ID</b>			<b>Grant</b>	<b>Grant</b>	<b>Federal</b>
<b>Project Title</b>	<b>Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Awards</b>	<b>Expenditures</b>	<b>Cash Received</b>
<b>Total Schedule of Expenditures of PaDPW Awards:</b>				<b>1,395,913,257</b>	<b>737,641,647</b>	<b>184,442,047</b>

---

**CITY OF PHILADELPHIA  
NOTES TO THE SCHEDULE OF EXPENDITURES OF PENNSYLVANIA  
DEPARTMENT OF PUBLIC WELFARE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**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** :

Child Support Enforcement

**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		\$ 139,242,472
State - DPW Behavioral Health Services Initiative		7,933,283
State - DPW Children and Youth Program		194,446,811
State - DPW Combined Homeless Assistance Programs		3,155,009
Total Pa. DPW Awards to Subrecipients:		<u><u>\$344,777,575</u></u>

# **INDEPENDENT AUDITOR'S SECTION**

## **Auditor's Reports**

**Schedule of Findings and Questioned Costs**

**Summary Schedule of Prior Audit Findings**



# CITY OF PHILADELPHIA

OFFICE OF THE CONTROLLER  
1230 Municipal Services Building  
1401 John F. Kennedy Boulevard  
Philadelphia, PA 19102-1679  
(215) 686-6680 FAX (215) 686-3832

ALAN BUTKOVITZ  
City Controller

GERALD V. MICCIULLA  
Deputy City Controller

## **INDEPENDENT AUDITOR'S 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, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, 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, 2013, and the related notes to the financial statements, which collectively comprise the City of Philadelphia, Pennsylvania's basic financial statements, and have issued our report thereon dated February 24, 2014. Our report includes a reference to other auditors. Other auditors audited the financial statements of the following entities, as described in our report on the City of Philadelphia, Pennsylvania's 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  
Delaware River Waterfront Corporation  
Philadelphia Parking Authority  
Philadelphia Redevelopment Authority  
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 auditor's 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 Delaware River Waterfront Corporation, Philadelphia Authority for Industrial Development, and Philadelphia Parking Authority 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 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 of the financial statements, we considered the City of Philadelphia, Pennsylvania's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Philadelphia, Pennsylvania's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Philadelphia, Pennsylvania's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be a material weakness and significant deficiencies.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the combination of deficiencies, which are described in the accompanying Schedule of Findings and Questioned Costs as item 2013-001 to be a material weakness.

*A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2013-002 to 2013-006 to be significant deficiencies.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Philadelphia, Pennsylvania's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which

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

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*.

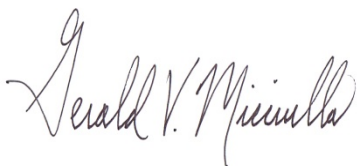
We noted certain other conditions that represent deficiencies in internal control over financial reporting that were communicated to management of the City of Philadelphia in separate correspondence. We also identified other internal control deficiencies during an assessment of information technology general controls conducted by an independent accounting firm engaged by us, which have been communicated to management in a separate report.

**City of Philadelphia, Pennsylvania's Response to Findings**

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. The City of Philadelphia, Pennsylvania's written response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

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



GERALD V. MICCIULLA, CPA  
Deputy City Controller  
Philadelphia, Pennsylvania  
February 24, 2014





# CITY OF PHILADELPHIA

OFFICE OF THE CONTROLLER  
1230 Municipal Services Building  
1401 John F. Kennedy Boulevard  
Philadelphia, PA 19102-1679  
(215) 686-6680 FAX (215) 686-3832

ALAN BUTKOVITZ  
City Controller

GERALD V. MICCIULLA  
Deputy City Controller

## **INDEPENDENT AUDITOR'S REPORTS ON COMPLIANCE FOR EACH MAJOR PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE, AND ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY 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

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

We have audited the City of Philadelphia, Pennsylvania's compliance 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 could have a direct and material effect on each of the City of Philadelphia, Pennsylvania's major federal and DPW programs for the year ended June 30, 2013. 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.

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 of 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 *OMB Circular A-133*.

### **Management's Responsibility**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the City of Philadelphia, Pennsylvania's major federal and DPW programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; 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 on compliance for each major federal and DPW program. However, our audit does not provide a legal determination of the City of Philadelphia, Pennsylvania's compliance.

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

In our opinion, the City of Philadelphia, Pennsylvania complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and DPW programs for the year ended June 30, 2013.

### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, 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 2013-007, 2013-008, 2013-010 to 2013-013, and 2013-015 to 2013-019. Our opinion on each major federal and DPW program is not modified with respect to these matters.

The City of Philadelphia, Pennsylvania's response to the noncompliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The City of Philadelphia, Pennsylvania's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control over Compliance**

Management of the City of Philadelphia, Pennsylvania is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Philadelphia, Pennsylvania's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or DPW

program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of the City of Philadelphia, Pennsylvania's internal control over compliance. Accordingly, we do not express an opinion of the effectiveness of the City of Philadelphia, Pennsylvania's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2013-009 and 2013-014 that we consider to be significant deficiencies.

The City of Philadelphia, Pennsylvania's response to the internal control over compliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The City of Philadelphia, Pennsylvania's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

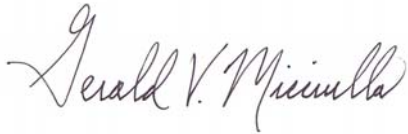
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, the business-type activities, 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, 2013, and the related notes to the financial statements, which collectively comprise the City of Philadelphia, Pennsylvania's basic financial statements. We issued our

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

report thereon dated February 24, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

A handwritten signature in dark ink, reading "Gerald V. Micciulla". The signature is written in a cursive, flowing style with a large initial "G".

GERALD V. MICCIULLA, CPA  
Deputy City Controller  
Philadelphia, Pennsylvania  
February 23, 2015

# **Schedule of Findings And Questioned Costs**

**CITY OF PHILADELPHIA**

**Schedule of Findings and Questioned Costs – June 30, 2013**

---

**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 ☐ no

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

Noncompliance material to financial statements noted? ☐ yes ☒ no

*Federal Awards:*

Internal control over major programs:

Material weakness(es) identified? ☐ yes ☒ no

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

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

Unmodified

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.218	Community Development Block Grant
14.231	Emergency Solutions Grant
14.238	Shelter Plus Care Grant
14.246	CDBG/ Brownfields Economic Development Initiative
14.251	Economic Development Initiative
14.253	Community Development Block Grant (ARRA)
14.256	Neighborhood Stabilization Program 2 (ARRA)
16.710	Public Safety Partnership and Community Policing Grants (ARRA)
16.738	Edward Byrne Memorial Justice Assistance Grant Program
16.803	Edward Byrne Memorial Justice Assistance Grant (JAG) Program – Grants to States and Territories (ARRA)
16.804	Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to Units of Local Government (ARRA)
16.922	Equitable Sharing Program
20.106	Airport Improvement Program
20.205	Highway Planning and Construction
20.205	Highway Planning and Construction (ARRA)
66.468	Capitalization Grant for Drinking Water State Revolving Fund (ARRA)
81.128	Energy Efficiency and Conservation Block Grant Program (ARRA)
93.268	Immunization Grants

**CITY OF PHILADELPHIA**

**Schedule of Findings and Questioned Costs – June 30, 2013**

---

**Section I – Summary of Auditor’s Results (continued):**

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.275	Substance Abuse and Mental Health Services – Access to Recovery
93.563	Child Support Enforcement
93.712	Immunization (ARRA)
93.778	Medical Assistance Program
93.914	HIV Emergency Relief Project Grants
93.917	HIV Care Formula Grants
93.940	HIV Prevention Activities – Health Department Based
97.117	TSA Airport Checked Baggage Inspection System Program (ARRA)

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, 2013**

---

<u>Finding No.</u>	<u>Page</u>	<u>Questioned Cost</u>
<u>Section II - Financial Audit Material Weakness:</u>		
2013- 001. Inadequate Oversight Over the Financial Reporting Process	53	
<u>Section III - Financial Audit Significant Deficiencies:</u>		
2013-002. Unauthorized Individuals Are Approving Bi-Weekly Payrolls	63	
2013-003. Capital Asset Deficiencies Require Corrective Action	64	
2013-004. Segregation of Duties Not Enforced For The Automated Payroll System	67	
2013-005. Water Customer Account Balances Could Be Inappropriately Reduced	68	
2013-006. Standard Accounting Procedures Need To Be Updated	70	
<u>Section IV – Federal and PA Department of Public Welfare Findings and Questioned Costs</u>		
2013-007. Special Tests – Rent Reasonableness Requirement Shelter Plus Care – CFDA #14.238	71	
2013-008. Allowable Costs/Cost Principles Emergency Solutions Grant – CFDA #14.231	72	\$195,767
2013-009. Subrecipient Monitoring Emergency Solutions Grant – CFDA #14.231 Shelter Plus Care – CFDA #14.238	73	
2013-010. Reporting Emergency Solutions Grant – CFDA #14.231 Shelter Plus Care – CFDA #14.238	75	
2013-011. Reporting Community Development Block Grant – CFDA #14.218	77	
2013-012. Reporting CDBG/Brownfields Economic Development Initiative – CFDA #14.246	78	



***CITY OF PHILADELPHIA******Schedule of Findings and Questioned Costs – June 30, 2013***

---

<u>Finding</u> <u>No.</u>	<u>Page</u>	<u>Questioned</u> <u>Cost</u>
2013-013. Allowable Costs/Cost Principles Highway Planning and Construction – CFDA #20.205	79	\$ 14,167
2013-014. Subrecipient Monitoring Immunization Cooperative Agreements – CFDA #93.268 HIV Emergency Relief Project Grants – CFDA #93.914 HIV Care Formula Grants – CFDA #93.917 HIV Prevention Activities_Health Department Based Grants – CFDA #93.940	80	
2013-015. Reporting HIV Emergency Relief Project Grants – CFDA #93.914 HIV Prevention Activities_Health Department Based Grants – CFDA #93.940	81	
2013-016. Reporting Substance Abuse & Mental Health Care Services – Access to Recovery – CFDA #93.275	82	\$ 98,250
2013-017. Davis Bacon Act Airport Improvement Program – CFDA #20.106 Capitalization Grants for Drinking Water State Revolving Fund (ARRA) – CFDA #66.468 TSA Airport Inspect Baggage Inspection System Program (ARRA) – CFDA #97.117	84	
2013-018. Reporting Child Support Enforcement – PA Department of Public Welfare	85	
2013-019. Special Tests – Equipment Maintenance Requirement Airport Improvement Program – CFDA #20.106	86	

**2013-001. INADEQUATE OVERSIGHT OVER THE  
FINANCIAL REPORTING PROCESS**

Philadelphia's Home Rule Charter places responsibility for the City of Philadelphia's (city) accounting and financial reporting functions with the Office of the Director of Finance (Finance Office). In that capacity, the Finance Office prepares the city's Comprehensive Annual Financial Report (CAFR). To complete these tasks, Finance Office accountants collect, analyze, and summarize enormous amounts of financial data and grant data, as well as other information obtained from the city's accounting system, numerous city agencies, and assorted quasi-government units, such as the Philadelphia Gas Works and the Philadelphia Redevelopment Authority.<sup>1</sup> Our current audit again disclosed a number of conditions, which collectively we consider to be a material weakness, that impede the ability of accountants to prepare a timely, accurate, and completed CAFR without significant adjustments recommended by the City Controller's audit staff. More specifically, we observed that:

- reductions in the number of accountants in the Finance Office and other city agencies compromised timely and accurate preparation of the CAFR;
- a collective lack of diligent review and inadequate management oversight by several city agencies resulted in misstated receivables reported in the financial statements presented for audit;
- inadequate procedures over the preparation of financial statements pertaining to the city's Water and Sewer Fund increased the risk of errors;
- year-end receivable procedures failed to properly account for the Water and Sewer Fund write-off;
- preparation of the CAFR by Finance Office accountants was hampered because financial reports for some component units were not received timely; and,
- some city agencies again provided inaccurate year-end balances for bank accounts under their custody to Finance Office accountants, creating the need for significant adjustments to the financial statements presented for audit.

Each of these conditions is discussed in more detail below.

**Staff Reductions Continue to Compromise CAFR Preparation Process**

Over the last several years, we have commented that continual staff reductions in the Finance Office have made the task of preparing the CAFR more difficult to complete and compromised the ability of accountants to perform adequate reviews and approvals of the financial statements and related footnote disclosures.

---

<sup>1</sup> These quasi-government units are considered component units for purposes of the city's CAFR.

During our current audit, we observed that the Finance Office had taken steps internally to strengthen controls over the preparation of the CAFR. Management is currently implementing a succession plan to replace two key employees expected to retire in the next fiscal year. They are training a manager to assume higher-level responsibilities, hiring a new employee to fill an anticipated managerial vacancy, and increasing the size of their professional staff by two.

However, continued inadequate staffing in the Finance Office and other city agencies, still contributed to errors in the financial statements presented for audit. Our audit work revealed several undetected errors in the agency receivables, year-end cash, and capital asset amounts that were submitted to the Finance Office for inclusion in the CAFR. Because of these errors, we proposed \$1.7 billion in adjustments to the financial statements presented for audit.

Since fiscal year 2000, we have noted that the number of Finance Office accountants has declined by nearly 27 percent (from 64 full-time employees in fiscal year 2000 to 47 in fiscal year 2013). Likewise, since fiscal year 2008, the Collections Division of the Department of Revenue (Revenue Department), responsible for processing revenue receipts and preparing financial reports on all revenue and receivable activity, lost 32 percent of its accounting positions. Without sufficient staff to prepare the CAFR, the risk increases that significant errors can occur and not be timely discovered and corrected.

In a related issue to staffing, during the audit we also became aware that an employee from the Office of Innovation and Technology (OIT), performing key duties for the Revenue Department, was planning to retire in April 2014. Since this employee was responsible for maintaining the Revenue Department's Taxpayer Information Payment System (TIPS) and producing many of the revenue/receivable reports used by the agency on a daily basis, Revenue Department management should have anticipated this and worked with OIT to hire and train someone several months prior to his departure. However, the Revenue Department did not have a succession plan in place, and only in February of this year, did they fill the position.

**Recommendations:**

To ensure an accurate, complete, and timely prepared CAFR, we recommend that Finance Office management:

- Either hire more accountants, or invest in new information technology that will reduce the current labor-intensive procedures needed to prepare the city's financial reports.
- Provide adequate funding to all city agencies currently experiencing difficulty in accumulating and providing timely, accurate, and complete financial data to the Finance Office for inclusion in the CAFR.
- Prepare a succession plan for key employees who are essential to the complete and accurate presentation of information in the city's CAFR.

Grantee Response:

The Accounting Bureau (Accounting) is committed to producing a well-prepared CAFR that is accurate and properly reviewed. As noted in your report, staff reductions in recent years have made the task of completing the CAFR more difficult. Despite the loss of experience, the Finance Office has made progress in its succession planning efforts, and believes it has a core of dedicated individuals presently in place to accomplish our mission. We will continue to work with other departments within the Finance area on succession planning efforts. Within Accounting, unit managers have assigned more tasks to the staff accountants for them to be more involved in the year-end process and to facilitate better review by supervisors and managers. Accounting leadership reviewed the errors and adjustments identified in the FY2012 CAFR audit with the entire accounting staff in an effort to improve future performance. In addition, we are encouraging all of the staff to participate in the CPE courses being offered by the city's CPA's. We anticipate an improved CAFR in future fiscal years as the staff becomes more experienced and internal improvements are made.

Collective Lack of Due Diligence Resulted in Misstated Year-End Receivable

Section 6-200 of the Philadelphia Home Rule Charter specifies that the Revenue Department is responsible for collecting all monies payable and due to the city. When revenue is collected by other city agencies with regularity and in sufficient volume, employees of those agencies are to act as agents for the Revenue Department<sup>2</sup> to facilitate accountability. The Revenue Department is then responsible for an accurate accounting of city revenue and receivables, and estimating amounts deemed uncollectible at year-end, for inclusion in the School District of Philadelphia's and city's CAFRs.

In prior reports, we have commented about the Revenue Department's need for better oversight of city receivables. We found misstatements of tax and other accounts receivable balances, as well as discrepancies in the estimates of the uncollectible portion of the receivables. This lack of oversight appeared largely due to an inadequate review, which occurred because of changes in supervisory personnel within the Revenue Department.

During our current audit, we observed evidence of inadequate oversight not only within the Revenue Department, but within the Fire Department acting as an agent for Revenue. The Fire Department, through a contracted vendor, bills and collects Emergency Medical Services (EMS) fees for ambulance transport and other medical services provided to citizens and visitors of the city. Responses by the Fire Department's accountant to our inquiries regarding how the agency's billing/collection vendor was accounting for EMS fees clearly suggested he had no understanding of the procedures being utilized by the firm. For example, he could not explain adjustment information presented on the firm's monthly billing/collection report, nor could he confirm whether the outstanding receivables from the previous billing/collection vendor were transferred to the recently engaged new firm. Additionally, the accountant failed to reconcile collections presented on the vendor's receivable report to lockbox deposits presented in monthly bank statements. And most importantly, he was unable to explain why he wrote-off \$389 million in receivables without the approval of the Accounts Review Panel.

---

<sup>2</sup> Philadelphia Home Rule Charter Section 6-204.

We also observed that Revenue Department management neglected to provide adequate oversight of the billing and receivable functions being performed in other city agencies. For instance, the Revenue Department did not routinely provide guidance to the city agencies or regularly communicate with agency personnel performing the billing and receivable duties, some of whom were not trained as accountants. And often, Revenue Department accountants just accepted the receivable amounts provided by city agency personnel without adequately scrutinizing them for anomalies and errors that might require correction. We observed, for instance, that Revenue Department accountants simply accepted the Fire Department's EMS receivable balances without adequate understanding of the significant amounts written off by the Fire Department's accountant.

Our observations also revealed that the Revenue Department's written procedures regarding how to account for estimated uncollectible accounts were outdated and failed to provide adequate instruction on how to calculate estimated uncollectible amounts. We believe this situation may have contributed to Revenue Department accountants applying an inaccurate uncollectible percentage to the Streets Department small commercial establishment fee, which in our opinion appeared too high based on the fee's collection history. This mistake resulted in a \$15.9 million overstatement in the allowance for the doubtful accounts balance.

As to the allowance for doubtful accounts associated with taxes receivable, we again found that the Revenue Department miscalculated the allowance because it applied an uncollectible rate that was inconsistent with established methodology. Consequently, we had to propose an additional \$22 million of adjustments to correct both the city and school district's financial statements presented for audit.

Recommendations:

To ensure an accurate CAFR, we continue to recommend that the Revenue Department:

- Develop detailed written procedures to guide their accountants on: (1) accurately establishing year-end receivable balances; (2) performing an independent review of related activity; and (3) annually updating the estimated basis for determining uncollectible accounts receivable amounts.
- Provide adequate training to employees performing new duties.
- Provide better guidance to accountants in other agencies, especially those generating significant revenue.

We also recommend that Fire Department management make certain that the accountant responsible for EMS fees and related receivables:

- Puts forth a better effort to understand the accounting procedures used by the agency's contracted billing/collection vendor.
- Analyzes the receivables to identify the portion determined to be uncollectible for appropriate disposition by the Accounts Review Panel.

- Collaborates with the Revenue Department to accurately report the Fire Department's year-end EMS receivables and allowance for doubtful accounts.

Grantee Response:

Revenue is committed to working closely with departments that manage large agency receivables to provide better guidance and to ensure uncollectible receivables are calculated accurately. The Revenue Department is completing a procedures manual with detailed instructions to guide its accountants in preparing supporting documents and reports used for the CAFR report. Upon completion, this manual will be provided to other departments that have employees involved in the year-end receivables process, and Revenue will provide training as needed.

Inadequate Preparation Procedures for the Water and Sewer Fund Financial Statements

As one of the city's business-type activities, the Philadelphia Water Department (PWD) is responsible for preparing the full accrual financial statements of the Water and Sewer Fund (Water Fund) and submitting those statements to the Finance Office for inclusion in the city's CAFR. Since our fiscal year 2005 report, we have commented on deficiencies and inconsistencies in the review process for the financial statements of the Water Fund. The statements again did not include a certification, signed by a responsible PWD official, attesting that the statements had been reviewed and approved, and to the best of the reviewer's knowledge, complete and free from material misstatements. Additionally, the review process performed by Finance Office accountants, has historically been further hindered by the lack of supporting documentation provided by PWD to support the accuracy of the Water Fund financial statements.

During the current audit, the PWD accountants provided us with a copy of their financial statement procedure checklist, signed and dated by the preparer and reviewer. Unfortunately, this checklist did not provide detailed and meaningful information in regards to the procedures performed to ensure the accuracy of the Water Fund financial statements. Furthermore, according to Finance Office accountants, no checklist had been received from PWD when their statements were submitted or during any subsequent revisions. Consequently, in our opinion this checklist was ineffective in the preparation of the Water Fund financial statements. For instance, we found that a prior year accounts receivable adjusting entry totaling \$5.3 million was not properly reflected in the financial statements presented for audit. If the procedures on the checklist had been comprehensive, we believe that PWD accountants would have detected and corrected this error.

Additionally, the Water Fund financial statements were submitted to the Finance Office without any supporting documentation. The lack of supporting documentation is contrary to the amount of information provided to the Finance Office by the Division of Aviation (DOA), also reported as a business-type activity. The DOA provides a compilation package of detailed and organized support for their financial statements. We believe that supporting documentation, similar to the DOA's submission, would strengthen the report preparation process and would prevent and detect errors.

Recommendations:

We continue to recommend that management and accountants of PWD:

- Perform procedures to ensure the accuracy and completeness of the Water Fund financial statements. The current checklist should be strengthened to include specific and comprehensive preparation procedures that can be consistently applied. The checklist should be submitted to the Finance Office along with the Water Fund financial statements. It should include an assertion by management that the statements have been reviewed and approved, and that to the best of management's knowledge, are complete and free from material misstatements.
- Review and approve the Water Fund financial statements for accuracy and completeness.
- Provide detailed and organized supporting documentation for the Water Fund financial statements when submitted to the Finance Office, similar to the compilation package submitted by the DOA.

Additionally, once the Finance Office has incorporated the Water Fund financial statements into the CAFR, a responsible PWD official should review the CAFR for accurate inclusion of the statements.

Grantee Response:

Accounting and PWD work closely together to prepare the Water Fund financial statements and will continue to do so. PWD did implement the use of a procedural checklist to document steps performed in the preparation of the annual Water Fund financial statements and provided this document to the Controller's Office during the audit. We agree with the recommendation that the comprehensive checklist, as well as supporting documentation, from PWD would help Accounting review financial statements for accuracy and completion. Accounting and Water will work together to determine what documentation is necessary and will discuss the Controller's observations with PWD staff to improve the existing financial checklist and ensure it is provided to the Finance Office with future financial statements.

Accounting will also explore with PWD the possibility of implementing a process to provide entries that may be uploaded into FAMIS so that the general ledger would support amounts reported in the financial statements.

Year-End Receivable Procedures Failed to Properly Account for Water and Sewer Fund Write-off

Our current year testing disclosed that the Water Revenue Bureau (WRB) and the PWD did not accurately calculate their revenues, the year-end Water Fund accounts receivable balance, or the related allowance for doubtful accounts, associated with water services to their customers. Additionally, the WRB did not update its methodology for estimating the percentage of uncollectible receivables. As a result, the amounts reported for revenues, accounts receivables,

and allowance for doubtful accounts, in the financial statements presented for audit were overstated by \$10 million, \$133 million, and \$123 million, respectively.

The above overstatements were a direct result of PWD accountants failing to record a \$129 million write-off of accounts receivables and neglecting to timely post a prior year \$5.3 million adjusting entry into the city's accounting system. Failure to update the methodology for estimating the uncollectible portion of the receivable balance also contributed to these misstatements. Furthermore, a lack of communication appeared to exist between the PWD accountants responsible for preparing the Water Fund financial statements and the WRB accountants responsible for compiling receivables. PWD accountants claimed that they were not aware of the accounts receivable write-off, which was submitted by the WRB and approved by the Accounts Review Panel. However, our review indicated that PWD representatives were explicitly copied on the submission to the Accounts Review Panel. We also noted that the WRB accountants were not provided with the opportunity to review the Water Fund financial statements despite their responsibility for the amounts presented.

Recommendations:

To ensure accurate, consistent, and timely CAFR reporting, we recommend that:

- All financial statement adjustments be posted into the city's accounting system in a timely manner.
- PWD accountants post all write-off amounts into the Water Fund financial statements once they are approved by the Accounts Review Panel.
- PWD accountants actively participate in submissions to and meetings with the Accounts Review Panel.
- The WRB, in conjunction with PWD, develop and implement a reasonable methodology for estimating the allowance for doubtful accounts for its receivables. These procedures should be officially adopted and put into writing for consistency purposes.
- PWD and WRB accountants should establish communication channels to improve the financial statement preparation process.

Grantee Response:

The methodology for estimating the percentage of uncollectible receivables was changed to write off all balances one year or older only after reports were sent to PWD. The Uncollectible Receivables Report and methodology change were subsequently sent to PWD. In the future, PWD will provide copies of the financial statement to WRB so that they may review them prior to final submission and will participate in Accounts Review Panel meetings when invited.



**Late Receipt of Component Unit Financial Reports Still Hampered Preparation and Audit of CAFR**

For several years, we have commented about the late submission of financial reports by some of the city's component units. These late submissions have resulted in delays in timely completing the financial reporting and auditing processes for the city's CAFR. This condition did not improve for fiscal year 2013. As portrayed in Table 1 below, eight of the city's ten component units did not submit their reports by the due dates requested by Finance Office accountants.

While the Philadelphia Authority for Industrial Development was submitted the latest, at 123 days past the requested due date, the most egregious was the Philadelphia Redevelopment Authority, which, despite repeated requests, did not submit its final financial report to the Finance Office until very late in the audit. Failure to receive component unit financial statements on time increases the chances for errors or omissions as accountants must make significant changes to the financial statements and footnote disclosures each time a component unit's financial information is added to the report. Moreover, additional time is required for the audit process as each series of changes requires considerable audit time to ensure that accountants have correctly changed previous amounts and footnotes presented for audit.

**Table 1: Late Submission of Component Unit Financial Reports**

Component Unit	Due Date	Date Received	Days Late
Community Behavioral Health	5/31/2013	8/07/2013	68
Delaware River Waterfront Corporation	10/28/2013	1/16/2014	80
Pennsylvania Intergovernmental Cooperation Authority	10/28/2013	1/06/2014	70
Philadelphia Authority for Industrial Development	5/31/2013	10/01/2013	123
Philadelphia Municipal Authority	10/28/2013	12/20/2013	53
Philadelphia Parking Authority	8/30/2013	9/13/2013	14
Philadelphia Redevelopment Authority	10/28/2013	2/24/2014	119
School District of Philadelphia	12/23/2013	2/19/2014	58

**Note:** The Philadelphia Gas Works and the Community College of Philadelphia submitted their financial reports timely.

**Source:** Prepared by the Office of the City Controller

In an attempt to provide more timely information, some component units, like the Philadelphia Redevelopment Authority, submitted draft versions of their financial statements. However, this practice was not always helpful.

**Recommendations:**

We again recommend that early in the CAFR preparation process, Finance Office accountants solicit the assistance of the mayor and/or other administrative officials, to secure the cooperation of all component unit management in the timely submission of their respective final financial reports to the city's Finance Office.

Grantee Response:

We agree that the timely submission of all component unit reports is critical to the timely issuance and accuracy of the city's CAFR. Accounting communicates the required timelines to the component units and emphasizes the importance of timely submissions. During the last year, Accounting met early in the process with management and auditors of various component units concerning the timely audit submission, but still experienced difficulty expediting the receipt of final audits. Accounting, with the assistance of the Finance Director and other city administrators as needed, will continue to communicate the need for timely reporting.

Certain City Agencies Inaccurately Reported Their Year-End Custodial Account Balances

For the past several years, we have commented that cash balances reported for the agency custodial funds were incomplete and inaccurate. City agencies failed to provide Finance Office accountants with year-end cash balances, and the accountants often did not follow-up or perform the necessary level of review to accurately report these accounts in the financial statements presented for audit.

Section 6-300 of the Home Rule Charter designates the City Treasurer as the custodian of city funds. However, fiduciary responsibilities often require that city agencies maintain custodial accounts separate from other city funds. To decrease the risk of abuse that could result from creating bank accounts not under control of the City Treasurer, the Finance Office issued Standard Accounting Procedure (SAP) No. 4.1.1.g, which requires city agencies to obtain approval from the Director of Finance before opening a new bank account. Furthermore, SAP No. 7.1.3.b requires the agencies to prepare and submit monthly bank reconciliations to the city's Finance Office so that the account activity can be accumulated and correctly presented in the CAFR. The Finance Office is then responsible for reviewing the reconciliations, verifying their accuracy, and determining consistency with the previous month's submission.

Our current year audit again disclosed errors involving the custodial accounts. We found that certain city agencies such as the Sheriff's Office and the First Judicial District continued to ignore SAPs, failing to submit the required fiscal 2013 year-end cash balances to the Finance Office for eight of the ten omitted custodial accounts. Additionally, one of the custodial accounts belonging to the Fire Department, with a year-end balance of \$2.6 million, was not previously approved by the Director of Finance.

Furthermore, the Finance Office neglected to perform an adequate review of the cash balances reported and failed to ensure that all agency bank accounts were identified. Seven of the ten accounts omitted in the fiscal year 2013 financial statements presented for audit were previously reported in the fiscal year 2012 CAFR. The Finance Office also reported the incorrect beginning cash and investment balances for three agencies, misclassified a \$1.6 million investment as cash, improperly reported a \$300,000 Special Revenue Fund account as an agency custodial account, and erroneously reported the fiscal year 2013 year-end book balance for eight other accounts. As a result, a \$12.1 million adjustment had to be made to correct the financial statements presented for audit.

Recommendations:

To improve the reporting process over custodial accounts, we continue to recommend that the Finance Office:

- Instruct city agencies to prepare and submit monthly custodial bank account reconciliations to its Accounting Bureau. The Finance Office should develop and implement procedures to ensure that each month there is a concerted follow-up effort by its accountants to obtain the required reconciliations.
- Require city agencies to report all custodial bank accounts and follow the proper procedures for the establishment of new bank accounts in accordance with the SAP 4.1.1.g.
- Perform an adequate review to ensure that all custodial accounts are properly accounted for in the city's CAFR.

Grantee Response:

We agree that the preparation and submission of custodial bank account reconciliations from all city agencies is critical to the timely issuance and accuracy of the city's CAFR. Accounting will work with the city's Treasurer's Office (CTO) to develop and maintain a universe of known custody accounts maintained by departments. We will augment this list with custody accounts maintained by the Sheriff's Office and First Judicial District. Accounting will reissue SAP 4.1.1.g to require departments and the CTO to obtain Finance Office approval prior to opening any new bank accounts and reissue SAP 7.1.3.b to have departments submit monthly reconciliations to Finance for review and inclusion in the financial statements.

**2013-002. UNAUTHORIZED INDIVIDUALS ARE APPROVING  
BI-WEEKLY PAYROLLS**

Our audit of payroll expenditures noted a deficiency in the approval process of the city's bi-weekly payroll. Specifically, we noted that the official signature files maintained by the Finance Office did not always agree with the approval privileges assigned within the on-line payroll system. As a result, more than \$89 million in payroll costs were approved by unauthorized employees during fiscal year 2013.

The city's on-line payroll system includes a three step process that begins with data entry to the payroll time records by an agency employee. A responsible administrative employee then reviews the posted payroll time record and enters a supervisory-level approval into the system. Lastly, a commissioner, deputy, executive administrative officer or an employee of similar rank, reviews the postings and enters an executive-level approval into the system.

SAP No. E-0911, *Signature Authorization Cards*, requires a signature verification process and establishes the appropriate employee rank that can be designated to approve an agency's bi-weekly payroll. This procedure also requires the Finance Office to maintain a current signature file of employees authorized to enter executive-level approvals for their respective agency's payroll.

During the audit, we compared the payroll signature files for 55 city agencies to the individuals designated as authorized in the on-line payroll system that had executive-level approvals for the bi-weekly payrolls. Our testing disclosed the following inconsistencies between the signature files and the on-line payroll system:

- twenty-five agencies (45 percent) had employees performing the on-line executive-level approval of bi-weekly payroll who had not been authorized to approve payroll; and,
- forty-nine agencies (89 percent) had employees who were authorized as executive-level approvers, but not designated as such in the payroll system. Thirty-six of these individuals did not have access to the system.

**Recommendations:**

We recommend Finance Office management review the executive-level approvers in the on-line payroll system to ensure that all individuals are properly authorized and have appropriate on-line access to the system.

**Grantee Response:**

The Payroll Unit will work with OIT to explore a programmatic approach to remove authorized signors that have terminated or transferred to other departments. In the meantime, the Payroll unit will issue an email requesting that departments review employees currently on signature cards for accuracy and updating, where necessary. The email will remind departments of their responsibility to notify the Payroll Unit of any changes to the existing signatures.

**2013-003. CAPITAL ASSET DEFICIENCIES REQUIRE CORRECTIVE ACTION**

Management is required by Philadelphia’s Home Rule Charter to maintain current and comprehensive records of all real property belonging to the city; however, as we noted in our prior reports, the city does not have a comprehensive capital asset management system. For the past several years, we have emphasized the need for the city to acquire a comprehensive capital asset system to better manage and account for real property assets. In response, management has asserted that although it would be beneficial to have a comprehensive capital asset system, resources have not been identified to initially fund and continually maintain such a system.

**Lack of a Comprehensive Capital Asset System Hampered Reporting Process**

Our current year testing again noted no improvement in the capital asset reporting process. Finance Office accountants continue to maintain several Lotus 1-2-3 and Excel files that along with FAMIS<sup>3</sup> constitute the current fixed asset ledger. Various spreadsheet files accumulate the cost of capital assets and work in progress, while other spreadsheet files are used to calculate depreciation expense and accumulated depreciation reported in the CAFR. Real property addresses are only available in FAMIS by user code, which is identified in an Excel file called the “Proof.” The use of multiple files creates a burdensome and onerous process that can affect the accuracy and completeness of amounts reported in the CAFR and causes extensive audit effort. For instance, we found a \$1.0 million discrepancy between the “Proof” file and FAMIS for vehicle balances, and a \$4.0 million discrepancy between the “Proof” file and the financial statements for the current year building and equipment depreciation expense, which was corrected once brought to the attention of the Finance Office. We also noted a \$2.0 million variance pertaining to building retirements that was also subsequently corrected by Finance Office accountants.

A comprehensive capital asset system can provide the city with detailed asset information that would eliminate a significant amount of labor-intensive record keeping duties, and improve efficiency in accounting for these assets. Such a system could facilitate the annual depreciation expense calculation and aid in preventing or detecting errors in a timely manner.

**Real Property Assets Were Not Subject to Physical Inventory**

Except for the PWD and the DOA, which both periodically check the physical existence and condition of their real property assets, our current year testing again disclosed no evidence that the city’s other real property assets had been recently inventoried.

SAP No. E-7201 specifies that the Procurement Department shall physically inspect all city-owned real property on a cyclical basis and check against the inventory listing to determine actual existence, condition and propriety of use. In addition, the Government Finance Officers Association (GFOA) recommends that governments periodically inventory tangible capital assets, so that all assets are accounted for, at least on a test basis, no less often than once every five years. It also recommends governments periodically inventory the physical condition of all existing capital assets so that the listing of all assets and their condition is kept current. Furthermore, the GFOA recommends that a “plain language” report on the condition of the

---

3 Financial Accounting and Management Information System.

government's capital assets be prepared, and that this report be made available to elected officials and the general public every one to three years.

In December 2013, the Mayor's Facilities Task Force<sup>4</sup> issued their anticipated report on city-owned facilities with recommendations on how to better manage city facilities. According to the report, "the single greatest finding is the lack of systematic and coordinated data tracking by the city with regard to facility management. The complete cost of facility operations is not recorded in a manner that provides for optimal allocation of funding for the maintenance, repair and the capital investment in city facilities." As such, it hampers the city's ability "to develop a true strategic plan for making informed facility decisions." One of the report's top ten recommendations was to "implement an integrated, citywide asset management program to manage all data on city-owned facilities in a uniform and consistent manner." In our opinion, this report reinforces our belief that the benefits of a comprehensive capital asset system outweigh the costs of such a system.

Recommendations:

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

- 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.
- 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.
- Develop and provide a plain language report on the condition of capital assets for the use of elected officials every three years. This report should be made available to the general public.
- Obtain the capital asset list created by the Mayor's Task Force on city-owned Facilities and compare it to Finance's records to identify any discrepancies and ensure completion and accuracy.

Grantee Response:

We agree that it would be beneficial for the city to have a capital asset system to accurately maintain cost history records and depreciation history and provide a detailed inventory of the major systems in all of the buildings that the city owns. However, the current system will provide financial information that is accurate and auditable, even though it does not provide the level of detail that a capital asset system might provide.

---

4 The Facilities Task Force was established by Executive Order No. 8-11. Its mission was to make recommendations to the Administration related to ensuring that the city obtains the best financial terms for housing city operations in facilities and for leasing city facilities; that city facilities are clean, safe and code compliant; that facilities with complimentary uses are co-located; and that any underutilized facilities are merged. The task force was expected to issue its report by July 2013.

We agree that there is no formal written process to document that a physical inventory is occurring and no one system/report where all of the data on property conditions is stored. However, as stated in your report, we believe that a physical inventory of assets is being conducted as a matter of course by the department and that information is the basis for their capital and maintenance budget needs. Accounting will review the report of the Mayor's Task Force on city-owned Facilities and determine if it can be helpful with maintaining the current inventory.

**2013-004. SEGREGATION OF DUTIES NOT ENFORCED  
FOR THE AUTOMATED PAYROLL SYSTEM**

In our previous reports, we commented that the duties pertaining to the posting, reviewing, and approving of payroll transactions were not adequately segregated. We found that the same individual either performed data entry and reviewed payroll time records or completed both the supervisory review and executive-level approval of payroll. Effective control procedures require that these duties be performed by separate employees.

Our current audit looked at the electronic signatures for payroll entry, supervisory review and executive-level approval for all city agencies during fiscal year 2013. Our testing of 55 city agencies for 26 pay periods, disclosed 494 occasions during the year (35 percent) in which the same individual posted and approved the on-line payroll time records, applied the supervisory and executive-level approvals, or performed all three duties. Forty-four of the agencies showed employees performing duplicate functions for more than two pay periods, with the Mayor's Office of Community Empowerment and Opportunity, the Office of the City Commissioners, and the District Attorney's Office being the most recurrent among the larger agencies. Consequently, there is an increased risk of error or fraud occurring without being detected during the normal course of employees performing their assigned functions.

In previous discussions with Finance Office accountants, they agreed that duty segregation of these payroll functions was both necessary and important, and therefore, they would continue to remind city agencies to maintain adequate separation of duties. The city is also in the process of modernizing its administrative systems, including human resources and payroll, and the Finance Office planned to review these control procedures for implementation as part of the project.

**Recommendations:**

We continue to recommend that the city's Finance Office remind city agencies of the importance of maintaining adequate segregation of duties for completing data entry, reviewing, and approving payroll each pay period. Additionally, we suggest the Finance Office ensure that any new system is designed to prevent one individual from performing two or more conflicting duties.

**Grantee Response:**

The security in the payroll systems lets a user with higher level do the work at their level, as well as the levels below them. We do agree that segregation of duties is an important internal control feature and Accounting will remind the departments about the importance of good internal controls. Currently, the city's OnePhilly initiative is underway with consultants on site to begin the process of modernizing the city's administrative systems, including HR and Payroll. These types of control features will be reviewed for implementation as part of that project.



**2013-005. WATER CUSTOMER ACCOUNT BALANCES  
COULD BE INAPPROPRIATELY REDUCED**

In previous reports we commented that users<sup>5</sup> of the city's water billing system, Basis2, had the ability to make inappropriate credit adjustments to customer accounts without detection. Credit adjustment limits in the Basis2 system range from a minimum of \$200 to a maximum of \$75,000, while the average customer's monthly bill is approximately \$75. As a result, a motivated system user could routinely adjust water accounts each month. And since an electronic authorization path for supervisory approval of adjustments has not been implemented in the Basis2 system, errors or irregularities could occur without detection.

Our current year testing disclosed that although the WRB provided us with some of the quarterly credit adjustment reports for the period July 2012 through December 2013, a check of the reports indicated that they were not reviewed in a timely manner.

---

**Table 2: Review of Quarterly Adjustment Audit Reports**

---

Report Quarter	Run Date	Review Date
September 2012	Not Provided	-
December 2012	04/11/2013	03/12/2014
March 2013	04/11/2013	03/12/2014
June 2013	Not Provided	-
September 2013	03/04/2014	03/04/2014
December 2013	03/04/2014	03/05/2014

---

**Source:** Prepared by the Office of the City Controller

As Table 2 above illustrates, the quarterly reports ending on December 2012 and March 2013, were generated on April 11, 2013 however, they did not appear to have been reviewed until March 2014. Untimely generation and review of control reports diminishes their effectiveness. WRB personnel informed us that the quarterly reports were reviewed timely, but they failed to properly document the review. We also noted that only one type of credit adjustment was reviewed even though the report includes at least 11 other credit adjustment types. As a result, the WRB is inadvertently narrowing the scope of their review to only one type of credit adjustment. In our opinion, this limitation also detracts from achieving the control objective.

**Recommendation:**

We again recommend that WRB management continue its efforts to improve procedures over credit adjustments in the Basis2 billing system by generating and reviewing system user reports on a periodic basis. The reports should be initialed and dated by the reviewer to affix accountability for the task.

---

<sup>5</sup> Users are defined by employee title and authorization level.

Grantee Response:

WRB has worked diligently to identify and correct weaknesses in the BASIS2 system. The System maintains an audit trail of all credit adjustments and can identify the exact user name and credentials associated with each adjustment. Accountants conduct daily adjustment reviews to monitor and verify adjustments to ensure that all transactions conducted are proper and reasonable. We acknowledge there has been some delay in reviewing the reports, but WRB's review of the quarterly reports has not revealed any errors or irregularities to date. Going forward, reviews will be conducted in a timelier manner.

**2013-006. STANDARD ACCOUNTING PROCEDURES NEED TO BE UPDATED**

In accordance with the Philadelphia Home Rule Charter, the city's Finance Office is required to establish, maintain, and supervise an adequate and modern accounting system to safeguard city finances.<sup>6</sup> As such, the Finance Office has established over two hundred (200) SAPs to provide city agencies with guidance on how to handle various accounting related activities, including the proper procedures for ensuring the accuracy of transactions and the safekeeping of assets. Over the years, as new technologies were adopted and daily practices were enhanced, the existing SAPs have not been updated accordingly, causing over 50 percent of them to be over half a century old.

Since these accounting procedures are an integral part of the daily transaction activities in each city agency, we have commented repeatedly over the past decade the importance of updating them. Although numerous Finance Directors have previously agreed with our finding, limited staffing capacity has made corrective action difficult to implement. During our current year audit, the Finance Office management stated that no updates had been made to the SAPs, therefore, the Controller's Office is now in its 12th year of reporting this condition.

In our opinion, the SAPs are essential to ensuring the accuracy of the various accounting related transactions and maintaining the safekeeping of assets for each city agency. Additionally, we believe that an on-going review, evaluation, and update of the accounting procedures is essential to maintaining consistency among the numerous city agencies that account for transactions daily throughout the fiscal year.

**Recommendation:**

We continue to recommend that the Finance Office perform a thorough review of its SAPs. Accounting procedures need to be technically accurate and understandable to all employees and must be compliant with current rules and regulations. SAPs that are no longer pertinent should be rescinded. Those that are out-of-date should be revised to reflect the automated processes and practices in use today. Once this initial update is completed, the Finance Office should develop a schedule for periodically updating SAPs on a regular basis in the future.

**Grantee Response:**

Accounting is committed to continual review and updating of its SAPs. We agree that a comprehensive review and update of the procedures should be conducted on a regular basis. On a limited basis, and to ensure that we are in compliance with any changes in accounting regulations, these procedures are updated as regulations change. Additionally, Accounting is beginning a process to update the SAPs on an ongoing basis. We are currently working on updating the SAP concerning Unclaimed Money and aim to update SAP's related to petty cash and custody accounts. Going forward, Accounting will continue their efforts to update the SAPs as much as time and resources permit.

---

<sup>6</sup> City Charter Section 6-101, Accounts.

**2013-007. SPECIAL TESTS – RENT REASONABLENESS REQUIREMENT**  
**Shelter Plus Care – CFDA #14.238**

<u>Condition</u>	The Office of Supportive Housing (OSH) could not fully provide rent reasonableness documentation to certify that each tenant-landlord agreement provided for a monthly rent payment that was no more than the amount permitted by federal regulation. Of 40 random files selected for observation, management could only provide 15.
<u>Criteria</u>	Grant regulations assign responsibility to the city as the grant recipient for the overall administration of the program, and specifically state that it is the responsibility of the city as the grant applicant to determine whether rent charged for a unit receiving rental assistance is appropriate. Grant regulations specify that the rent reasonable test is to be performed at the inception of the lease, and subsequently if the rent amount is changed.
<u>Cause</u>	OSH performs a rent reasonableness test only at the initiation of the lease. When leases are more than three years old, OSH does not retain the records. Because OSH had delegated responsibility for the retention of rent reasonableness certifications to its subrecipient agencies, management believed maintenance of the duplicate records in city files was unnecessary.
<u>Effect</u>	Because file documentation was incomplete, OSH could not support or document the reasonableness of the rents paid to landlords on behalf of program participants. Accordingly, OSH could not verify it had complied with requirements of federal regulations.
<u>Recommendation</u>	OSH management should revise its record retention policies and procedures to ensure that all documentation prepared for compliance with federal regulations is maintained in city files until the final close-out of all grant related funding.
<u>Grantee Response</u>	In October 2013, OSH updated its rent reasonableness certification database with the ability to save an electronic copy of all signed rent reasonableness certifications performed. Rent certifications performed beginning October 2013 onward will have an electronic copy saved within the database that can be retrieved by address or certification number. OSH is unable to add electronic copies of rent certifications performed prior to October 2013 to the existing database. All electronic rent certifications will be kept on file in accordance with the recordkeeping requirements as stipulated in Section 578.103(c) of the Continuum of Care Program Interim Rule for a period 5 years. OSH will perform an annual rent reasonable certification.
<u>Contact Person</u>	Joe N. Savage, PhD, Director, Housing Assistance Unit, Office of Supporting Housing, 215-686-7176.

**2013-008. ALLOWABLE COSTS/COST PRINCIPLES**

**Emergency Solutions Grant – CFDA #14.231**

<u>Condition</u>	The Office of Supportive Housing (OSH) inappropriately expended and recorded \$195,767 in grant funds for unallowable renovation costs incurred by a subrecipient. OSH deemed the renovations as not beneficial to the program goals and objectives of the Emergency Solution Grant, but failed to recoup the funds. The program was funded by the Department of Housing and Urban Development (HUD) under grant E-11-MC-42-0001
<u>Criteria</u>	24 CFR Part 576.1 defines eligible program activities to include expenditures for the renovation of buildings that are to be used as emergency shelters for the homeless.
<u>Cause</u>	OSH had identified the unallowable renovation after committing funds to the sub recipient. It did not recoup the costs either directly from the subrecipient or from other non-grant funding sources.
<u>Effect</u>	Grant funds of \$195,767 were utilized inappropriately and thus not available to fund proper goals and objectives of the Emergency Solution Grant program. We consider these inappropriate expenditures to be known questioned costs for fiscal year 2013.
<u>Recommendation</u>	OSH should enhance current procedures to ensure compliance with grant terms and conditions by ensuring that all expenditures are reviewed for eligibility and proper classification prior to disbursement.
<u>Grantee Response</u>	The audit finding is based on what is recorded in the city's accounting system. OSH determined prior to completing drawdowns, that ESG funds that were committed on the books to a renovation project, did not meet certain grant requirements. However, because the city of Philadelphia utilizes an accounting system that does not allow certain adjustments after the fiscal year has ended, OSH recorded an adjustment on its books. The adjustment charged eligible shelter costs to the ESG grant instead of the renovation costs. The costs were recorded and drawn down as reflected in the Integrated Disbursement & Information System (IDIS). OSH has a summary of the eligible expenses charged to ESG in its records. OSH has strengthened its end of the year review to ensure that expenditures and encumbrances are properly recorded. OSH has hired a new Administrative Specialist to facilitate this review.
<u>Contact Person</u>	Rodney Cherry, Fiscal Officer, Office of Supportive Housing, (215) 686-7180.

**2013-009. SUBRECIPIENT MONITORING**  
**Emergency Solutions Grant – CFDA #14.231**  
**Shelter Plus Care – CFDA #14.238**

<u>Condition</u>	<p>Monitoring procedures of the Office of Supportive Housing (OSH) over subrecipients failed to ensure compliance with audit requirements. We observed that:</p> <ul style="list-style-type: none"><li>• Contracts with the agencies did not identify the federal program title and CFDA number.</li><li>• OSH did not appropriately contact subrecipients to advise them of whether they were required to provide audit reports done in accordance with OMB Circular A-133.</li><li>• Reconciliations between subrecipient audit reports to the city's books and records did not adequately account for differences in the basis of accounting.</li></ul>
<u>Criteria</u>	<p>OMB Circular A-133, subpart D, paragraph .400 (d) establishes pass-through entity responsibilities including appropriately identifying federal awards and ensuring that audit requirements are fully met.</p>
<u>Cause</u>	<p>The OSH did not clearly communicate award information and later obtain comprehensive funding information sufficient to determine each subrecipient's audit requirements. As to not adequately accounting for differences between revenues and expenditures reported in subrecipient audit reports and those recorded in the city's books and records, the OSH had arbitrarily decided it would only identify the nature of differences that exceeded 5 percent of reported disbursements made to the subrecipient.</p>
<u>Effect</u>	<p>Failure to effectively monitor grant subrecipients can result in noncompliance with terms and conditions of grants. In one instance, we observed a subrecipient of the Emergency Solutions Grant submitted an audit report without correctly identifying the program activity. In another instance involving the Shelter Plus Care grant, OSH failed to obtain the required Circular A-133 audit report showing the disposition of \$587,643 in grant funds that had been provided to the subrecipient. We consider these unaudited expenditures to be unresolved costs.</p> <p>Concerning management's decision to identify the nature of reconciling items only when they exceed 5 percent of the City's total disbursements to the subrecipient, not evaluating those unidentified differences by program is inappropriate. Furthermore, over a period of time unidentified differences could become significant enough to warrant intervention.</p>

**Recommendation**

The OSH needs to clearly communicate award information and obtain comprehensive funding information from its subrecipients to advise them of appropriate audit requirements. Each contract between the OSH and a subrecipient agency should identify the Federal award by CFDA title and number, award name and number, award year and name of Federal agency. In addition, the OSH should comply with Standard Accounting Procedure G 5-2 and routinely obtain a Schedule of Other Government Funding from each subrecipient. Finally, the OSH needs to reevaluate its policy regarding the identification of differences between amounts reported in subrecipient audit reports and those shown on the books and records of the city. Subrecipient funding data should be compiled on the accrual basis and then reconciled by award to the grant expenditure activity reported on each subrecipient's Schedule of Expenditures of Federal Awards.

**Grantee Response**

Effective October 1, 2014 when OSH issues its annual fiscal year Notice of Intent to Contract letter to a sub-recipient agency, OSH will include on the notice the Federal award by CFDA title and number, award name and number, award year and name of the Federal agency. OSH will also include the CFDA information in ACIS under the contract description. For Fiscal Year 15, OSH has already issued the majority of the Notices of Intent to Contract to sub-recipient agencies. Therefore, by December 15, 2014, OSH will issue revised Notice of Intent to Contract letters to all sub-recipients who received such notices without the CFDA information.

The Health and Opportunity Audit Unit (H&O) performs the review of sub-recipient audits for OSH. H&O has advised that the 5% variance practice has been in place for a number of years. H&O will contact the Office of Management and Budget (OMB) to determine if such a threshold is an acceptable practice.

H&O will also reinstitute the policy of sending out schedules of other government funding to be completed by sub-recipients. This will provide clarification to sub-recipients on what type of audit (if any) is required to be submitted to the city.

OSH has contacted Philadelphia Veterans Multi-Service & Education and requested a copy of the Circular A-133 audit that shows the disposition of Federal funds awarded. Once received, the audit will be reviewed.

**Contact Person**

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

**2013-010. REPORTING**  
**Emergency Solutions Grant – CFDA #14.231**  
**Shelter Plus Care – CFDA #14.238**

<u>Condition</u>	The Office of Supportive Housing (OSH) did not comply with reporting requirements set forth in the Federal Funding Accountability and Transparency Act (FFATA) for grants to subrecipients awarded after October 1, 2010. OSH subgranted \$4,161,782 from the Emergency Solutions Grant and \$6,378,720 from the Shelter Plus Grant during fiscal year 2013.
<u>Criteria</u>	The FFATA requires grant recipients to report information about grant expenditures including the entities identification on the federal government’s website, USAspending.gov. The required information applies to non-ARRA grants awarded after October 1, 2010 with expenditures exceeding \$25,000.
<u>Cause</u>	OSH indicated that it was not aware of the requirement.
<u>Effect</u>	The required information for 20 sub recipient agencies was not reported and disclosed to the public on USAspending.gov.
<u>Recommendation</u>	We recommend that OSH interface with the grantor agency and implement procedures to ensure the proper reporting of required information on all qualifying expenditures through the federal government’s website, USAspending.gov.
<u>Grantee Response</u>	The Office of Supportive Housing has been diligently working to comply with the FFATA guidelines. OSH has recently registered with the fsrs.gov website where the Federal government keeps a record of all prime grantee and sub grantee information. OSH has attempted to enter sub recipient information into the usaspending.gov Data Submission and Validation Tool (DSVT) which links to the fsrs.gov website. However upon using the “operational guidelines” that the Federal Office of Management and Budget have imposed, OSH has experienced several difficulties in using the usaspending.gov website. Usaspending.gov was contacted on September 22, 2014 with regard to the operational difficulties with their website. OSH is currently waiting for a response. At this time, it is difficult to provide a definitive timeline as to when the FFATA submission will be completed. The FFATA process is quite lengthy. It involves: gathering and entering approximately fifty pieces of information for each sub recipient into the usaspending.gov DSVT, validating each subrecipient’s DUNS number in accordance with the direction of the Federal Office of Management and Budget and linking all relevant information to the fsrs.gov work list. Due to the number of steps needed to properly comply with FFATA, our best estimate for completion is June 2015.



***CITY OF PHILADELPHIA***

***Federal and PA. Department of Public Welfare Findings and Questioned Costs – June 30, 2013***

---

Contact Person

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

**2013-011. REPORTING**  
**Community Development Block Grant – CFDA #14.218**

<u>Condition</u>	The Office of Housing and Community Development (OHCD) did not comply with reporting requirements set forth in the Federal Funding Accountability and Transparency Act (FFATA) for grants to subrecipients awarded after October 1, 2010. OHCD subgranted \$25.9 million from the Community Development Block Grant (CDBG) to thirty-six subrecipients during fiscal year 2013 and did not report any activities under sub-awards on the Federal government's website.
<u>Criteria</u>	The FFATA requires grant recipients to report information about grant expenditures under sub-awards, including the entities identification, on the Federal government's website, USAspending.gov. The required information applies to non-ARRA grants awarded after October 1, 2010 with expenditures exceeding \$25,000.
<u>Cause</u>	OHCD indicated that efforts to enter the information required by the FFATA have been futile because of problems it continues to experience when entering data into the Federal website
<u>Effect</u>	The required information for thirty-six subrecipient agencies representing \$25,908,425 of CDBG funded sub-awards was not reported and disclosed to the public on USAspending.gov.
<u>Recommendation</u>	We recommend that OHCD interface with the grantor agency and implement procedures to ensure the proper reporting of required information on all qualifying expenditures through the Federal government's website, USAspending.gov.
<u>Grantee Response</u>	Recently, HUD was able to list OHCD's federal grant awards for 2011-2014 in the FSRs reporting system and is currently working on listing our 2010 award. Once that is completed, OHCD will then be able input the required information on its subrecipients and grant expenditures from 2010-2014, and will establish procedures for annual reporting.
<u>Contact Person</u>	Wayne Stokes, Director of Monitoring, Office of Housing and Community Development, (215) 686-9784.

**2013-012. REPORTING**

**CDBG/Brownfields Economic Development Initiative (BEDI) – CFDA #14.246**

<u>Condition</u>	The Commerce Department could not provide evidence that it submitted performance reports required by grant terms and conditions. Performance reports are required under the grant to quantify program outputs and outcomes achieved against those proposed in the grant application. The BEDI grant was funded by the U.S. Department of Housing and Urban Development.
<u>Criteria</u>	The BEDI grant terms and conditions require the grant recipient to comply with the performance reporting requirements set forth in the federal regulations at 24 CFR 570, the Notice of Funding Availability, and the grant agreement.
<u>Cause</u>	The Commerce Department did not have adequate procedures in place to ensure that all grant reporting requirements were met. It believed that the reporting requirements were passed through to the sole subrecipient (PIDC) of the program and relied on PIDC to perform the grantee's duties, including compliance with all reporting responsibilities. The Commerce Department did not subsequently obtain documentation from PIDC management to verify that the appropriate reports were prepared and filed.
<u>Effect</u>	Noncompliance with grant reporting requirements impacts the ability of the grantor to compile a complete and accurate report of program activities in a timely manner. Continued program funding may be eliminated or curtailed due to the inability to assess program performance by policy makers.
<u>Recommendation</u>	Commerce Department management should implement procedures for monitoring subrecipients of federal awards through-out the award period by scheduling out all duties and responsibilities assigned to subrecipients. Those assignments should be logged to ensure that performance is documented.
<u>Grantee Response</u>	The Commerce Department will implement procedures for monitoring the public authority incorporated by the City of Philadelphia (PAID) which is responsible for managing the BEDI grant which is passed through the Department. Such procedures will include tracking and ensuring grant requirements are adhered in the quarterly meetings the Commerce Department has instituted to monitor PAID/PIDC contracts. In addition monitoring will be documented and maintained in the Commerce Department files. PIDC has had technical difficulty in trying to submit the report and has been in contact with HUD to resolve the problem.
<u>Contact Person</u>	Yvonne A. Boye-Agyeman, Director of Grants and Contract Administration, (215) 683-2026.

**2013-013. ALLOWABLE COSTS/COST PRINCIPLES**  
**Highway Planning and Construction – CFDA #20.205**

<u>Condition</u>	The city's Department of Parks and Recreation erroneously authorized a grant expenditure of \$14,167 under an expired vendor contract. Although never paid with grant funds, the expenditure was included in the Schedule of Expenditures of Federal Awards, as the agency failed to void the expenditure after the city's Office of the Director of Finance gave notification that the chargeable appropriation was no longer available. Funding for the program was received from the U.S. Department of Transportation.
<u>Criteria</u>	Appendix A of 2 CFR, Part 225, establishes that allowable costs must be necessary and reasonable for the proper and efficient performance and administration of Federal awards, be authorized under local laws and regulations, and be consistent with policies and procedures that apply uniformly to both Federal awards and other activities of the local government.
<u>Cause</u>	The Department of Parks and Recreation failed to match a vendor invoice against a valid encumbrance document, causing the inadvertent authorization of a transaction under an expired vendor contract.
<u>Effect</u>	Grant funds of \$14,167 were committed inappropriately and thus not available to fund proper goals and objectives of the Highway Planning and Construction program. We consider these inappropriate expenditures to be known questioned costs for fiscal year 2013.
<u>Recommendation</u>	In accordance with existing accounting procedures established by the Office of the Director of Finance, Parks and Recreation should match vendor invoices against valid encumbrance documents prior to approving expenditures.
<u>Grantee Response</u>	The department agrees with the above recommendation and will stress with appropriate staff the importance of following accounting procedures for processing expenditures.
<u>Contact Person</u>	Levi Chasten, Fiscal Officer, Parks and Recreation, (215) 683-3688.

**2013-014. SUBRECIPIENT MONITORING**

**Immunization Cooperative Agreements – CFDA #93.268**

**HIV Emergency Relief Project Grants – CFDA #93.914**

**HIV Care Formula Grants – CFDA #93.917**

**HIV Prevention Activities\_Health Department Based Grants – CFDA #93.940**

<u>Condition</u>	Monitoring procedures of the Department of Public Health (DPH) over subrecipients failed to ensure that Federal awards were used for authorized purposes. We observed that DPH did not adequately account for differences between expenditures reported in subrecipient audit reports and cash disbursement activity recorded in the city's books and records.
<u>Criteria</u>	OMB Circular A-133, subpart D, paragraph .400 (d) establishes pass-through entity responsibilities including appropriately identifying Federal awards and ensuring awards are used for authorized purposes.
<u>Cause</u>	Differences between subrecipient audit reports and the city's books and records were left unresolved because the DPH had arbitrarily decided it would only identify the nature of differences that exceeded 5 percent of total reported disbursements made to any one subrecipient.
<u>Effect</u>	Failure to effectively monitor grant subrecipients can result in noncompliance with terms and conditions of grants. Management's decision to identify the nature of reconciling items only when they exceed 5 percent of the city's total disbursements to the subrecipient and not evaluating those unidentified differences by program is inappropriate. Furthermore, over a period of time unidentified differences could become significant enough to warrant intervention.
<u>Recommendation</u>	DPH should reevaluate its policy regarding the identification of differences between amounts reported in subrecipient audit reports and those shown on the books and records of the city. Subrecipient funding data should be reconciled by award to the grant expenditure activity reported on each subrecipient's Schedule of Expenditures of Federal Awards.
<u>Grantee Response</u>	DPH concurs with the Controller's finding, and will implement the practice of investigating all SEFA variances with the contracting agency.
<u>Contact Person</u>	Andrea Jordan, Fiscal Officer, Department of Public Health, (215) 685-5338.

**2013-015. REPORTING****HIV Emergency Relief Project Grants – CFDA #93.914****HIV Prevention Activities\_Health Department Based Grants – CFDA #93.940**

Condition The Department of Public Health (DPH) did not comply with reporting requirements set forth in the Federal Funding Accountability and Transparency Act (FFATA) for grants to subrecipients awarded after October 1, 2010. DPH subgranted \$33,060,241 to sixty-nine subrecipient agencies during fiscal year 2013 and did not report any activities under sub-awards on the Federal government's website.

Criteria The FFATA requires grant recipients to report information about grant expenditures under sub-awards, including the entities identification, on the Federal government's website, USAspending.gov. The required information applies to non-ARRA grants awarded after October 1, 2010 with expenditures exceeding \$25,000.

Cause DPH indicated that it was not aware of the requirement.

Effect The required information for the following grant funded sub-awards was not reported and disclosed to the public on USAspending.gov:

<u>Grant Title</u>	<u>CFDA#</u>	<u>Subrecipient Expenditure</u>
HIV Emergency Relief Project	93.914	\$ 21,038,876
HIV Prevention Activities _Health Department Based	93.940	<u>5,842,789</u>
Total		\$ <u>26,881,665</u>

Recommendation We recommend that DPH interface with the grantor agency and implement procedures to ensure the proper reporting of required information on all qualifying expenditures through the federal government's website, USAspending.gov.

Grantee Response The Department of Public Health, AIDS Activities Coordinating Office, will work with the grantor agency and develop a process to submit overdue FFATA reports. DPH/AACO has requested guidance from the federal reporting website on the best way to report past expenditures. In addition, written procedures will be put in place to ensure that FFATA reporting on all qualifying expenditures is completed in a timely manner for all new grants. DPH AACO understands that FFATA reporting by DPH is required for HIV Emergency Relief Project CFDA# 93.914 and HIV Prevention Activities Health Department Based CFDA# 93.940.

Contact Person Jane Baker, AACO Program Manager, Department of Public Health, (215) 685-5667.

**2013-016. REPORTING**

**Substance Abuse & Mental Health Care Services – Access to Recovery – CFDA #93.275**

<u>Condition</u>	The Department of Behavioral Health and Intellectual Disability Services (DBHIDS) drew down \$98,250 of funds for payroll costs not identified with the grant in the city's books and records. These costs were budgeted and recorded under an account established for the state's allocation of CODAAP funding, which was not within the scope of our audit. Accordingly, we did not establish whether these costs were reimbursed by other grants. In addition, the Schedule of Expenditures of Federal Awards was overstated by \$125,224 due to recognizing encumbered amounts as expenditures. The program was funded through the Pennsylvania Department of Health.
<u>Criteria</u>	2 CFR, Part 225, Appendix A sets forth the cost principals including basic guidelines for the recognition of allowable costs for Federal awards. Cost principals within Appendix A preclude the inclusion of costs pertaining to another award. Additionally, OMB Circular A-133, paragraph .205, indicates that the basis for determining award expenditures is when the activity related to the award occurs.
<u>Cause</u>	The DBHIDS did not appropriately record \$98,250 in payroll costs incurred under the grant in the appropriate account. In addition, the DBHIDS continued to record year-end liabilities and related grant expenditures of \$125,224 in the SEFA based on costs that it anticipated a subrecipient would incur, rather than actual amounts invoiced. The anticipated amount had been encumbered in the city's accounting system.
<u>Effect</u>	Payroll costs of \$98,250 invoiced and received under the grant are considered questioned costs for fiscal year 2013. Although the DBHIDS did not bill the \$125,224 of encumbered amounts to the grantor agency, because of its continued practice of including encumbered amounts as expenditures, the cumulative grant award expenditures reported in the SEFA for the third year of this multi-year program have been overstated by \$1,751,981. This amount includes the \$98,250 of invoiced payroll costs.
<u>Recommendation</u>	To ensure that costs are correctly identified by funding source, the DBHIDS should prepare fiscal year-end reconciliations of grant expenditures recorded in the city's accounting records to amounts actually billed to grantor agencies as required by procedures established by the city's Grants Accounting and Administration Unit. Within the city's accounting system, the Finance Office assigns index codes to specific grants under which all grant related costs should be recorded. The activity recorded in each index code should be fully reconcilable to all grant related reimbursements. Moreover, to make certain expenditures are

accurately reported in the SEFA, the DBHIDS management should require subrecipients to invoice timely or communicate costs to be billed through the end of the fiscal year grant reporting period. The reconciliation procedure, if done properly, should highlight differences that require adjustments to grant expenditures reported on the SEFA.

Grantee Response

The DBHIDS reported the payroll costs for the Program Manager of the Access to Recovery (ATR) grant properly to the state funding source. This position was set up under the state- based OAS funding, but was not charged to this funding source. The DBHIDS should have submitted expenditure transfers from the state-based OAS funding to the ATR grant to properly reflect the expenses on the city's books.

As the DBHIDS books do not close until the final reports are due to the state (end of October), the city's process lacks the flexibility to allow the transactions to be recorded properly as the city's books close mid-August. We are currently working with the city's Finance Department to resolve these issues. The Department maintains records that clearly document this cost was not charged or reimbursed by other funding grants.

The \$125,224 was encumbered, but not charged to the grant. Again, this is an anticipated expense at the time of the closing of the city's accounts which occurs several months prior to preparing the state year-end reports. The prior years over encumbered funds were reduced, but not reflected on the SEFA.

The Department did prepare and submit a fiscal year-end reconciliation to reconcile this account, a copy of which has been provided.

Contact Person

James Hoefler, Chief Financial Officer, Department of Behavioral Health and Intellectual Disabilities Services, (215) 685-5516.

Auditor's  
Comments about  
Grantee Response

The grantee's response states that the department prepared and submitted a fiscal year-end reconciliation. However, neither the auditors nor the city's Grants Accounting and Administration Unit had received this reconciliation until presented at the exit conference held on December 4, 2014.



**2013-017. DAVIS BACON ACT**

**Airport Improvement Program – CFDA #20.106**

**Capitalization Grants for Drinking Water State Revolving Fund (ARRA) - CFDA #66.468**

**TSA Airport Inspect Baggage Inspection System Program (ARRA) - CFDA #97.117**

<u>Condition</u>	Three contractors tested as part of the Airport Improvement Program, the Capitalization Grants for Drinking Water State Revolving Fund, and the TSA Airport Inspect Baggage Inspection System Program submitted twenty four of thirty required certified statements regarding weekly payroll to the city's Labor Standards Unit (LSU) well past their required due dates. In one other instance, the LSU failed to time stamp a submitted certification so the timeliness of its receipt was not clearly evident. The LSU uses these certifications to aid in the enforcement of the minimum wage provisions of the Davis-Bacon Act.
<u>Criteria</u>	Subtitle A, Part 3 of 29 CFR requires that contractors and their subcontractors submit a statement with respect to covered wages paid employees during the preceding weekly payroll period. The statement must be submitted within seven days after the regular payment date.
<u>Cause</u>	The LSU did not take adequate proactive measures to ensure the timely receipt of the weekly certification statements from contractors.
<u>Effect</u>	Because the weekly statements were not always received timely, the LSU, acting on behalf of city agencies contracting for construction projects, cannot timely detect non-compliance or intervene to correct wage violations when detected.
<u>Recommendation</u>	<p>The LSU should take a more proactive stance with contractors. For example, it should regularly meet with or call contractors that are habitually late in submitting weekly certifications and explain the importance, as well as the benefits of adhering to contractual terms and conditions. The LSU might also want to emphasize that delays in receiving certifications might slow down the payment process and jeopardize future contract opportunities.</p> <p>Additionally, the LSU needs to take action to ensure that all certifications received from contractors are time stamped upon receipt, to ensure accurate determination of compliance with the Davis-Bacon Act.</p>
<u>Grantee Response</u>	Effective January 1, 2014, the Procurement Department inserted language in new Public Works contracts instructing all contractors that certified payrolls are to be submitted electronically through the LCP Tracker prevailing wage tracking program. This program will allow the LSU to track the submitted certified payrolls more effectively.
<u>Contact Person</u>	Perretti DiVirgilio, Director Labor Standards Unit, (215) 686-2132.

**2013-018. REPORTING**

**Child Support Enforcement – PA Department of Public Welfare**

<u>Condition</u>	The Domestic Relations Division (DRD) of the First Judicial District (FJD) did not comply with the Commonwealth's annual reporting requirements, as it failed to prepare and timely submit an Annual IV-D Account Statement to the Bureau of Child Support Enforcement (BCSE), which is a division of the PA Department of Public Welfare (PA DPW). The Child Support Enforcement grant was funded by the U.S. Department of Health and Human Services and passed through the PA DPW.
<u>Criteria</u>	PA DPW Domestic Relations Sections (DRS) Memorandum 2012-41 requires that the Annual Title IV-D Account Statement be prepared and submitted within 30 days of the beginning of the following fiscal year. For the FJD, this date was July 30, 2013.
<u>Cause</u>	The DRD indicated that its failure to timely submit the Annual Title IV-D Account Statement occurred because of an oversight.
<u>Effect</u>	Failure to comply and submit the annual Title IV-D Account Statement in a timely manner statement may result in the BCSE initiating an audit.
<u>Recommendation</u>	We recommend that the DRD be more attentive to the grant program requirements to ensure it prepares and submits the Annual Title IV-D Account Statement in a timely manner.
<u>Grantee Response</u>	The Domestic Relations Division (DRD) will comply with PA DPW Domestic Relations Sections (DRS) Memorandum 2012-41 concerning the Annual Title IV-D Account Statement and timely prepared statements.
<u>Contact Person</u>	Joseph C. Kamnik, Director, Financial Services and Title IV-D Compliance, Philadelphia Family Court, (215) 686-8950.

**2013-019. SPECIAL TESTS – EQUIPMENT MAINTENANCE REQUIREMENT  
Airport Improvement Program – CFDA #20.106**

<u>Condition</u>	The Division of Aviation (DOA) could not verify it complied with grant terms and conditions that equipment acquired with grant funds be maintained. An airline with operations that used the equipment was identified by airport personnel as in charge of maintenance responsibilities; however no written agreement specifying the airline's duties and responsibilities was located. Responsible airline personnel indicated that no maintenance work had been performed on the equipment. The grant was funded by the U.S. Department of Transportation as project #3-42-0076-096-2010.
<u>Criteria</u>	The city, as the grant recipient, is responsible for the overall administration of the program, and it is the responsibility of the city as the grant applicant to comply with all grant terms and conditions, which includes overseeing maintenance on the equipment acquired with grant funds.
<u>Cause</u>	DOA believed that the airline would perform all equipment maintenance due to the location of the equipment on property contingent to airline facilities, and the airline's exclusive use of the equipment. However, the airline did not maintain the equipment because it was unaware of the city's expectations, or the equipment's maintenance requirements.
<u>Effect</u>	The performance of equipment not maintained may deteriorate, or malfunction. Further, the expected useful life of unmaintained equipment may be substantially diminished. Ultimately, the lack of maintenance may result in a waste of taxpayer money.
<u>Recommendation</u>	All equipment acquired with grant funds should be maintained on a schedule in accordance with the manufacturer's recommendations. To ensure compliance, DOA management should prepare and execute a formal memorandum of understanding with the airline specifying each party's duties and responsibilities, and implement procedures to verify that maintenance documentation is prepared and retained as a record of compliance with grant terms and conditions.
<u>Grantee Response</u>	The Division of Aviation concurs with the finding. A Memorandum of Understanding or License Agreement will be executed with the airline to specify maintenance responsibilities for all equipment acquired under the grant.
<u>Contact Person</u>	Janice Mirarchi, Contracts Audit Supervisor, Division of Aviation, (215) 937-6982.

# **Summary Schedule of Prior Years Audit Findings**

**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 2013**

---

**CONTENTS**

	<b>Page</b>
 <b><u>STATE AGENCIES:</u></b>	
PA Department of Community & Economic Development	89-91
PA Department of Health	92
PA Department of Public Welfare	93-97
PA Department of Transportation	98
 <b><u>FEDERAL AGENCIIES</u></b>	
U.S. Department of Health & Human Services	99
U.S. Department of Housing & Urban Development	100-104
U.S. Department of Justice	105

**City of Philadelphia**  
**Summary Schedule of Prior Audit Findings**  
**Fiscal Year Ended June 30, 2013**

Reference Number	Status	Questioned Costs
---------------------	--------	---------------------

**PA Department of Community & Economic Development**

**Community Service Block Grant**

**2010 - 13**

**Resolved**

**\$27,000**

**Condition :** The Mayor's Office of Community Services (MOCS) reported \$4.2 million in expenditures of federal awards on Community Services Block Grant (CSBG) programs, including \$2.3 million (or 55%) of payroll expenditures, during fiscal 2010. Our review of 18 sampled employees, whose payroll costs were charged 100 percent to the program, found that paid time for three of them was split between program and non-program activities for the period. We could not obtain personnel activity reports or equivalent documentation supporting the employees' time spent on program activities. Also, MOCS did not maintain required periodic certifications to document that the remaining sampled employees worked solely on program activities. The CSBG program is funded through the Pennsylvania Department of Community and Economic Development.

**2013 Update :** On Tuesday, January 15, 2013 Mayor Nutter signed an Executive Order creating the Mayor's Office of Community Empowerment and Opportunity (CEO), appointing its Oversight Board, and abolishing the Mayor's Office of Community Service (MOCS). CEO continues to manage the programs and activities that operated by the former MOCS.

CEO has implemented procedures to ensure the proper distribution of payroll cost for all employees. For staff working 100% on CSBG program activities, CEO has completed Semi-Annual Certifications for the periods July 1, 2012 – December 31, 2013.

Effective April 15, 2013, CEO has implemented a daily activity report/timesheet which documents employee time worked, and the distribution of activities by funding source.

CEO will ensure that all staff costs attributed, in full or part, to program activities are supported by appropriate documentation and will monitor compliance accordingly. Per OMB Circular A-133 Section 315(b)(4), this finding is considered resolved

**Contact :** Dionne Lewis

(215) 685-3612

**City of Philadelphia**  
**Summary Schedule of Prior Audit Findings**  
**Fiscal Year Ended June 30, 2013**

Reference Number	Status	Questioned Costs
---------------------	--------	---------------------

<b>2010 - 14</b>	<b>Resolved</b>	<b>\$253,272</b>
------------------	-----------------	------------------

**Condition :** The Mayor's Office of Community Services (MOCS) included \$253,272 of unsupported costs in its 2010 Fiscal Status Report (FSR). The CSBG program is funded through the Pennsylvania Department of Community and Economic Development.

**2013 Update :** On Tuesday, January 15, 2013 Mayor Nutter signed an Executive Order creating the Mayor's Office of Community Empowerment and Opportunity (CEO), appointing its Oversight Board, and abolishing the Mayor's Office of Community Service (MOCS). CEO continues to manage the programs and activities that operated by the former MOCS.

Insurance of reporting actual expenditures is resolved.

All costs reported on the grantor's FSR are supported by actual Financial Accounting Management Information Systems (FAMIS) posting and the department's source expenditure documentation. The following steps have been implemented to ensure that all reported expenditures are supported by posted transactions.

a) All proposed expenditures are determined to be allowable prior to submission for processing.

b) Each proposed expenditure request receives budgetary review and approval as part of the processing procedures.

c) Upon receiving budgetary approval, the proposed expenditure request is reviewed by CEO management; final approval to process the expenditure request is granted at a managerial level.

d) All processed expenditure requests are reconciled with FAMIS postings prior to inclusion in the grantor's FSR for the reporting period. All processed expenditure requests that have received budgetary and managerial approval are reported to the grantor in lieu of being posted in FAMIS, however, steps (e) and (f) below are followed to ensure reporting accuracy.

e) Any

processed expenditure request that has not been posted in FAMIS is immediately identified and receives periodic FAMIS review to determine the posting status.

f) Any FAMIS posting discrepancy is investigated by an assigned CEO Fiscal Department representative to determine the source of the posting problem. The investigation process continues until a resolution is reached.

All FAMIS expenditure posting problems are resolved prior to the end of grant contract period to ensure accurate expenditure reporting. Any FAMIS expenditure posting that is determined to be unallowable is not reported to the grantor. Yearly grant reconciliation reports support the accuracy of the above procedures and ensure that the posted FAMIS expenditures support the reported expenditures to the grantor. Per OMB Circular A-133 Section 315(b)(4), this finding is considered resolved

**Contact :** Dionne Lewis

(215) 682-3612

City of Philadelphia  
Summary Schedule of Prior Audit Findings  
Fiscal Year Ended June 30, 2013

Reference Number	Status	Questioned Costs
Total PA Department of Community & Economic Development Questioned Costs:		\$280,272



City of Philadelphia  
Summary Schedule of Prior Audit Findings  
Fiscal Year Ended June 30, 2013

Reference Number	Status	Questioned Costs
<b>PA Department of Health</b>		
<b>Substance Abuse Treatment Block Grant</b>		
<b>2011 - 19</b>	<b>Unresolved</b>	<b>\$326,925</b>
<p><b>Condition :</b> The Department of Behavioral Health and Intellectual Disabilities Services (DBHIDS) improperly reported \$780,997 of encumbrances as expenditures in its fiscal 2011 final expenditure report "SCA Drug and Alcohol Program Expense Distribution". The encumbrances were composed of \$326,925 that was unsupported and not obligated, and \$454,072 in properly encumbered amounts that were paid more than sixty days after the end of the grant period. The programs were funded through the Pennsylvania Department of Health.</p> <p><b>2013 Update :</b> The referenced waiver was requested and approved by the state for fiscal year 2013. We have already drafted a waiver for fiscal year 2014 and are awaiting the State's response.</p> <p><b>Contact :</b> James Hoefler (215) 685-5516</p>		
<b>Total PA Department of Health Questioned Costs:</b>		<b>\$326,925</b>

City of Philadelphia  
Summary Schedule of Prior Audit Findings  
Fiscal Year Ended June 30, 2013

Reference Number	Status	Questioned Costs
---------------------	--------	---------------------

**PA Department of Public Welfare**

**Children and Youth Program**

**2012 - 14**

**Resolved**

**\$512,160**

**Condition :** The Department of Human Services' (DHS) review of ACT 148 invoices did not detect clerical errors that had been made during the preparation of its cumulative quarterly invoices. However, we noted two errors that caused quarterly invoices to be overstated. In the first instance, costs of \$722,022 that had been funded with Title XX grant monies were not excluded when computing the administrative cost pool. In the other instance, DHS failed to report \$538,892 in client-generated revenues earned in the fourth quarter

**2013 Update :** The Questioned Costs have been adjusted for via submission of the November 19, 2013 revised Title IV-E supplemental invoices and ACT 148 invoice package submission.

**Contact :** Marcia Dixon (215) 683-6063

**City of Philadelphia**  
**Summary Schedule of Prior Audit Findings**  
**Fiscal Year Ended June 30, 2013**

Reference Number	Status	Questioned Costs
<b>2011 - 15</b>	<b>Resolved</b>	<b>\$0</b>
<p><b><u>Condition :</u></b> The city's Department of Human Services (DHS) could not provide evidence that it monitored grant awards for two of thirty subrecipients that combined, expended \$33,909,067 in total federal and state awards for the Children and Youth Programs. This sum represented 11.6 percent of the total \$293,291,931 of expenditures incurred by subrecipients in connection with the programs. In addition, for the twenty-eight other subrecipients for which documentation did exist in the form of a report prepared by DHS analysts, the department did not respond to our requests for copies of subrecipient corrective action plans associated with each of those reports. DHS also did not respond to our requests for staff assignment schedules or other evidence showing that its monitoring of subrecipients was being properly planned and performed in a timely manner.</p> <p><b>2013 Update :</b> DHS is developing program standards for monitoring its fiduciary contracts. The standards will evaluate generally that the fiduciary carries out its responsibility in accordance with the contract's scope of services; that the fiduciary has the proper and adequate controls to ensure that funds disbursed to sub recipient programs are used for their intended purpose; and, the extent to which the fiduciary's performance facilitates the effective and efficient provision of services to children and families by sub recipient programs. DHS has centralized its provider evaluation documentation on an internal shared drive. All evaluation reports are now distributed via email attachment to external stakeholders and internal DHS staff can access evaluation reports by clicking on a link to the internal drive. In FY14, all providers will submit plans of correction in electronic form only, and approved plans will be stored in a central internal drive with a reference number to link to the corresponding program evaluation from which it originated. Evaluation scheduling and contact information have also been automated and centralized to more easily track current and future program evaluation activity.</p> <p><b>Contact :</b> Mark Maher (215) 683-4941</p>		
<b>2011 - 16</b>	<b>Unresolved</b>	<b>\$0</b>
<p><b><u>Condition :</u></b> The Department of Human Services (DHS) did not clarify the nature of its relationship with service providers in its standard contract terms and conditions for professional services. One subrecipient, Woods Services, Inc., selected for testing failed to report over \$3.4 million in federal and state funding due to a misinterpretation of its relationship with DHS. The programs were funded through the Pennsylvania Department of Public Welfare (DPW).</p> <p><b>2013 Update :</b> Questioned Costs will be considered for adjustment by DPW at Audit.</p> <p><b>Contact :</b> Marcia Dixon (215) 683-6063</p>		

**City of Philadelphia**  
**Summary Schedule of Prior Audit Findings**  
**Fiscal Year Ended June 30, 2013**

Reference Number	Status	Questioned Costs
<b>2010 - 08</b>	<b>Unresolved</b>	<b>\$257,371</b>
<p><b><u>Condition :</u></b> The Department of Human Services (DHS) did not have adequate internal control procedures in place to ensure accurate, complete, and timely preparation of the Act 148 Invoice filed with Pennsylvania Department of Public Welfare (DPW) for the Children and Youth Programs. Our review of DHS's procedures noted that one individual was responsible for preparing the Act 148 Invoice and assembling the related supporting documentation. There was no independent review of the accuracy or completeness of the Invoice or documentation. Our tests of the 2010 Act 148 Invoice noted instances of unsupported and unreconciled costs that are more fully explained in the "Effects" section of this comment. The Children and Youth programs are funded through DPW.</p> <p><b>2013 Update :</b> Questioned Costs will be considered for adjustment by DPW at Audit.</p> <p><b>Contact :</b> Marcia Dixon (215) 683-6063</p>		
<b>2010 - 11</b>	<b>Unresolved</b>	<b>\$941,609</b>
<p><b><u>Condition :</u></b> The Department of Human Services (DHS) improperly reported \$1,220,591 of unspent (encumbered) funds as expenditures in its fiscal 2010 County Children and Youth Social Service Programs' Fiscal Summary. The programs are funded through the Pennsylvania Department of Public Welfare (DPW).</p> <p><b>2013 Update :</b> Questioned Costs will be considered for adjustment by DPW at Audit.</p> <p><b>Contact :</b> Marcia Dixon (215) 683-6063</p>		
<b>2009 - 08</b>	<b>Unresolved</b>	<b>\$522,772</b>
<p><b><u>Condition :</u></b> The Department of Human Services (DHS) did not have adequate internal control procedures in place to ensure accurate, complete, and timely preparation of the Act 148 Invoice filed with Pennsylvania Department of Public Welfare (DPW) for the Children and Youth Programs. Our review of DHS's procedures noted that one individual was responsible for preparing the Act 148 Invoice and assembling the related supporting documentation. There was no independent review of the accuracy or completeness of the invoice or documentation. In addition, procedures were not in place to capture information from the newly implemented Title IV-E billing system so that an audit trail is created at the point in time when the Act 148 Invoice is prepared.</p> <p>The Children and Youth programs are funded through DPW.</p> <p><b>2013 Update :</b> Questioned Costs will be considered for adjustment by DPW at Audit.</p> <p><b>Contact :</b> Marcia Dixon (215) 683-6063</p>		

**City of Philadelphia**  
**Summary Schedule of Prior Audit Findings**  
**Fiscal Year Ended June 30, 2013**

<b>Reference Number</b>	<b>Status</b>	<b>Questioned Costs</b>
<b>2009 - 10</b>	<b>Unresolved</b>	<b>\$2,212,070</b>
<p><b><u>Condition :</u></b> The Department of Human Services (DHS) improperly reported \$2,839,280 of unspent (encumbered) funds as expenditures in its 2009 County Children and Youth Social Service Programs' Fiscal Summary. The programs are funded through the Pennsylvania Department of Public Welfare (DPW).</p> <p><b>2013 Update :</b> Questioned Costs will be considered for adjustment by DPW at Audit.</p> <p><b>Contact :</b> Marcia Dixon (215) 683-6063</p>		
<b>2008 - 08</b>	<b>Resolved</b>	<b>\$2,080,514</b>
<p><b><u>Condition :</u></b> The Department of Human Services (DHS) used the fair market value instead of the lower actual amount in their calculation of rental cost for office space in a city owned building that houses the operation of its Children and Youth Program. As a result, it overstated by \$2.6 million the cost for space used in the program's 2008 Fiscal Summary filed with the state.</p> <p><b>2013 Update :</b> The Commonwealth is aware of the questioned cost. They can implement the questioned cost as adjustments to future ACT 148 as they are brought forward to our attention. For FY2008 and FY2009, we are going to defer to the Commonwealth as to how they desire to handle those questioned costs. Since the State has not responded to this finding and per OMB Circular A-133 Section 315(b)(4), this finding no longer warrants further action.</p> <p><b>Contact :</b> Marcia Dixon (215) 683-6063</p>		
<b>2008 - 09</b>	<b>Resolved</b>	<b>\$1,106,795</b>
<p><b><u>Condition :</u></b> The Department of Human Services (DHS) included \$2.2 million of inadequately documented County Court costs, including \$10,000 of unallowable costs for rental space in a county court house, in its 2008 Fiscal Summary for the County Children and Youth Social Service Programs.</p> <p><b>2013 Update :</b> The Commonwealth is aware of the questioned cost. They can implement the questioned cost as adjustments to future ACT 148 as they are brought forward to our attention. For FY2008 and FY2009, we are going to defer to the Commonwealth as to how they desire to handle those questioned costs. Since the State has not responded to this finding and per OMB Circular A-133 Section 315(b)(4), this finding no longer warrants further action.</p> <p><b>Contact :</b> Marcia Dixon (215) 683-6063</p>		

**City of Philadelphia**  
**Summary Schedule of Prior Audit Findings**  
**Fiscal Year Ended June 30, 2013**

Reference Number	Status	Questioned Costs
<b>2008 - 10</b>	<b>Resolved</b>	<b>\$186,366</b>
<p><b><u>Condition :</u></b> The Department of Human Services (DHS) did not perform a required reconciliation, and included \$236,647 of unallowable employee benefits costs in its 2008 Fiscal Summary for the County, Children and Youth Social Service Programs.</p> <p><b>2013 Update :</b> The Commonwealth is aware of the questioned cost. They can implement the questioned cost as adjustments to future ACT 148 as they are brought forward to our attention. For FY2008 and FY2009, we are going to defer to the Commonwealth as to how they desire to handle those questioned costs. Since the State has not responded to this finding and per OMB Circular A-133 Section 315(b)(4), this finding no longer warrants further action.</p> <p><b>Contact :</b> Marcia Dixon (215) 683-6063</p>		

---

<b>Total PA Department of Public Welfare Questioned Costs:</b>	<b>\$7,819,657</b>
--	--------------------

**City of Philadelphia**  
**Summary Schedule of Prior Audit Findings**  
**Fiscal Year Ended June 30, 2013**

Reference Number	Status	Questioned Costs
---------------------	--------	---------------------

**PA Department of Transportation**

**Davis Bacon Act**

**2009 - 14**

**Resolved**

**\$0**

**Condition :** The Streets Department administered, mostly through contractors, \$22.3 million of federally funded Highway Planning and Construction projects during fiscal 2009. Control procedures of the Philadelphia Labor Standards Unit (LSU), the city agency responsible for ensuring all City of Philadelphia contracts comply with the prevailing wage requirements of the Davis Bacon Act, did not ensure that contractors always submitted certified payrolls weekly, or that submitted payrolls were time stamped to indicate when they were received. Test of 52 certified weekly payrolls each, for two sampled contractors monitored by the LSU for fiscal 2009 noted the following:

Seventeen certified weekly payrolls were not received timely as indicated by the LSU's date received stamp. Fifteen of 17 certified payrolls were received more than one year after the pay periods ended, and the remaining two certified payrolls were received late by five weeks and four months, respectively, after the pay periods ended. Ten of the 17 certified payrolls reported that there was no payroll incurred by contractor employees during the week.

Four other certified payrolls received from one of the contractors were not date stamped to indicate when they were received by the LSU. One of the four certified payrolls was not signed by the contractor's representative.

Funding for the Highway Planning and Construction program is received through the Pennsylvania Department of Transportation and the Delaware Valley Regional Planning Commission.

**2013 Update :** The corrective actions are still in place. The City has purchased software that will enable contractors to submit payrolls electronically. This will make Davis Bacon and Prevailing Wage monitoring and enforcement more efficient. Since it has been over two years since this finding occurred, GAAU considers this resolved per OMB Circular 133, Section 315(b)(4)

**Contact :** Perritti DiVirgilio (215) 686-2132

---

**Total PA Department of Transportation Questioned Costs:** **\$0**

City of Philadelphia  
Summary Schedule of Prior Audit Findings  
Fiscal Year Ended June 30, 2013

Reference Number	Status	Questioned Costs
<b>U.S. Department of Health and Human Services</b>		
<b>Substance Abuse &amp; Mental Health Services</b>		
<b>2012 - 13</b>	<b>Unresolved</b>	<b>\$0</b>
<p><b>Condition :</b> Because it incorrectly included encumbered amounts as expenditures, the Department of Behavioral Health and Intellectual Disability Services (DBHIDS) over reported grant expenditures on the city's Schedule of Expenditures of Federal Awards (SEFA) by \$184,464 and \$1,344,043 for fiscal years 2012 and 2011, respectively, for its Substance Abuse &amp; Mental Health Services – Access to Recovery program. The program was funded through the Pennsylvania Department of Health.</p> <p><b>2013 Update :</b> The referenced waiver was requested and approved by the state for fiscal year 2013. We have already drafted a waiver for fiscal year 2014 and are awaiting the State's response.</p> <p><b>Contact :</b> James Hoefler (215) 685-5516</p>		
<b>Total U.S. Department of Health and Human Services Questioned Costs:</b>		<b>\$0</b>



**City of Philadelphia**  
**Summary Schedule of Prior Audit Findings**  
**Fiscal Year Ended June 30, 2013**

Reference Number	Status	Questioned Costs
---------------------	--------	---------------------

**U.S. Department of Housing and Urban Development**

**Community Development Block Grant**

**2012 - 06**

**Resolved**

**\$5,000,000**

**Condition :** The city's Commerce Department could not provide evidence that it adequately monitored BEDI grants passed through to the Philadelphia Industrial Development Corporation (PIDC). Commerce did not request or receive support for the grant expenditures disbursed by PIDC, nor was file documentation located in support of the acquisition and construction costs funded by the grant proceeds made available for review. The city's expenditure documentation indicated that fiscal year 2012 disbursements represented advances to PIDC whereas the grant terms and conditions specified that all grant funding was to be on a cost reimbursement basis. We subsequently obtained PIDC's single audit report which reported grant expenditures as of a different subsequent reporting period than the city's SEFA. PIDC's SEFA indicated that the grant award had not been fully expended as of December 31, 2012

**2013 Update :** The City's Department of Commerce is monitoring PIDC on a quarterly basis, reviewing the files for loan disbursements made during that quarter, to ensure that the funds are being expended for eligible and allowable costs and that projects are on track and satisfactorily completed. All such monitoring will be documented and maintained in the Commerce Department's files. In addition, documents supporting the disbursement of funds are being maintained at the Department of Commerce. Further, Commerce, OHCD and PIDC hold quarterly meetings where open loans funded with CDBG funds are discussed. HUD108 and BEDI funded ongoing projects are now included in these discussions.

**Contact :** Yvonne A. Boye-Agyeman (215) 683-2012

**2012 - 07**

**Unresolved**

**\$0**

**Condition :** The Office of Housing and Community Development (OHCD) did not comply with the reporting requirements set forth in the Federal Funding Accountability and Transparency Act (FFATA) for grants to subrecipients awarded after October 1, 2010. OHCD subgranted over \$33.4 million dollars during fiscal year 2012 from the Community Development Block Grant (CDBG).

**2013 Update :** HUD was not aware of the FFATA requirement and did not advise OHCD of the reporting requirement. OHCD has all the required information and is waiting for HUD to enter the prime grant award into USA spending website. OHCD will continue to work with HUD to enter the required information.

**Contact :** Wayne Stokes (215) 686-9784

**Homeless Prevention and Rapid Re-Housing**

**City of Philadelphia**  
**Summary Schedule of Prior Audit Findings**  
**Fiscal Year Ended June 30, 2013**

Reference Number	Status	Questioned Costs
---------------------	--------	---------------------

<b>2012 - 15</b>	<b>Unresolved</b>	<b>\$55,072</b>
------------------	-------------------	-----------------

**Condition :** Four of twenty five housing payment vouchers tested did not meet grant compliance requirements for allowable costs. Of \$40,432 in housing payment vouchers randomly drawn from a population of \$361,415, we found that the Office of Supportive Housing (OSH) expended \$6,161 in grant funds for program housing without documenting the eligibility of the program participants. One of the expenditures had no case file available to substantiate the expenditure. The program was funded by the Department of Housing and Urban Development (HUD)

**2013 Update :** OSH has implemented a policy in which similar expenditures that are funded by different funding sources will be voucher separately by funding source. This practice should eliminate the misclassification of expenditures and erroneously charges to funding sources.

During FY12, approximately 320 case files were created. OSH has multiple check and balances in place to ensure full compliance with grantor requirements. In FY14, OSH selected a new vendor to manage its Homeless Management Information System (HMIS). OSH is working with the new vendor to incorporate the use of scanning documentation into the HMIS. This will strengthen our management of case files. It will lessen the dependence on paper records and ensure that file documentation is readily available.

**Contact :** Rodney Cherry (215) 686-7180

<b>2011 - 17</b>	<b>Unresolved</b>	<b>\$0</b>
------------------	-------------------	------------

**Condition :** Of \$97,386 in housing payment vouchers randomly drawn from a population of \$415,268, we found that the Office of Supportive Housing (OSH) expended \$2,745 in grant funds to a hotel for shelter facilities without identifying the individuals sheltered or documenting that grant qualifying criteria was met. In addition, OSH was not able to provide supporting detail to reconcile individual reimbursement requests, suggesting that requests for draw downs were not properly controlled. The program was funded by the Department of Housing and Urban Development.

**2013 Update :** OSH has performed a reconciliation of the cost billed to the grantor. It has been determined that there were duplicate drawdown requests submitted to the grantor. The duplicated cash reimbursements were netted out of the subsequent drawdown requests.

**Contact :** Rodney Cherry (215) 686-7180

<b>Neighborhood Stabilization Program</b>
---

**City of Philadelphia**  
**Summary Schedule of Prior Audit Findings**  
**Fiscal Year Ended June 30, 2013**

Reference Number	Status	Questioned Costs
<b>2012 - 09</b>	<b>Resolved</b>	<b>\$0</b>
<p><b><u>Condition :</u></b> The Office of Housing and Community Development (OHCD) did not adequately perform pre-award and post-award monitoring of the Neighborhood Stabilization Program 2 (NSP2) grant sub-awarded to a delegate agency. OHCD did not properly identify the NSP2 program at the time of the sub-award as an American Recovery &amp; Reinvestment Act Grant (ARRA) grant or by CFDA number. Subsequently, OHCD did not detect that the delegate agency failed to properly identify the grant by either CFDA number or as an ARRA grant in the delegate agency's audit report.</p> <p><b>2013 Update :</b> Although CFDA #14.256 was not identified on the 2012 PRA/OHCD grant and the 2012 PRA Audit Report, the PRA Fiscal Director confirmed that its auditor tested the NSP 2 program, along with the other federally funded programs, as part of the 2012 PRA Single Audit. The PRA provided the City with e-mail requests from its auditor for NSP data related to cash disbursements, cash receipts, program income and participating developers, and the response data. PRA fiscal staff identified and confirmed that both NSP 1 &amp; 2 programs were tested for FY 2012.</p> <p><b>Contact :</b> Wayne Stokes (215) 686-9784</p>		
<b>2012 - 10</b>	<b>Resolved</b>	<b>\$0</b>
<p><b><u>Condition :</u></b> Program income earned and expended by a subrecipient agency was reported to the Office of Housing and Community Development (OHCD) on invoices received from that agency. However, OHCD did not identify and record the program income in the city's books and records. Consequently, the city's Office of the Director of Finance (Finance Office) did not report program income in the amount of \$3,942,245 in the preliminary Schedule of Expenditures and Federal Awards (SEFA) until detected by audit procedures. The Neighborhood Stabilization Program 2 was funded by the American Recovery and Reinvestment Act.</p> <p><b>2013 Update :</b> In FY 2013 OHCD reported \$5,177,926.45 of NSP 2 program income expenditures to the city's Finance Office as part of the year end grant reconciliation procedures. OHCD will continue to report this Program Income going forward and this finding is considered resolved.</p> <p><b>Contact :</b> Wayne Stokes (215) 686-9784</p>		

**City of Philadelphia**  
**Summary Schedule of Prior Audit Findings**  
**Fiscal Year Ended June 30, 2013**

Reference Number	Status	Questioned Costs
---------------------	--------	---------------------

<b>2012 - 11</b>	<b>Resolved</b>	<b>\$0</b>
------------------	-----------------	------------

**Condition :** The Office of Housing and Community Development (OHCD) was not able to provide adequate documentation to support amounts reported on a performance report required by federal regulations. The required report, HUD 60002, Section 3 Summary Report on Economic Opportunities for Low- and Very-Low Income Persons (the performance report) reported \$14,498,486 in construction contracts for Section 3 businesses. Section 3 businesses are those businesses that meet established percentage participation thresholds for business ownership by low-income and very low-income residents or employment of low-income and very low-income residents. The Neighborhood Stabilization Program 2 was funded by the American Recovery and Reinvestment Act.

**2013 Update :** It is important to note the purpose of this regulation is to encourage recipients of federal funds for development projects to provide economic opportunities to the greatest extent feasible for Low and Very Low Income Persons. The HUD regulations set forth in 24 CFR Part 135 provide recommendations for recipients and contractors to create these opportunities. HUD does NOT prescribe any specific forms of evidence be required to establish Section 3 eligibility. While HUD does not prescribe certain forms, the City has established a series of procedures, forms and certifications to ensure that developers and general contractors are doing everything possible (the greatest extent feasible) to create economic opportunities for low and very low income residents/businesses.

The City will ensure that support documentation is maintained for future Section 3 reports.

**Contact :** Wayne Stokes (215) 686-9784

---

<b>Shelter Plus Care</b>
--------------------------

**City of Philadelphia**  
**Summary Schedule of Prior Audit Findings**  
**Fiscal Year Ended June 30, 2013**

Reference Number	Status	Questioned Costs
2012 - 12	Unresolved	\$0
<p><b><u>Condition :</u></b> The Office of Supportive Housing (OSH) did not maintain records to certify that each tenant-landlord agreement provided for a monthly rent payment that was no more than the amount permitted by federal regulation. OSH developed a subrecipient monitoring plan to ensure that the appropriate calculations were performed timely by subrecipient agencies, and randomly selected property addresses to verify the existence of the rent reasonable documentation during routine monitoring procedures. However due to the absence of file documentation, our requests for forty one randomly selected addresses were met with only sixteen certification forms, of which eight either appeared incomplete or the payment amounts were in excess of both comparable unit rentals and published federal guidelines.</p> <p><b>2013 Update :</b> The Office of Supportive Housing has added an additional feature to its rent reasonableness database which now allows all rent certifications to be kept on file electronically within the database. Rent reasonableness certifications that are completed post November 2013 can be retrieved electronically by address. For those certifications completed prior to November 2013, OSH has implemented monitoring procedures that will ensure that a rent reasonableness certification for the current living address is on file for all active clients. Per HUD regulations, all rent certifications performed will verify that the rent requested is “reasonable” in comparison to comparable units. This test does allow for rents to exceed the HUD established Fair Market Rent (FMR) as long as the requested rent passes the reasonableness test.</p> <p><b>Contact :</b> Joe N. Savage , PhD (215) 686-7176</p>		
Total U.S. Department of Housing and Urban Development Questioned Costs:		\$5,055,072

**City of Philadelphia**  
**Summary Schedule of Prior Audit Findings**  
**Fiscal Year Ended June 30, 2013**

Reference Number	Status	Questioned Costs
<b>U.S. Department of Justice</b>		
<b>Justice Assistance Grant Program</b>		
<b>2012 - 08</b>	<b>Resolved</b>	<b>\$0</b>
<p><b>Condition :</b> The Managing Director's Office (MDO) did not document its reviews of subrecipient audit reports. Consequently, there was no evidence to substantiate they had been performed as asserted. Such reviews are important to ensure that audit requirements have been met. Integral to the review of subrecipient audit reports is the reconciliation of all subgranted funding to the amounts reported in the subrecipients' Schedule of Expenditures of Federal Awards (SEFA). This reconciliation process is important to ensure all grant funds provided to a subrecipient have been accounted for. Reconciliation procedures we performed indicated that one of the subrecipients under the program reported \$64,903 less in expenditures of grant funds than reported in the city's SEFA. Funding for this grant was provided by the U.S. Department of Justice.</p> <p><b>2013 Update :</b> The MDO did perform the required desk review of the subrecipient audit reports and determined there were no audit findings. MDO carefully provided technical assistance and monitored all subrecipients in compliance with the regulation cited in OMB Circular A-133. MDO will undertake and document desk review procedures for all subrecipient audit reports per the recommendation</p> <p><b>Contact :</b> Maari Porter (215) 686-6131</p>		
<b>Total U.S. Department of Justice Questioned Costs:</b>		<b>\$0</b>



# **SUPPLEMENTARY FINANCIAL INFORMATION SECTION**

**Pennsylvania Department of Public Welfare**

**Pennsylvania Department of Community and  
Economic Development**





# CITY OF PHILADELPHIA

OFFICE OF THE CONTROLLER  
1230 Municipal Services Building  
1401 John F. Kennedy Boulevard  
Philadelphia, PA 19102-1679  
(215) 686-6680 FAX (215) 686-3832

ALAN BUTKOVITZ  
City Controller  
  
GERALD V. MICCIULLA  
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 management of 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, 2013. Management of the City of Philadelphia, Pennsylvania 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 DPW for fiscal year ended June 30, 2013, to the corresponding amounts in the books and records of the City of Philadelphia, Pennsylvania used to prepare the 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**

<b><u>Program Name</u></b>	<b><u>Number</u></b>	<b><u>Referenced Schedule/Exhibit</u></b>
Child Support Enforcement	A 1 (a)	Summary of Expenditures
	A 1 (b)	PACSES OCSE Data Reliability Verification
	A 1 (c)	Summary of Incentives
	A 1 (d)	Summary of Title IV-D Account (Not Included)
Children & Youth Social Service Program	I	Fiscal Summary
Mental Health/Intellectual Disabilities	IV (a) MH NBG	Revenue, Expenditures and Carryover Fund – MH
	IV (b) MH NBG	Income and Expenditures – MH
	IV (c) ID NBG	Revenues, Expenditures and Carryover Funds – ID
	IV (d) ID NBG	Income and Expenditures – ID
Early Intervention Services	V (a) EI	Revenue, Expenditures and Carryover Funds
	V (b) EI	Income and Expenditures
Combined Homeless Assistance Program	XIX (a) NBG	Final Expenditure Report

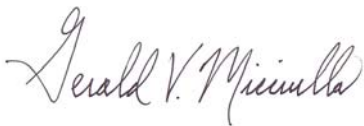
- (b) We have inquired of management as to whether there were any adjustments to reported revenues or expenditures which were not reflected on reports submitted to DPW for the period in question.
- (c) The procedures detailed in the two preceding paragraphs, (a) and (b) above, disclosed the following adjustments or findings which have been reflected in the above noted schedules or exhibits:
1. Child Support Enforcement – Exhibit A-1 (b): PACSES OCSE Data Reliability testing disclosed that documentation of health insurance coverage was incorrectly recorded on the CINS screen for one case file.
  2. Child Support Enforcement – Exhibit A-1 (d): As disclosed at finding 2013-018, the required Title IV-D Account Statement was not prepared and submitted to the Bureau of Child Support Enforcement. Therefore account and activity balances could not be certified. The exhibit was not included as required by the DPW Single Audit Supplement.

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

3. Children and Youth Exhibit I: Expenditures billed to Title IV-E were \$92,581,515 which differs from the amount reported on Schedule I. In addition, our review of the city's books and records noted that the revenue recorded as received totaled \$86,669,238.

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 DPW and is not intended to be and should not be used by anyone other than these specified parties.



GERALD V. MICCIULLA, CPA  
Deputy City Controller  
Philadelphia, Pennsylvania  
February 23, 2015

CITY OF PHILADELPHIA  
SUMMARY OF EXPENDITURES  
TITLE IV-D CHILD SUPPORT PROGRAM  
FYE JUNE 30, 2013

EXHIBIT A-1(A)

COMPARISON OF CHILD SUPPORT PROGRAM INDEX NO. 840681 & 840683 SINGLE AUDIT EXPENDITURES WITH THE REPORTED EXPENDITURES

County: Philadelphia						Year Ended:						Fiscal Year 2013					
Single Audit Expenditures						Reported Expenditures						Single Audit Over/Under Reported					
Quarter Ending: 09/30/12	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid		
1. Salary/Overhead	8,544,518.00	606,600.00	(487,632.00)	7,450,286.00	4,917,189.00	8,544,518.00	606,600.00	(487,632.00)	7,450,286.00	4,917,189.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Fee/Costs	47.00			47.00	31.00	47.00			47.00	31.00	0.00	0.00			0.00	0.00	0.00
3. Interest & Program Income	21,885.00	316.00		21,569.00	14,236.00	21,885.00	316.00		21,569.00	14,236.00	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
5. Blood Testing Costs	64,140.00			64,140.00	42,332.00	64,140.00			64,140.00	42,332.00	0.00	0.00			0.00	0.00	0.00
6. ADP	12,870.00	179.00	0.00	12,691.00	8,376.00	12,870.00	179.00	0.00	12,691.00	8,376.00	0.00	0.00	0.00		0.00	0.00	0.00
Net Total (1-2-3-4+5+6)	8,599,596.00	606,463.00	(487,632.00)	7,505,501.00	4,953,630.00	8,599,596.00	606,463.00	(487,632.00)	7,505,501.00	4,953,630.00	0.00	0.00	0.00		0.00	0.00	0.00
Quarter Ending: 12/31/12	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid		
1. Salary/Overhead	8,420,736.00	611,748.00	(2,453,816.00)	5,355,172.00	3,534,414.00	8,420,736.00	611,748.00	(2,453,816.00)	5,355,172.00	3,534,414.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Fee/Costs	40.00			40.00	26.00	40.00			40.00	26.00	0.00	0.00			0.00	0.00	0.00
3. Interest & Program Income	21,432.00	322.00		21,110.00	13,933.00	21,432.00	322.00		21,110.00	13,933.00	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
5. Blood Testing Costs	37,080.00			37,080.00	24,473.00	37,080.00			37,080.00	24,473.00	0.00	0.00			0.00	0.00	0.00
6. ADP	18,560.00	267.00	0.00	18,293.00	12,073.00	18,560.00	267.00	0.00	18,293.00	12,073.00	0.00	0.00	0.00		0.00	0.00	0.00
Net Total (1-2-3-4+5+6)	8,454,904.00	611,693.00	(2,453,816.00)	5,389,395.00	3,557,001.00	8,454,904.00	611,693.00	(2,453,816.00)	5,389,395.00	3,557,001.00	0.00	0.00	0.00		0.00	0.00	0.00
Quarter Ending: 03/31/13	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid		
1. Salary/Overhead	8,602,914.00	643,483.00	(1,285,801.00)	6,673,630.00	4,404,596.00	8,602,914.00	643,483.00	(1,285,801.00)	6,673,630.00	4,404,596.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Fee/Costs	41.00			41.00	27.00	41.00			41.00	27.00	0.00	0.00			0.00	0.00	0.00
3. Interest & Program Income	25,300.00	407.00		24,893.00	16,429.00	25,300.00	407.00		24,893.00	16,429.00	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
5. Blood Testing Costs	42,000.00			42,000.00	27,720.00	42,000.00			42,000.00	27,720.00	0.00	0.00			0.00	0.00	0.00
6. ADP	7,082.00	73.00	0.00	7,009.00	4,626.00	7,082.00	73.00	0.00	7,009.00	4,626.00	0.00	0.00	0.00		0.00	0.00	0.00
Net Total (1-2-3-4+5+6)	8,626,655.00	643,149.00	(1,285,801.00)	6,697,705.00	4,420,486.00	8,626,655.00	643,149.00	(1,285,801.00)	6,697,705.00	4,420,486.00	0.00	0.00	0.00		0.00	0.00	0.00
Quarter Ending: 06/30/13	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid		
1. Salary/Overhead	8,519,307.00	537,544.00	(553,386.00)	7,428,377.00	4,902,729.00	8,519,307.00	537,544.00	(553,386.00)	7,428,377.00	4,902,729.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Fee/Costs	42.00			42.00	28.00	42.00			42.00	28.00	0.00	0.00			0.00	0.00	0.00
3. Interest & Program Income	22,598.00	360.00		22,238.00	14,677.00	22,598.00	360.00		22,238.00	14,677.00	0.00	0.00			0.00	0.00	0.00
4. Blood Testing Fee	17,432.00			17,432.00	11,505.00	17,432.00			17,432.00	11,505.00	0.00	0.00			0.00	0.00	0.00
5. Blood Testing Costs	49,590.00			49,590.00	32,729.00	49,590.00			49,590.00	32,729.00	0.00	0.00			0.00	0.00	0.00
6. ADP	16,189.00	232.00	0.00	15,957.00	10,532.00	16,189.00	232.00	0.00	15,957.00	10,532.00	0.00	0.00	0.00		0.00	0.00	0.00
Net Total (1-2-3-4+5+6)	8,545,014.00	537,416.00	(553,386.00)	7,454,212.00	4,919,780.00	8,545,014.00	537,416.00	(553,386.00)	7,454,212.00	4,919,780.00	0.00	0.00	0.00		0.00	0.00	0.00

**CHILD SUPPORT ENFORCEMENT  
PACES OCSE 157 Data Reliability Validation**

**EXHIBIT A-1(B)**

County Philadelphia Year Ended June 30, 2013

OCSE 157 Report Line Number		Number of Cases Reviewed	Case Problems Found
Line #1	IV-D Cases Open at the end of the fiscal year	5	None
Line #2	IV-D cases open at the end of the fiscal year with support orders established.	5	None
Line # 5	Children in IV-D cases open at the end of the fiscal year who were born out of wedlock.	5	None
Line #6	Children in IV-D cases open at the end of the fiscal year who were born out of wedlock with paternity resolved.	5	None
Line #21	Cases open at the end of the fiscal year in which medical support is ordered.	5	1*
Line #23	Cases open at the end of the fiscal year where health insurance is provided as ordered.	5	None
Line #24	Total Amount of current support due for the fiscal year for IV-D cases, excluding emancipated children.	5	None
Line #25	Total amount of support disbursed as current support during the fiscal year for IV-D cases, excluding emancipated children.	5	None
Line #28	Case with arrears due during the fiscal year (10/01/12-09/30/13)	5	None
Line #29	Cases with Disbursements on arrears during the fiscal year(10/01/12 - 09/30/13)	5	None

\* Insurance information was entered incorrectly in PACSES. The "CINS" screen showed that the Child is under the Defendant's insurance. However, the documents on the file showed the the Defendant has no job and health insurance.

**CHILD SUPPORT ENFORCEMENT  
COMPARISON OF REPORTED INCENTIVES TO INCENTIVES ON DEPOSIT**

**EXHIBIT A-1 ( c )**

**County - PHILADELPHIA**

**Year Ended June 30, 2013**

<b>Month</b>	<b>MSE Incentive Paid Cost Worksheet Ending Incentive Balance</b>	<b>Audited Title IV-D Account Incentive Balance</b>	<b>Type of Account Structure</b>
January 1			<input checked="" type="checkbox"/> ( X ) Separate Bank Account <input type="checkbox"/> ( ) Restricted Fund - General Ledger <input type="checkbox"/> ( ) Other: _____
March 31	\$0.00	\$0.00	
June 30	\$0.00	\$0.00	
September 30	\$0.00	\$0.00	
December 31	\$0.00	\$0.00	

Note: Do not include income received from interest or Medical Incentives.

**EXHIBIT A-1 (d)****CHILD SUPPORT ENFORCEMENT  
COMPARISON OF SINGLE AUDIT TITLE IV-D ACCOUNT WITH REPORTED TITLE IV-D ACCOUNT**

County - Philadelphia

Fiscal Year Ended - June 30, 2013

	Single Audit TITLE IV-D Account	Reported TITLE IV-D Account	Single Audit Over/(Under) Reported
<b>Balance at July 1, 2012</b>	* \$ -	\$ 7,332,528.00	\$ (7,332,528.00)
<b>Receipts:</b>			
Reimbursements	17,523,863.00	17,523,863.00	-
Incentives	4,780,633.00	4,780,633.00	-
Title XIX Incentives	479.00	479.00	-
Interest	13,368.00	13,368.00	-
Program Income	120,496.00	120,496.00	-
Genetic Testing Costs	17,432.00	17,432.00	-
Maintenance of Effort (MOE)	3,300,000.00	932,393.00	2,367,607.00
Other: Special Grant	7,900,000.00	7,900,000.00	-
Unallowable Indirect Exp.		1,500,000	(1,500,000)
Outstanding MOE FY12		876,774	(876,774)
Outstanding Unallowable Indirect Exp FY12		1,500,000	(1,500,000)
DA Reimbursement	\$ 1,261,879.00		1,261,879
<b>Total Receipts</b>	<b>\$ 34,918,150.00</b>	<b>\$35,165,438.00</b>	<b>\$ (247,288.00)</b>
<b>Intra-fund Transfers - In</b>	-	-	-
<b>Funds Available</b>	<b>\$ 34,918,150.00</b>	<b>\$42,497,966.00</b>	<b>\$ (7,579,816.00)</b>
<b>Disbursements:</b>			
Transfers to General Fund	-	-	-
Salaries and Fringe Benefits	25,021,050.00	25,021,050.00	-
Bank Charges	-	-	-
Other: Transfer to AOPC	5,322,040.00	5,322,040.00	-
Indirect Costs	\$ 2,367,612.00	\$ -	\$ 2,367,612.00
DA Expenditures	\$ 1,845,883.00	\$ -	\$ 1,845,883.00
<b>Total Disbursements</b>	<b>\$ 34,556,585.00</b>	<b>\$30,343,090.00</b>	<b>\$ 4,213,495.00</b>
<b>Intra-fund Transfers - Out</b>	-	-	-
<b>Balance at June 30, 2013</b>	* \$ -	\$ 12,154,876.00	** \$ (12,154,876.00)

\* Annual Title IV-D Account Statement required by DRA memo 2012-41 was not prepare

\* Auditor unable to certify , see Child Support Enforcement Finding

\*\* Balance does not compute due to auditor's non-certification of balances

The Title IV-D account consists of 4 account.

The Title IV-D account is comprised of 4 Other accounts

**COUNTY CHILDREN AND YOUTH SOCIAL SERVICE PROGRAMS**  
**FISCAL SUMMARY**  
**July 1, 2010 THROUGH June 30, 2011**

**EXHIBIT I**

**(CAPTURING ALL EXPENDITURES PAID THROUGH JUNE 30, 2013)**

County	PHILADELPHIA					Report Period July 1, 2010 to June 30, 2011					
	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	PROGRAM INCOME	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	OTHER FUNDING	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
Net Child Welfare Expend											
01 100% Reimbursement	6,496,850	0	931,296						5,565,554	5,565,554	
02 90% Reimbursement	13,353,731	165,099	2,218,842					0	10,969,790	9,872,812	1,096,978
03 80% Reimbursement	402,333,202	4,357,538	69,240,002	25,310,813	3,493,612	2,735,197		0	297,196,040	237,756,832	59,439,208
04 60% Reimbursement	152,790,039	652,813	18,804,573				0	156,287	133,176,366	79,905,820	53,270,546
05 50% Reimbursement	33,398,561		3,274						33,395,287	16,697,647	16,697,640
06 TOTAL CHILD WELFARE EXP.	608,372,383	5,175,450	91,197,987	25,310,813	3,493,612	2,735,197	0	156,287	480,303,037	349,798,665	130,504,372
YDC/YFC PALCEMENT COSTS											
07 60% Reimbursement	29,403,065								29,403,065	17,641,839	11,761,226
08 NON Reimbursable Expenditures	820,460								820,460		820,460
09 TOTAL EXPENDITURES	638,595,908	5,175,450	91,197,987	25,310,813	3,493,612	2,735,197	0	156,287	510,526,562	367,440,504	143,086,058

10. IL Grants Funds Reported

11. HSDF included in Prog. Income	<input type="text" value="250,000"/>	12. TOTAL TITE IV-D COLLECTIONS	<input type="text" value="3,788,329"/>	13. TITLE IV-D Collections for IV-E Eligible Children	<input type="text" value="1,919,794"/>
14. STATE ACTR 148 - Line 6	<input type="text" value="349,798,665"/>	15 STATE ACT 148 ALLOCATION	<input type="text" value="367,323,206"/>	16. ADJUSTED STATE SHARE	<input type="text" value="349,798,665"/>

Subsidized Permanent Legal Custodianship SPLC	Total Subsidies	Number of Days	Number of Children
	\$17,179,975	717,187	2,250



PHILADELPHIA COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CARRYOVER FUNDS  
MEANTAL HEALTH SERVICES  
FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2013

EXHIBIT IV(a) MH NBG

Sources of DPW Funding	App	DPW Funds Available			Cost Eligible for DPW Participation (4)	Balance Of Funds (5)	Grant Fund Adjs. (6)	Total Fund Balance (7)
		Carryover (1)	Allotment (2)	Total Allocation (3)				
A. MH Services	10248	\$0	\$119,580,348	\$119,580,348	\$119,580,348	\$0	\$0	\$0
B. OTHER STATE FUNDS								
1. Specialized Residences for the Mentally Ill	10258	\$0	\$930,058	\$930,058	\$930,058	\$0	\$0	\$0
2. Behavioral Health Services Initiative	10262	\$0	\$4,016,773	\$4,016,773	\$4,016,773	\$0	\$0	\$0
3. Reserved – 100%	00001	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Other State		\$0	\$4,946,831	\$4,946,831	\$4,946,831	\$0	\$0	\$0
C. SSBG	70135	\$0	\$5,532,135	\$5,532,135	\$5,532,135	\$0	\$0	\$0
D. CMHSBG	70167	\$0	\$2,203,831	\$2,203,831	\$2,203,831	\$0	\$0	\$0
E. OTHER FEDERAL FUNDS								
1. PATH Homeless Grant (Federal)	70154	\$0	\$1,073,008	\$1,073,008	\$1,073,008	\$0	\$0	\$0
2. Capitalization of POMS	70522	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3. Mental Health Systems Transformation Grant	70589	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4. Youth Suicide Prevention	70651	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5. Jail Diversion & Trauma Recovery	70747	\$63,228	\$130,000	\$193,228	\$136,974	\$56,254	\$0	\$56,254
6. Terrorism Related Disaster Relief Grant	80168	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7. Hospital Preparedness Program – Crisis Counseling	80222	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8. Bio-Terrorism Hospital Preparedness Program	80343	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9. CDC Bioterrorism – Pandemic Flu	80343	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10. Intermediate Services Crisis Counseling Program Grant	82822	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11. Disaster Case Management	82827	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12. Peer Specialist Delivery of Employment Service Grant	70127	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13. Wellness & Older Adult Peer Support Service Grant	70127	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14. Reserved	00002	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15. Reserved	00003	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Other Federal Funds		\$63,228	\$1,203,008	\$1,266,236	\$1,209,982	\$56,254	\$0	\$56,254
F. TOTAL		\$63,228	\$133,466,153	\$133,529,381	\$133,473,127	\$56,254	\$0	\$56,254

**PHILADELPHIA COUNTY**  
**REPORT OF INCOME AND EXPENDITURES**  
**FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2013**

**Exhibit IV-(b) MH NBG**

	<b>Total</b>
<b>I. TOTAL ALLOCATION</b>	<b>\$133,529,381</b>
<b>II. TOTAL EXPENDITURES</b>	<b>\$175,179,962</b>
<b>III. COSTS OVER ALLOCATION</b>	
A. County Funded Eligible	\$2,519,273
B. County Funded Ineligible	\$1,696,200
C. Other Eligible	\$3,340,332
D. Other Ineligible	\$0
Subtotal Costs over Allocation	\$7,555,805
<b>IV. REVENUES</b>	
A. Program Service Fees	\$1,064,575
B. Private Insurance	\$2,300,087
C. Medical Assistance	\$294,901
D. Medical Assistance - Admin Claims	\$14,335
E. Room and Board	\$5,317,609
F. Earned Interest	\$284,375
G. Other	\$18,995,359
Subtotal Revenues	\$28,271,241
<b>V. DPW REIMBURSEMENT</b>	
A. Base Allocation 90%	\$50,879,257
B. Base Allocation 100%	\$4,128,689
C. DPW Categorical Funding 90%	\$2,038,850
D. DPW Categorical Funding 100%	\$68,690,365
E. SSBG 90%	\$0
F. SSBG 100%	\$5,532,135
G. CMHSBG Non-Categorical Funding 90%	\$0
H. CMHSBG Non-Categorical Funding 100%	\$2,203,831
I. CMHSBG Categorical Funding	
Subtotal DPW Reimbursement	\$133,473,127
<b>VI. COUNTY MATCH</b>	
10% County Match	\$5,879,790
Subtotal County Match	\$5,879,790
<b>VII. TOTAL DPW REIMB &amp; COUNTY MATCH</b>	<b>\$139,352,917</b>
<b>VIII. TOTAL CARRYOVER</b>	<b>\$56,254</b>

PHILADELPHIA COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CARRYOVER FUNDS  
INTELLECTUAL DISABILITIES SERVICES  
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2013

EXHIBIT IV(C) ID NBG

Sources of DPW Funding	Appropriation	DPW Funds Available			Cost Eligible for DPW Participation (4)	Balance Of Funds (5)	Grant Fund Adjs. (6)	Total Fund Balance (7)
		Carryover (1)	Allotment (2)	Total Allocation (3)				
<b>A. ID Services</b>								
1. Community (Non-Residential/Residential)	10255	\$29,587	\$17,310,640	\$17,340,227	\$17,340,227	\$0	\$0	\$0
2. SSBG	70177	\$0	\$1,410,755	\$1,410,755	\$1,410,755	\$0	\$0	\$0
3. Reserved	00001	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal ID Services		\$29,587	\$18,721,395	\$18,750,982	\$18,750,982	\$0	\$0	\$0
<b>B. Waiver</b>								
1. Waiver Administration	10255/70175	\$0	\$13,728,544	\$13,728,544	\$13,726,441	\$2,103	\$0	\$2,103
2. Reserved	00002	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Waiver		\$0	\$13,728,544	\$13,728,544	\$13,726,441	\$2,103	\$0	\$2,103
<b>C. Other</b>								
1. Reserved	00003	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>D. TOTAL</b>		\$29,587	\$32,449,939	\$32,479,526	\$32,477,423	\$2,103	\$0	\$2,103

**PHILADELPHIA COUNTY**  
**REPORT OF INCOME AND EXPENDITURES**  
**FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2013**

	Total
<b>I. TOTAL ALLOCATION</b>	<b>\$32,479,526</b>
<b>II. TOTAL EXPENDITURES</b>	<b>\$37,467,434</b>
<b>III. COSTS OVER ALLOCATION</b>	
A. County Funded Eligible	\$1,428,481
B. County Funded Ineligible	\$2,109,366
C. Other Eligible	\$0
D. Other Ineligible	\$0
Subtotal Costs over Allocation	\$3,537,847
<b>IV. REVENUES</b>	
A. Program Service Fees	\$0
B. Private Insurance	\$0
C. Medical Assistance	\$0
D. Medical Assistance - Admin Claims	\$612,998
E. Room and Board	\$22,430
F. Earned Interest	\$226
G. Other	\$31,379
Subtotal Revenues	\$667,033
<b>V. DPW REIMBURSEMENT</b>	
A. Base Allocation 90%	\$5,921,289
B. Base Allocation 100%	\$9,857,882
C. DPW Categorical Funding 90%	\$912,045
D. DPW Categorical Funding 100%	\$14,375,452
E. SSBG 90%	\$232,843
F. SSBG 100%	\$1,177,912
Subtotal Reimbursement	\$32,477,423
<b>VI. COUNTY MATCH</b>	
10% County Match	\$785,131
Subtotal County Match	\$785,131
<b>VII. TOTAL DPW REIMB &amp; COUNTY MATCH</b>	<b>\$33,262,554</b>
<b>VIII. TOTAL CARRYOVER</b>	<b>\$2,103</b>

**PHILADELPHIA COUNTY**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CARRYOVER FUNDS**  
**EARLY INTERVENTION SERVICES**  
**FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2013**

EXHIBIT V-(A) EI

Sources of DPW Funding	App	DPW Funds Available			Cost Eligible for DPW Participation (4)	Balance Of Funds (5)	Grant Fund Adjustments (6)	Total Fund Balance (7)
		Carryover (1)	Allotment (2)	Total Allocation (3)				
A. Early Intervention Services								
1. Early Intervention Services	10235	\$78,929	\$11,476,639	\$11,555,568	\$11,336,039	\$219,529	(\$26,793)	\$192,736
2. Early Intervention Training	10235	\$0	\$281,772	\$281,772	\$277,241	\$4,531	\$0	\$4,531
3. Early Intervention Administration	10235	\$0	\$2,556,274	\$2,556,274	\$2,556,274	\$0	\$0	\$0
4. Infants & Toddlers w/Disabilities (Part C)	70170	\$0	\$2,054,730	\$2,054,730	\$2,054,730	\$0	\$0	\$0
5. IT&F Waiver Administration	10235/70184	\$133,202	\$823,702	\$956,904	\$787,250	\$169,654	\$0	\$169,654
6. Reserved	00001	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Early Intervention Services		\$212,131	\$17,193,117	\$17,405,248	\$17,011,534	\$393,714	(\$26,793)	\$366,921

**PHILADELPHIA COUNTY**  
**REPORT OF INCOME AND EXPENDITURES**  
**EARLY INTERVENTION SERVICES**  
**COUNTY PROGRAM CODE(CAU): PHI**  
**FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2013**

**EXHIBIT V-(b) EI**

	Admin Office	Early Intervention	Supports Coordination	Total
I. TOTAL ALLOCATION				\$17,405,248
II. TOTAL EXPENDITURES	\$4,100,761	\$15,186,677	\$0	\$19,287,438
III. COSTS OVER ALLOCATION				
A. County Funded Eligible	\$253,504	\$0	\$0	\$253,504
B. County Funded Ineligible	\$219,703	\$0	\$0	\$219,703
C. Other Eligible	\$0	\$0	\$0	\$0
D. Other Ineligible	\$0	\$0	\$0	\$0
Subtotal Costs Over Allocation	\$473,207	\$0	\$0	\$473,207
IV. REVENUES				
A. Program Service Fees	\$0	\$0	\$0	\$0
B. Private Insurance	\$0	\$0	\$0	\$0
C. Medical Assistance	\$0	\$0	\$0	\$0
D. Earned Interest	\$0	\$0	\$0	\$0
E. Other	\$0	\$0	\$0	\$0
Subtotal Revenues	\$0	\$0	\$0	\$0
V. DPW REIMBURSEMENT				
A. DPW Categorical Funding 90%	\$2,556,274	\$13,668,010	\$0	\$16,224,284
B. DPW Categorical Funding 100%	\$787,250	\$0	\$0	\$787,250
Subtotal DPW Reimbursement	\$3,343,524	\$13,668,010	\$0	\$17,011,534
VI. COUNTY MATCH				
10% County Match	\$284,030	\$1,518,667	\$0	\$1,802,697
Subtotal County Match	\$284,030	\$1,518,667	\$0	\$1,802,697
VII. TOTAL DPW REIMB & COUNTY MATCH	\$3,627,554	\$15,186,677	\$0	\$18,814,231
VIII. TOTAL CARRYOVER				\$393,714

Commonwealth of Pennsylvania  
DPW - Bureau of Financial Operations  
County Report of Income and Expenditures  
Fiscal Year 2012 - 2013  
PHILADELPHIA County Homeless Assistance Services

Exhibit XIX(a) NBG

	Administration	Bridge Housing	Case Management	Rental Assistance	Emergency Shelter	Other Housing Supports	Total
I. TOTAL ALLOCATION							\$7,970,371
II. TOTAL EXPENDITURES							
A. Personnel	\$83,502			\$0	\$0	\$0	\$83,502
B. Operating	\$0			\$0	\$0	\$0	\$0
C. Purchased Services	\$0	\$5,602,258	\$2,286,513	\$0	\$0	\$0	\$7,888,771
Subtotal of Total Expenditures	\$83,502	\$5,602,258	\$2,286,513	\$0	\$0	\$0	\$7,972,273
III. REVENUES							
A. Client Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
B. Other	\$1,902		\$0	\$0	\$0	\$0	\$1,902
Subtotal Revenues	\$1,902	\$0	\$0	\$0	\$0	\$0	\$1,902
IV. DPW REIMBURSEMENT							
A. State HAP Funding	\$81,600	\$682,182	\$1,853,389	\$0	\$0	\$0	\$2,617,171
B. SSBG	\$0	\$3,668,276	\$433,124	\$0	\$0	\$0	\$4,101,400
C. SABG	\$0	\$1,251,800	\$0	\$0	\$0	\$0	\$1,251,800
Subtotal DPW Reimbursement	\$81,600	\$5,602,258	\$2,286,513	\$0	\$0	\$0	\$7,970,371
V. UNSPENT ALLOCATION							\$0



# CITY OF PHILADELPHIA

OFFICE OF THE CONTROLLER  
1230 Municipal Services Building  
1401 John F. Kennedy Boulevard  
Philadelphia, PA 19102-1679  
(215) 686-6680 FAX (215) 686-3832

ALAN BUTKOVITZ  
City Controller  
  
GERALD V. MICCIULLA  
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 management of 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 DCED for the year ended June 30, 2013. Management of the City of Philadelphia, Pennsylvania 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 DCED for the fiscal year ended June 30, 2013 to the corresponding amounts in the books and records of the City of Philadelphia, Pennsylvania used to prepare financial statements audited by us. We also compared the example schedule required by DCED to this schedule to determine that it is presented, at a minimum, at the level of detail and in the format required by DCED.



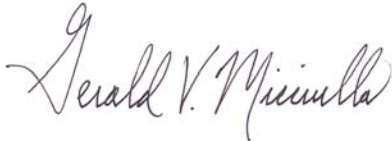
C I T Y O F P H I L A D E L P H I A  
O F F I C E O F T H E C O N T R O L L E R

- (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 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 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 DCED and is not intended to be and should not be used by anyone other than these specified parties.



GERALD V. MICCIULLA, CPA  
Deputy City Controller  
Philadelphia, Pennsylvania  
February 23, 2015

**City of Philadelphia**  
**Schedule of Federal Cash Receipts Passed Through the Pennsylvania**  
**Department of Community and Economic Development**  
**July 1, 2012 to June 30, 2013**

<u>Grantor Agency/</u> Project Title	<u>City</u> <u>ID</u> <u>Number</u>	<u>CFDA</u> <u>Number</u>	<u>Contract</u> <u>Number</u>	<u>Federal</u> <u>Awards</u>	<u>Federal</u> <u>Receipts</u>
<b><u>American Recovery &amp; Reinvestment</u></b>					
<b>Passed-Through - PA Department of Community &amp; Economic Development:</b>					
ARRA -HPRP (46166)	240886	14.257	C000046166	2,091,608	62,419
ARRA -HPRP- State Competitive- HAP	240884	14.257	C000046135	195,000	14,439
Subtotal: Homeless Prevention & Rapid Re-Housing				<u>2,286,608</u>	<u>76,859</u>
<b>Total American Recovery &amp; Reinvestment:</b>				<u>2,286,608</u>	<u>76,859</u>
<b><u>U.S. Department of Housing &amp; Urban Development</u></b>					
<b>Passed-Through - PA Department of Community &amp; Economic Development:</b>					
Neighborhood Stabilization Pgm (NSP) Funds -06NSP02	14.225	C000045739		7,100,000	2,017,066
Subtotal: Community Service Block Grant				<u>7,100,000</u>	<u>2,017,066</u>
Shelter Project (DCED 11)	240950	14.231	C000050144	236,851	204,899
Subtotal: Emergency Shelter Grant Program				<u>236,851</u>	<u>204,899</u>
<b>Total U.S. Department of Housing &amp; Urban Development:</b>				<u>7,336,851</u>	<u>2,221,965</u>
<b><u>U.S. Department of Health &amp; Human Services</u></b>					
<b>Passed-Through - PA Department of Community &amp; Economic Development:</b>					
Community Service Block Grant	160390	93.569	MOU	552,938	460,402
Community Services Block Grant	080291	93.569	C000052543	4,887,642	56,694
Community Services Block Grant -LEAD	143103	93.569	C000047408	203,548	221,987
CSBG - Administration	080292	93.569	C000052543	780,403	994,653
CSBG - CSP	080293	93.569	C000052543	4,107,239	3,062,523
CSBG- Administration	080304	93.569	C000052543	858,651	94
Subtotal: Community Service Block Grant				<u>11,390,421</u>	<u>4,796,354</u>
<b>Total U.S. Department of Health &amp; Human Services:</b>				<u>11,390,421</u>	<u>4,796,354</u>
<b>Total Federal Cash Receipts Passed Through PaDCED:</b>				<u><u>21,013,880</u></u>	<u><u>7,095,178</u></u>