



OFFICE OF THE CITY AUDITOR

City and County of Honolulu
State of Hawai'i



Financial Audit of the City and County of Honolulu State of Hawai'i

For the Fiscal Year Ended
June 30, 2006

Single Audit of Federal Financial
Assistance Programs

Conducted by
Nishihama & Kishida, CPAs, Inc.



February 15, 2007

To the Chair and Members of the City Council
City and County of Honolulu
Honolulu, Hawaii

We have completed our financial audit of the basic financial statements of the City and County of Honolulu, State of Hawaii (City), as of and for the fiscal year ended June 30, 2006. Our report containing our opinion on those basic financial statements is included in the City's *Comprehensive Annual Financial Report*. We submit herein our reports on the City's internal control over financial reporting and compliance, the City's compliance with requirements applicable to its major federal programs and our report on the schedule of expenditures of federal awards.

OBJECTIVES OF THE AUDIT

The primary purpose of our audit was to form an opinion on the fairness of the presentation of the City's basic financial statements for the fiscal year ended June 30, 2006, and to comply with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, which establishes audit requirements for state and local governments that receive federal financial assistance. More specifically, the objectives of the audit were as follows:

1. To provide a basis for an opinion on the fairness of the presentation of the City's financial statements.
2. To determine whether expenditures and other disbursements have been made and all revenues and other receipts to which the City is entitled have been collected and accounted for in accordance with the laws, rules and regulations, administrative directives, policies and procedures of the City, the State of Hawaii and the federal government (where applicable).
3. To determine whether the City has established sufficient internal controls to properly manage federal financial assistance programs and to comply with the applicable laws, regulations, contracts, and grants.
4. To determine whether the City has complied with the laws, regulations, contracts, and grants that may have a material effect on the financial statements and on each major federal financial assistance program.

SCOPE OF THE AUDIT

Our audit was performed in accordance with auditing standards generally accepted in the United States of America as prescribed by the American Institute of Certified Public Accountants; *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of OMB Circular A-133. The scope of our audit included an examination of the transactions and accounting records of the City for the fiscal year ended June 30, 2006.

ORGANIZATION OF THE REPORT

This report is presented in five parts as follows:

- Part I - Our report on internal control over financial reporting and on compliance and other matters.
- Part II - Our report on compliance with requirements applicable to each major program and on internal control over compliance.
- Part III - Our report on the schedule of expenditures of federal awards.
- Part IV - The schedule of findings and questioned costs.
- Part V - The summary schedule of prior audit findings.

We wish to express our sincere appreciation for the excellent cooperation and assistance extended by the staff of the City.

Sincerely,



Ron T. Shiigi
Principal

CITY AND COUNTY OF HONOLULU

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PART I

**AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS**



NISHIHAMA & KISHIDA, CPAs, INC.
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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Chair and Members of the City Council
City and County of Honolulu
Honolulu, Hawaii

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City and County of Honolulu, State of Hawaii (City), as of and for the fiscal year ended June 30, 2006, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 12, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. We noted certain other matters that we reported to management of the City in a separate letter dated December 12, 2006.

This report is intended solely for the information and use of the City Council, management of the City and County of Honolulu, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Nishihama & Kishida, CPAs, Inc.

Honolulu, Hawaii
December 12, 2006

PART II

**AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE**



NISHIHAMA & KISHIDA, CPAs, INC.
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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133**

To the Chair and Members of the City Council
City and County of Honolulu
Honolulu, Hawaii

Compliance

We have audited the compliance of the City and County of Honolulu, State of Hawaii (City), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the fiscal year ended June 30, 2006. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the fiscal year ended June 30, 2006.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the City Council, management of the City and County of Honolulu, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Nishihama & Kishida, CPAs, Inc.

Honolulu, Hawaii
February 15, 2007

PART III

**AUDITORS' REPORT ON THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS**



NISHIHAMA & KISHIDA, CPAs, INC.
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INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

To the Chair and Members of the City Council
City and County of Honolulu
Honolulu, Hawaii

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the fiscal year ended June 30, 2006, and have issued our report thereon dated December 12, 2006. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the City Council, management of the City and County of Honolulu, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Nishihama & Kishida, CPAs, Inc.

Honolulu, Hawaii
December 12, 2006

City and County of Honolulu
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fiscal Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
OFFICE OF NATIONAL DRUG CONTROL POLICY			
High Intensity Drug Trafficking Area Program	07.UNKNOWN		\$ <u>2,216,150</u>
Total Office of National Drug Control Policy			<u>2,216,150</u>
U.S. DEPARTMENT OF AGRICULTURE			
Pass-through State Department of Education			
Summer Food Service Program for Children	10.559	12-351523	248,089
Pass-through State Department of Land and Natural Resources			
Cooperative Forestry Assistance	10.664	04-DG-11052012-94	60,000
		05-DG-11052012-135	<u>1,826</u>
			61,826
Watershed Protection and Flood Prevention	10.904		<u>704,787</u>
Total U.S. Department of Agriculture			<u>1,014,702</u>
U.S. DEPARTMENT OF COMMERCE			
Pass-through State Department of Business, Economic Development & Tourism			
Coastal Zone Management Administration Awards	11.419	54105	<u>176,357</u>
Total U.S. Department of Commerce			<u>176,357</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Community Development Block Grants/Entitlement Grants	14.218		21,050,393
Emergency Shelter Grants Program	14.231		484,275
Supportive Housing Program	14.235		388,480
Shelter Plus Care	14.238		1,524,051
HOME Investment Partnerships Program	14.239		8,384,144
Housing Opportunities for Persons with AIDS	14.241		400,355
Opportunities for Youth - Youthbuild Program	14.243		302,716
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856		151,358
Pass-through Housing Community Development Corporation of Hawaii			
Resident Opportunity and Supportive Services - Homeownership and Family	14.870	CFP-712-1408	223,735
Section 8 Housing Choice Vouchers	14.871		<u>34,003,358</u>
Total U.S. Department of Housing and Urban Development			\$ <u>66,912,865</u>

City and County of Honolulu
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF JUSTICE			
Domestic Cannabis Eradication/Suppression Program	16.UNKNOWN		\$ <u>209,501</u>
Federal Asset Forfeiture	16.UNKNOWN		<u>224,900</u>
Pass-through State Department of Defense			
State Domestic Preparedness Equipment Support Program	16.007	2002-TE-CX-0140	<u>757,320</u>
Pass-through State Department of Attorney General			
Services for Trafficking Victims	16.320	05-VT-2	<u>4,605</u>
Pass-through State Department of Human Services			
Juvenile Accountability Incentive Block Grants	16.523	DHS-03-OYS-1520	3,104
		DHS-04-OYS-1939	90,238
		DHS-05-OYS-3035	<u>354,769</u>
			<u>448,111</u>
Gang-Free Schools and Communities - Community-Based Gang Intervention	16.544		<u>159,196</u>
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560		<u>145,110</u>
Crime Laboratory Improvement-Combined Offender DNA Index System Backlog Reduction	16.564		<u>1,038</u>
Pass-through State Department of Attorney General			
Crime Victim Assistance	16.575	02-VA-2	9,177
		02-VA-7	20,100
		03-VA-2	<u>637,961</u>
			<u>667,238</u>
Edward Byrne Memorial Formula Grant Program	16.579	02-DB-30	3,681
		02-DB-32	78,779
		03-DB-13	5,624
		03-DB-25	16,002
		04-DB-08	97,189
		04-DB-12	<u>4,022</u>
			<u>205,297</u>
Violence Against Women Formula Grants	16.588	01-WF-12	32,165
		03-WF-2	10,982
		03-WF-9	97,540
		04-WF-05	<u>42,187</u>
			<u>182,874</u>
Grants to Encourage Arrest Policies and Enforcement of Protection Orders	16.590	03-WE-1	\$ <u>166,112</u>

City and County of Honolulu
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Local Law Enforcement Block Grant Program	16.592		\$ <u>304,425</u>
Bulletproof Vest Partnership Program	16.607		<u>11,255</u>
Public Safety Partnership and Community Policing Grants	16.710		668,289
Pass-through State Department of the Attorney General			
Public Safety Partnership and Community Policing Grants	16.710	04-CK-01	<u>5,205</u>
			<u>673,494</u>
Pass-through State Department of Health			
Enforcing Underage Drinking Laws Program	16.727	ASO 04-063	<u>36,379</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738		315,541
Pass-through State Department of the Attorney General			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	05-DJ-06	<u>3,401</u>
			<u>318,942</u>
			<u>4,515,797</u>
Total U.S. Department of Justice			
U.S. DEPARTMENT OF LABOR			
Pass-through State Department of Labor & Industrial Relations			
<i>Workforce Investment Act Cluster:</i>			
Workforce Investment Act - Administration	17.250	PY03, PY04, PY05-WIA-ADMIN	344,528
		PY03, PY04, PY05-WIA-LWIB	<u>172,874</u>
WIA Adult Program	17.258	PY03, PY04, PY05-WIA-ADULT	1,631,884
WIA Youth Activities	17.259	PY03, PY04, PY05-WIA-YOUTH	2,628,204
WIA Dislocated Workers	17.260	PY03, PY04, PY05-WIA-DW	<u>1,406,736</u>
<i>Total Workforce Investment Act Cluster</i>			<u>6,184,226</u>
WIA Pilots, Demonstrations, and Research Projects	17.261		466,719
Pass-through the University of Hawaii			
WIA Pilots, Demonstrations, and Research Projects	17.261	P.O. Z597400	83,975
		P.O. Z707246	42,741
		P.O. Z715801	64,173
Pass-through Youthbuild USA			
WIA Pilots, Demonstrations, and Research Projects	17.261	006	330
		007	<u>67,849</u>
			<u>725,787</u>
			<u>6,910,013</u>
Total U.S. Department of Labor			\$ <u>6,910,013</u>

City and County of Honolulu
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION			
Highway Planning and Construction	20.205		\$ 116,843
Pass-through State Department of Transportation			
Highway Planning and Construction	20.205	BR-NBIS	2,336
		STP-0001	981,596
		FLH-0300	15,000
		STP-0300	151,932
		STP-7311	1,188,905
Pass-through Oahu Metropolitan Planning Organization			
Highway Planning and Construction	20.205	PL-052	<u>157,383</u>
			<u>2,613,995</u>
<i>Federal Transit Cluster:</i>			
Federal Transit - Capital Investment Grants	20.500		6,850,000
Federal Transit - Formula Grants	20.507		<u>2,904,710</u>
<i>Total Federal Transit Cluster</i>			<u>9,754,710</u>
Pass-through State Department of Transportation			
State and Community Highway Safety	20.600	TR05-03	212,664
		SC05-06, PS06-09	<u>43,956</u>
			<u>256,620</u>
			<u>12,625,325</u>
ENVIRONMENTAL PROTECTION AGENCY			
Congressionally Mandated Projects	66.202		<u>240,600</u>
Pass-through State Department of Health			
Capitalization Grants for Clean Water State Revolving Funds	66.458	C150046-55	8,403,196
		C150068-03	82,644
		C150048-60	12,154,154
		C150051-64	<u>7,908,739</u>
			<u>28,548,733</u>
Nonpoint Source Implementation Grants	66.460	C9-98942300-4	<u>38,089</u>
			<u>\$ 28,827,422</u>

City and County of Honolulu
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF ENERGY			
Pass-through State Department of Business, Economic Development, and Tourism			
State Energy Program Special Projects	81.119	LOA-05-115	\$ <u>14,175</u>
Total U.S. Department of Energy			<u>14,175</u>
U.S. DEPARTMENT OF EDUCATION			
Pass-through State Department of Education			
Safe and Drug-Free Schools and Communities - State Grants	84.186	MOA D04-36	21,172
Twenty-First Century Community Learning Centers	84.287	13023	<u>31,488</u>
Total U.S. Department of Education			<u>52,660</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Metropolitan Medical Strike Team	93.UNKNOWN		<u>19,057</u>
Pass-through Executive Office on Aging			
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043	3D-2-05 3D-2-06	11,033 <u>74,962</u>
			<u>85,995</u>
<i>Aging Cluster:</i>			
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	3B-2-05 3B-2-06	141,243 <u>1,048,851</u>
			<u>1,190,094</u>
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	3C1-2-05 3C1-2-06 3C2-2-05 3C2-2-06	186,436 695,741 58,172 <u>416,961</u>
			<u>1,357,310</u>
<i>Total Aging Cluster</i>			\$ <u>2,547,404</u>

City and County of Honolulu
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
National Family Caregiver Support	93.052	3E-2-04 3E-2-05 3E-2-06	\$ 16,882 114,281 <u>587,756</u> 718,919
Pass-through State Department of Health			
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	CCU916969-04	<u>2</u>
Block Grants for Prevention and Treatment of Substance Abuse	93.959	MOA-06-05 MOA-06-148 DOH Ref. No. 06-20	2,027 14,184 <u>3,469</u> <u>19,680</u>
Total U.S. Department of Health and Human Services			<u>3,391,057</u>
U.S. DEPARTMENT OF HOMELAND SECURITY			
Metropolitan Medical Response System Continuation Planning	97.UNKNOWN		<u>42,777</u>
<i>Homeland Security Grant Cluster:</i>			
Pass-through State Department of Defense			
State Domestic Preparedness Equipment Support Program	97.004	2003-TE-TX-0192 2004-TE-T4-0042	86,043 <u>3,335,842</u> 3,421,885
State and Local Homeland Security Training Program	97.005	2003-MU-T3-0043	<u>1,394,925</u>
<i>Total Homeland Security Grant Cluster</i>			<u>4,816,810</u>
Pass-through State Department of Defense			
Urban Areas Security Initiative	97.008	2003-EU-T3-0020	<u>2,013,392</u>
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-1575-DR-HI	<u>105,075</u>
Assistance to Firefighters Grant	97.044		<u>902,232</u>
Pass-through State Department of Defense			
Emergency Operations Centers	97.052	EMF-2003-CR-0321	<u>1,754</u>
Community Emergency Response Teams	97.054	EMF-2003-GR-0363	<u>28,183</u>
Metropolitan Medical Response System	97.071		<u>101,388</u>
Total U.S. Department of Homeland Security			<u>8,011,611</u>
TOTAL FEDERAL EXPENDITURES			\$ <u>134,668,134</u>

City and County of Honolulu
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fiscal Year Ended June 30, 2006

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activities of the City and County of Honolulu (City) and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

NOTE B - LOANS OUTSTANDING

The City had the following loan balances outstanding and advances awarded as of and for the fiscal year ended June 30, 2006, which are not presented in the schedule of expenditures of federal awards:

Program Title	CFDA Number	Loans/Advances Awarded in Fiscal Year Ended June 30, 2006	Loans Outstanding as of June 30, 2006
Community Development Block Grants - Entitlement Grants	14.218	\$ 1,658,906	\$ 40,410,832
HOME Investment Partnerships Program	14.239	2,359,300	14,279,231
Section 8 Housing Choice Vouchers	14.871	--	<u>2,963,879</u>
		<u>\$ 4,018,206</u>	<u>\$ 57,653,942</u>

NOTE C - CAPITALIZATION GRANTS FOR CLEAN WATER STATE REVOLVING FUNDS

At June 30, 2006, federal awards and state matching fund expenditures under capitalization grants for clean water state revolving funds were as follows:

	<u>Amount</u>
Federal	\$ 28,548,733
State	<u>4,616,110</u>
	<u>\$ 33,164,843</u>

City and County of Honolulu
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2006

NOTE D - SUBRECIPIENTS

Of the federal expenditures presented in the schedule of expenditures of federal awards, the City provided federal awards to subrecipients as follows:

Federal Grantor/Program/Grant	CFDA Number	Amount Provided to Subrecipients
Environmental Protection Agency		
Congressionally Mandated Projects	66.202	\$ 240,600
Nonpoint Source Implementation Grants	66.460	<u>38,089</u>
Total Environmental Protection Agency		<u>278,689</u>
U.S. Department of Health and Human Services		
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043	85,995
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	1,190,094
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	1,010,990
National Family Caregiver Support	93.052	<u>718,919</u>
Total U.S. Department of Health and Human Services		<u>3,005,998</u>
U.S. Department of Housing and Urban Development		
Community Development Block Grants/Entitlement Grants	14.218	17,221,236
Emergency Shelter Grants Program	14.231	484,275
Supportive Housing Program	14.235	387,284
Shelter Plus Care	14.238	1,524,051
HOME Investment Partnerships Program	14.239	7,294,804
Housing Opportunities for Persons with AIDS	14.241	<u>400,355</u>
Total U.S. Department of Housing and Urban Development		<u>27,312,005</u>
U.S. Department of Justice		
Juvenile Accountability Incentive Block Grants	16.523	62,649
Crime Victim Assistance	16.575	145,100
Edward Byrne Memorial Formula Grant Program	16.579	67,453
Violence Against Women Formula Grants	16.588	129,705
Grants to Encourage Arrest Policies and Enforcement of Protection Orders	16.590	<u>45,570</u>
Total U.S. Department of Justice		<u>450,477</u>
U.S. Department of Labor		
Workforce Investment Act - Administration	17.250	17,794
Workforce Investment Act - Adult Program	17.258	59,734
Workforce Investment Act - Youth Activities	17.259	1,950,682

City and County of Honolulu
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2006

Federal Grantor/Program/Grant	CFDA Number	Amount Provided to Subrecipients
Workforce Investment Act - Dislocated Workers	17.260	\$ 38,806
Workforce Investment Act - Pilots, Demonstrations, and Research Projects	17.261	<u>66,399</u>
Total U.S. Department of Labor		<u>2,133,415</u>
Total Provided to Subrecipients		<u>\$ 33,180,584</u>

PART IV
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

City and County of Honolulu
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
Fiscal Year Ended June 30, 2006

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no
Reportable condition(s) identified not considered to be material weaknesses?	<input type="checkbox"/> yes <input checked="" type="checkbox"/> none reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no
Reportable condition(s) identified not considered to be material weaknesses?	<input type="checkbox"/> yes <input checked="" type="checkbox"/> none reported

Type of auditors' report issued on compliance for major programs:	Unqualified
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Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section .510(a)?	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no
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Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.239	HOME Investment Partnerships Program
14.871	Section 8 Housing Choice Vouchers
17.258/17.259/17.260	Workforce Investment Act Cluster
93.044/93.045	Aging Cluster
97.004/97.005	Homeland Security Grant Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	\$3,000,000
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Auditee qualified as a low-risk auditee?	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no
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SECTION II - FINANCIAL STATEMENT FINDINGS

None

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

PART V
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**City and County of Honolulu
STATUS REPORT
Fiscal Year Ended June 30, 2006**

No prior audit findings which apply under the current criteria of OMB Circular A-133 were noted.