

CITY OF BOISE
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year Ended September 30, 2006

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued Unqualified

Internal control over financial reporting:

Material weakness identified No

Reportable conditions None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

Material weakness identified? No

Reportable conditions Yes

Type of auditors' report issued on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)? Yes

Identification of major programs:

CFDA number

14.218

14.239

20.106

20.205

97.004

97.044

Name of Federal Program or Cluster

Community Development Block Grant

Home Investment Partnership Program

Airport Development Aid Program

Highway Planning and Construction

Domestic Preparedness Grant

Assistance to Firefighters Grant

Dollar threshold used to distinguish between Type A and Type B programs \$300,000

Auditee qualified as low-risk auditee? No

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

06-01 *Criteria:*

The City should establish procedures to track receipts and expenditures of federal awards.

Condition:

The original draft of the Schedule of Expenditures of Federal Awards provided to the auditors did not include all federal awards.

Question Costs:

None

Context / Effect:

City grant receipts were tracked outside the finance software in an excel schedule based on incomplete reports from individual departments. The grant receipts were not reconciled to the state STARS report. In addition, grant expenditures are not separately tracked by the finance software.

Recommendation:

We recommend that all grants in all departments be tracked by the GL system separately. Additionally, we recommend that federal grant revenue be recorded separately from state and other grants so that the federal grant revenue accounts will agree to the general ledger amount of federal expense and be easily reconciled to the STARS report at year end.

Management's Response:

We are currently in the process of implementing the usage of grant numbers for all grant expense and revenues. It will be implemented in phases through FY07 and fully implemented at the start of FY08. Also, the availability of the STARS report was not known by the Controller. Now this will be a check used to verify the completeness of the grants listings.