



**STATE OF ARIZONA  
OFFICE OF THE  
AUDITOR GENERAL**

DEBRA K. DAVENPORT, CPA  
AUDITOR GENERAL

WILLIAM THOMSON  
DEPUTY AUDITOR GENERAL

April 2, 2007

Sheila D. Harris, Ph.D., Director  
Arizona Department of Housing  
1700 W. Washington, Suite 210  
Phoenix, AZ 85007

**Subject: Management Letter**

Dear Dr. Harris:

In planning and conducting our single audit of the State of Arizona for the year ended June 30, 2006, we performed the following as required by *Government Auditing Standards* (GAS) and Office of Management and Budget (OMB) Circular A-133:

- Considered the Arizona Department of Housing's internal controls over financial reporting,
- Tested its internal controls over major federal programs, and
- Tested its compliance with laws and regulations that could have a direct and material effect on the State's financial statements and major federal programs.

Specifically, we performed tests of cash disbursements, transfers, and the Section 8 Housing Assistance Payments Program—Special Allocations federal program.

There are no audit findings that are required to be reported in the GAS and OMB Circular A-133 reports.

This letter is intended solely for the information of the Arizona Department of Housing and is not intended to be and should not be used by anyone other than the specified party. However, this letter is a matter of public record, and its distribution is not limited.

Should you have any questions concerning its contents, please let us know.

Sincerely,

Dennis L. Mattheisen, CPA  
Financial Audit Director

cc: Paula Scott, Public Housing Authority Administrator  
Carol Ditmore, Assistant Deputy Director, Operations  
Charlotte Grant-Cobb, Ph.D., Assistant Deputy Director, Programs