

**TOWN OF EAST HARTFORD, CONNECTICUT**

**FEDERAL SINGLE AUDIT REPORT**

**JUNE 30, 2009**

**TOWN OF EAST HARTFORD, CONNECTICUT**

**FEDERAL SINGLE AUDIT REPORT**

**JUNE 30, 2009**

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Accounting | Tax | Business Consulting

**Independent Auditors' Report on Compliance with Requirements  
Applicable to Each Major Program, on Internal Control over  
Compliance in Accordance with OMB Circular A-133  
and on the Schedule of Expenditures of Federal Awards**

To the Members of the Town Council  
Town of East Hartford, Connecticut

Compliance

We have audited the compliance of the Town of East Hartford, Connecticut, 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 year ended June 30, 2009. The Town of East Hartford, Connecticut'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 Town of East Hartford, Connecticut's management. Our responsibility is to express an opinion on the Town of East Hartford, Connecticut'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 Town of East Hartford, Connecticut'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 Town of East Hartford, Connecticut's compliance with those requirements.

In our opinion, the Town of East Hartford, Connecticut, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control over Compliance

The management of the Town of East Hartford, Connecticut, 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,

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we considered the Town of East Hartford, Connecticut's internal control over compliance with the 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of East Hartford, Connecticut's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the Town's internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

#### Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of East Hartford, Connecticut, as of and for the year ended June 30, 2009 and have issued our report thereon dated December 9, 2009. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Town of East Hartford, Connecticut'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. Except for the exclusion of the noncash portion of the Special Supplemental Nutrition Program for Women, Infants and Children (CFDA #10.557) from 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 for the information and use of management, the Town Council, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Blum, Shapiro & Company, P.C.*

December 9, 2009

**TOWN OF EAST HARTFORD, CONNECTICUT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**FOR THE YEAR ENDED JUNE 30, 2009**

| <b>Federal Grantor/Pass-Through<br/>Grantor/Program or Cluster Title</b>                   | <b>Federal<br/>CFDA<br/>Number</b> | <b>Pass-Through<br/>Grantor's Number/<br/>Project Number</b> | <b>Expenditures</b> |
|--|------------------------------------|--|---------------------|
| <b>United States Department of<br/>Agriculture</b>   |                                    |  |                     |
| <i>Passed Through the State of Connecticut<br/>Department of Administrative Services:</i>  |                                    |  |                     |
| Food Donation  | 10.550                             |  | \$ 125,077          |
| <i>Passed Through the State of Connecticut<br/>Department of Education:</i>                |                                    |  |                     |
| Child Nutrition Cluster:   |                                    |  |                     |
| School Breakfast Program   | 10.553                             | 12060-SDE64370-20508   | \$ 460,930          |
| National School Lunch Program  | 10.555                             | 12060-SDE64370-20560   | <u>1,752,627</u>    |
|  |                                    |  | 2,213,557           |
| Child and Adult Care Food Program  | 10.558                             | 12060-SDE64370-20518   | 118,869             |
|  |                                    | 12060-SDE64370-20544   | <u>7,417</u>        |
|  |                                    |  | 126,286             |
| <i>Passed Through the State of Connecticut<br/>Department of Agriculture:</i>              |                                    |  |                     |
| WIC Farmers' Market Nutrition<br>Program   | 10.572                             | 12060-DAG42710-20736   | 2,171               |
| <i>Direct Programs:</i>  |                                    |  |                     |
| Special Supplemental Nutrition<br>Program for Women, Infants<br>and Children Food Benefits | 10.557                             |  | 3,912,325           |
| <i>Passed Through the State of Connecticut<br/>Department of Public Health:</i>            |                                    |  |                     |
| Special Supplemental Nutrition<br>Program for Women, Infants<br>and Children Food Benefits | 10.557                             | 12060-DPH48872-20892   | <u>742,568</u>      |
|  |                                    |  | <u>4,654,893</u>    |
| Total United States<br>Department of Agriculture   |                                    |  | <u>7,121,984</u>    |

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**TOWN OF EAST HARTFORD, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2009**

| <b>Federal Grantor/Pass-Through<br/>Grantor/Program or Cluster Title</b>                 | <b>Federal<br/>CFDA<br/>Number</b> | <b>Pass-Through<br/>Grantor's Number/<br/>Project Number</b> | <b>Expenditures</b> |
|--|------------------------------------|--|---------------------|
| <b>United States Department of<br/>Education</b>   |                                    |  |                     |
| <i>Passed Through the State of Connecticut<br/>Department of Education:</i>              |                                    |  |                     |
| Adult Education  | 84.002                             | 12060-SDE64370-20784   | \$ 76,551           |
| Title I Grants to Local Educational<br>Agencies  | 84.010                             | 12060-SDE64370-20679   | 2,690,781           |
| Special Education Cluster:   |                                    |  |                     |
| Special Education - Grants to<br>States  | 84.027                             | 12060-SDE64370-20977   | \$ 1,867,956        |
| Special Education - Preschool<br>Grants  | 84.173                             | 12060-SDE64370-20983   | <u>88,050</u>       |
|  |                                    |  | 1,956,006           |
| Career and Technical Education -<br>Basic Grants to States                               | 84.048                             | 12060-SDE64370-20742   | 139,645             |
| Safe and Drug-Free Schools and<br>Communities - State Grants                             | 84.186                             | 12060-SDE64370-20873   | 22,938              |
| Twenty-First Century Community<br>Learning Centers                                       | 84.287                             | 12060-SDE64370-20863   | 122,075             |
| State Grants for Innovative<br>Programs  | 84.298                             | 12060-SDE64370-20909   | 14,165              |
| Education Technology State Grants  | 84.318                             | 12060-SDE64370-20826   | 11,509              |
| English Language Acquisition<br>Grants   | 84.365                             | 12060-SDE64370-20868   | 51,729              |
| Improving Teacher Quality State<br>Grants  | 84.367                             | 12060-SDE64370-20858   | 63,628              |
| School Improvement Grant   | 84.377a                            | 12060-SDE64370-22223   | 77,941              |
| <i>Passed Through the State of Connecticut<br/>Department of Developmental Services:</i> |                                    |  |                     |
| IDEA Part B - Individuals With<br>Disabilities   | 84.027A                            | 12060-DMR51538-<br>20441                                     | 4,930               |
| IDEA Part C - Individuals With<br>Disabilities   | 84.181A                            | 12060-DMR51538-<br>20513                                     | <u>30,215</u>       |
| Total United States<br>Department of Education   |                                    |  | <u>5,262,113</u>    |

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**TOWN OF EAST HARTFORD, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2009**

| <b>Federal Grantor/Pass-Through<br/>Grantor/Program or Cluster Title</b>                                     | <b>Federal<br/>CFDA<br/>Number</b> | <b>Pass-Through<br/>Grantor's Number/<br/>Project Number</b> | <b>Expenditures</b> |
|--|------------------------------------|--|---------------------|
| <b>United States Department of Health<br/>and Human Services</b>   |                                    |  |                     |
| <i>Direct Programs:</i>  |                                    |  |                     |
| STOP Grant   | 93.276                             |  | \$ 333              |
| Drug-Free Communities  | 93.243                             |  | 1,500               |
| <i>Passed Through the North Central Area<br/>Agency on Aging:</i>  |                                    |  |                     |
| Aging Cluster:   |                                    |  |                     |
| Special Programs for the Aging-<br>Title III, Part B-Grants for<br>Supportive Services and Senior<br>Centers | 93.044                             |  | \$ 7,479            |
| Special Programs for the Aging-<br>Title III, Part D-Disease<br>Prevention and Health<br>Promotion Services  | 93.043                             |  | 2,030               |
| National Family Caregiver<br>Support-Title III, Part E   | 93.052                             |  | <u>7,112</u>        |
|  |                                    |  | 16,621              |
| <i>Passed Through the State of Connecticut<br/>Department of Public Health:</i>                              |                                    |  |                     |
| Immunization Grants  | 93.268                             | 12060-DPH48664-20911   | 40,596              |
| Center for Disease Control and<br>Prevention - Investigations and<br>Technical Assistance                    | 93.283                             | 12060-DPH48557-21096   | 63,561              |
| HIV Prevention Activities - Health<br>Department Based   | 93.940                             | 12060-DPH48852-20920   | 199                 |
| Preventive Health and Health<br>Services Block Grant   | 93.991                             | 12060-DPH48558-21530   | 8,030               |
| <i>Passed Through the State of Connecticut<br/>Department of Social Services:</i>                            |                                    |  |                     |
| Social Services Block Grant  | 93.667                             | 12060-DSS60783-20721   | 10,928              |
| <i>Passed Through the Community Renewal<br/>Team of Greater Hartford, Inc.:</i>                              |                                    |  |                     |
| Head Start   | 93.600                             |  | <u>1,175,776</u>    |
| Total United States Department<br>of Health and Human Services   |                                    |  | <u>1,317,544</u>    |

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**TOWN OF EAST HARTFORD, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2009**

| <b>Federal Grantor/Pass-Through<br/>Grantor/Program or Cluster Title</b>   | <b>Federal<br/>CFDA<br/>Number</b> | <b>Pass-Through<br/>Grantor's Number/<br/>Project Number</b>         | <b>Expenditures</b>             |
|--|------------------------------------|--|---------------------------------|
| <b>United States Department of<br/>Homeland Security</b>   |                                    |  |                                 |
| <i>Direct Programs:</i>  |                                    |  |                                 |
| Emergency Food and Shelter<br>National Board Program   | 97.024                             |  | \$ 10,234                       |
| <i>Passed Through the State of Connecticut<br/>Department of Emergency Management<br/>and Homeland Security:</i> |                                    |  |                                 |
| Homeland Security Cluster:<br>State Domestic Preparedness<br>Equipment Support Program                           | 97.004                             | 12060-EHS99682-90428<br>12060-EHS99670-30465<br>12060-EHS99670-30464 | \$ 2,742<br>7,528<br><u>655</u> |
|  |                                    |  | 10,925                          |
| Emergency Management<br>Performance Grants   | 97.042                             | 12060-EHS99660-21881   | <u>14,297</u>                   |
| Total United States Department<br>of Homeland Security   |                                    |  | <u>35,456</u>                   |
| <b>United States Department of Housing<br/>and Urban Development</b>   |                                    |  |                                 |
| <i>Direct Programs:</i>  |                                    |  |                                 |
| Community Development Block<br>Grant/Entitlement   | 14.218                             |  | 814,899                         |
| Community Development Block<br>Grant/Program Income  | 14.218                             |  | <u>5,612</u>                    |
|  |                                    |  | 820,511                         |
| HUD Recovery Sidewalks   | 14.253                             |  | <u>281</u>                      |
| Total United States Department<br>of Housing and Urban<br>Development  |                                    |  | <u>820,792</u>                  |

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**TOWN OF EAST HARTFORD, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2009**

| <b>Federal Grantor/Pass-Through<br/>Grantor/Program or Cluster Title</b>            | <b>Federal<br/>CFDA<br/>Number</b> | <b>Pass-Through<br/>Grantor's Number/<br/>Project Number</b> | <b>Expenditures</b>         |
|---|------------------------------------|--|-----------------------------|
| <b>United States Department of Justice</b>  |                                    |  |                             |
| <i>Direct Programs:</i>   |                                    |  |                             |
| Edward Byrne Memorial Formula<br>Grant Program                                      | 16.579                             |  | \$ 6,023                    |
| Edward Byrne Memorial Justice<br>Assistance Grant Program                           | 16.738                             |  | 40,974                      |
| <i>Passed Through the State of Connecticut<br/>Office of Policy and Management:</i> |                                    |  |                             |
| BYRNE Formula Grant   | 16.579                             | 12060-OPM20350-21626   | <u>30,000</u>               |
| Total United States<br>Department of Justice  |                                    |  | <u>76,997</u>               |
| <b>United States Department of<br/>Transportation</b>                               |                                    |  |                             |
| <i>Passed Through the State of Connecticut<br/>Department of Transportation:</i>    |                                    |  |                             |
| Highway Planning and<br>Construction Cluster:                                       |                                    |  |                             |
| Highway Planning and Construction   | 20.205                             | 12062-DOT57124-22108   | \$ 528                      |
|   |                                    | 12062-DOT57125-22108   | 20,250                      |
|   |                                    | 12062-DOT57191-22108   | <u>29,755</u>               |
|   |                                    |  | 50,533                      |
| Highway Safety Cluster:   |                                    |  |                             |
| Occupant Protection   | 20.602                             | 12062-DOT57343-22087   | <u>4,110</u>                |
| Total United States<br>Department of Transportation                                 |                                    |  | <u>54,643</u>               |
| <b>United States Election Assistance<br/>Commission</b>                             |                                    |  |                             |
| <i>Passed Through the State of Connecticut<br/>Secretary of State:</i>              |                                    |  |                             |
| Help America Vote Act   | 90.401                             | 12060-SOS12500-21465   | <u>1,535</u>                |
| <b>United States National Endowment for<br/>the Arts</b>                            |                                    |  |                             |
| <i>Passed Through the State of Connecticut<br/>Culture and Tourism:</i>             |                                    |  |                             |
| National Endowment for the Art  | 45.025                             | 12060-CAT45220-20328   | <u>860</u>                  |
| <b>Total Federal Awards Expended</b>  |                                    |  | <u><u>\$ 14,691,924</u></u> |

**TOWN OF EAST HARTFORD, CONNECTICUT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

Various agencies of the Federal Government have made financial assistance available to the Town of East Hartford, Connecticut. These grants fund several programs including housing, education, human services, transportation and general government activities.

Note 1 - **Summary of Significant Accounting Policies:**

The accounting policies of the Town of East Hartford, Connecticut, conform to accounting principles generally accepted in the United States of America as applicable to government entities. The following is a summary of the more significant policies relating to the aforementioned grant programs.

**Basis of Accounting** - The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Town of East Hartford, Connecticut, and is presented on the modified accrual 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 2 - **Noncash Awards:**

Donated commodities in the amount of \$125,077 are included in the Department of Agriculture's Food Donation program, CFDA #10.550. The amount represents the market value of commodities received.

Note 3 - **WIC - Noncash Benefits:**

The Town also reports noncash awards under the Special Supplemental Nutrition Program for Women, Infants and Children. Noncash benefit payments in the amount of \$3,912,325 were made directly to suppliers by the State of Connecticut and are included in the schedule of federal awards, as reported by the State Department of Public Health, for eligible participants of the program.



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**Independent Auditors' Report on Internal Control over Financial  
Reporting and on Compliance Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

To the Members of the Town Council  
Town of East Hartford, Connecticut

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of East Hartford, Connecticut, as of and for the year ended June 30, 2009, which collectively comprise the Town of East Hartford, Connecticut's basic financial statements, and have issued our report thereon dated December 9, 2009. 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 Town of East Hartford, Connecticut's internal control over financial reporting as a basis for designing our auditing procedures 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 Town of East Hartford, Connecticut's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of East Hartford, Connecticut's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the Town's internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

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

We noted certain matters that we reported to management of the Town of East Hartford, Connecticut, in a separate letter dated December 9, 2009.

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

*Blum, Shapiro & Company, P.C.*

December 9, 2009

**TOWN OF EAST HARTFORD, CONNECTICUT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

**I. Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ yes      X   no
- Significant deficiency(ies) identified that are not  
considered to be material weaknesses? \_\_\_\_\_ yes      X   none reported
- Noncompliance material to financial statements noted? \_\_\_\_\_ yes      X   no

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ yes      X   no
- Significant deficiency(ies) identified that are not  
considered to be material weaknesses? \_\_\_\_\_ yes      X   none reported

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

Any audit findings disclosed that are required to be  
reported in accordance with Section 510(a) of Circular A-  
133? \_\_\_\_\_ yes      X   no

Identification of major programs:

| <u>CFDA #</u> | <u>Name of Federal Program or Cluster</u>   |
|---------------|---|
| 10.553/10.555 | Child Nutrition Cluster   |
| 93.600        | Head Start  |
| 14.218        | Community Development Block Grant/Program Income<br>Community Development Block Grant/Entitlement |

Dollar threshold used to distinguish between type A and type B programs: \$440,758

Auditee qualified as low-risk auditee?   X   yes    \_\_\_\_\_ no

## **II. Financial Statement Findings**

- We issued reports, dated December 9, 2009, 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*.
- Our report on compliance indicated no reportable instances of noncompliance.
- Our report on internal control over financial reporting indicated no significant deficiencies.

## **III. Federal Award Findings and Questioned Costs**

- No findings or questioned costs are reported relating to federal awards.