

**TOWN OF HAMDEN  
FEDERAL AND STATE  
SINGLE AUDIT REPORTS**

**JUNE 30, 2014**

**TOWN OF HAMDEN**  
**FEDERAL AND STATE**  
**SINGLE AUDIT REPORTS**

**TABLE OF CONTENTS**

	<b><u>Page</u></b> <b><u>Number</u></b>
<b><u>Financial Statements</u></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 <i>Government Auditing Standards</i>	1-2
<b><u>Federal Single Audit</u></b>	
Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on The Schedule of Expenditures of Federal Awards Required by OMB Circular A-133	3-5
Schedule of Expenditures of Federal Awards	6-7
Notes To Schedule of Expenditures of Federal Awards	8
Schedule of Findings and Questioned Costs	9-10
Summary Schedule of Prior Years Audit Findings	11
<b><u>State of Connecticut Single Audit</u></b>	
Report on Compliance For Each Major State Program; Report on Internal Control Over Compliance; and Report on The Schedule of Expenditures of State Financial Assistance Required by The State Single Audit Act	12-14
Schedule of Expenditures of State Financial Assistance	15-16
Notes To Schedule of Expenditures of State Financial Assistance	17
Schedule of Findings and Questioned Costs	18-19



## LEVITSKY & BERNEY

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### 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

#### Independent Auditor's Report

To The Legislative Council  
Town of Hamden  
Hamden, Connecticut 06518

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, each major fund, and the aggregate remaining fund information of the Town of Hamden, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Town of Hamden's basic financial statements, and have issued our report thereon dated January 28, 2015.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town of Hamden'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 Town of Hamden's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Hamden's internal control.

*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 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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Hamden'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*.

## **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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

January 28, 2015



LEVITSKY & BERNEY, P.C.  
Certified Public Accountants



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A PROFESSIONAL CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS  
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### **REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133**

To the Legislative Council  
Town of Hamden  
Hamden, Connecticut 06518

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

We have audited the Town of Hamden's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Town of Hamden's major federal programs for the year ended June 30, 2014. The Town of Hamden's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### **Management's Responsibility**

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Town of Hamden's major federal 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*. 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 Hamden'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 program. However, our audit does not provide a legal determination of the Town of Hamden's compliance.

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

In our opinion, the Town of Hamden 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 programs for the year ended June 30, 2014.

## **Report on Internal Control Over Compliance**

Management of the Town of Hamden is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town of Hamden's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Hamden's internal control over compliance.

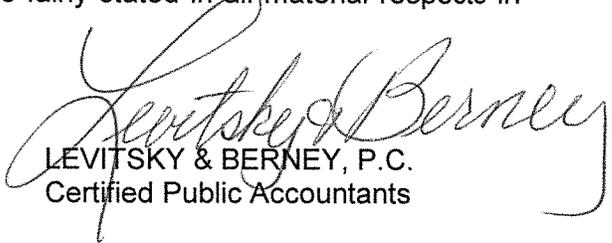
*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal 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 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 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 the 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 Town of Hamden as of and for the year ended June 30, 2014, and have issued our report thereon dated January 28, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. 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 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 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 financial statements or to the 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 expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



LEVITSKY & BERNEY, P.C.  
Certified Public Accountants

January 28, 2015

TOWN OF HAMDEN, CONNECTICUT

SCHEDULE OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2014

Federal Grantor/Pass-Through CFDA Federal Grantor/Program Title Number Expenditures	Pass-Through Number	C.F.D.A	Expenditures
<b>U.S. Department of Agriculture:</b>			
<b>Passed Through the State of Connecticut:</b>			
<b>Department of Education:</b>			
Food Distribution - Commodities - Non-Cash	12060-SDE64370-20544	10.555	\$ 115,533
National School Breakfast Program	12060-SDE64370-20508	10.553	343,244
National School Lunch Program	12060-SDE64370-20560	10.555	1,125,477
Child Care Food Program	12060-SDE64370-20518	10.555	21,461
Cash-in-Lieu/Commodities-CCFP	12060-SDE64370-20544	10.555	<u>1,128</u>
<b>Total U.S. Department of Agriculture</b>			<b>\$ <u>1,606,843</u></b>
<b>U.S. Department of Education:</b>			
<b>Passed Through the State of Connecticut</b>			
<b>Department of Education:</b>			
IDEA-Part B, Section 611	12060-SDE64370-20977	84.027	\$ 612,686
IDEA-Part B, Section 611	12060-SDE64370-20977	84.027	993,674
IDEA-Part B, Section 619	12060-SDE64370-20983	84.173	31,759
IDEA-Part B, Section 619	12060-SDE64370-20983	84.173	17,113
Title I - Grants to Local Education Agencies	12060-SDE64370-20679	84.010	61,185
Title I - Grants to Local Education Agencies	12060-SDE64370-20679	84.010	362
Title I - Grants to Local Education Agencies	12060-SDE64370-20679	84.010	1,000,010
Title I - Grants to Local Education Agencies	12060-SDE64370-20679	84.010	9,199
Title II Improvements to Teachers Quality	12060-SDE64370-20858	84.367	18,520
Title II Improvements to Teachers Quality	12060-SDE64370-20858	84.367	144,077
Adult Basic Education	12060-SDE64370-20784	84.002	40,000
Adult Basic Education	12060-SDE64370-20784	84.002	35,000
Title III - Part A - English Language Acquisition	12060-SDE64370-20868	84.365	23,864
Title III - Part A - English Language Acquisition	12060-SDE64370-20868	84.365	14,013
Title III - Part A - English Language Acquisition	12060-SDE64370-20868	84.365	17,386
Career and Technical Education	12060-SDE64370-20742	84.048	<u>65,802</u>
<b>Total U.S. Department of Education</b>			<b>\$ <u>3,084,650</u></b>
<b>U.S. Department of Housing and Urban Development:</b>			
<b>Direct Funding:</b>			
Community Development Block Grant/Entitlement Grants		14.218	<u>\$ 368,271</u>
<b>U.S. Department of Justice:</b>			
<b>Passed Through the State of Connecticut</b>			
<b>Office of Policy and Management:</b>			
JJ Formula Grant 2003	12060-OPM20350-21676	16.540	\$ 10,550
Edward Byrne Memorial Justice Assistance Grant	12060-OPM20350-21921	16.738	<u>20,336</u>
<b>Total U.S. Department of Justice</b>			<b>\$ <u>30,886</u></b>

See Notes to Schedule.

(Continued)

TOWN OF HAMDEN, CONNECTICUT

SCHEDULE OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2014

Federal Grantor/Pass-Through CFDA Federal Grantor/Program Title Number Expenditures	Pass-Through Number	C.F.D.A	Expenditures
<b>U.S. Department of Transportation:</b>			
<b>Passed Through the State of Connecticut</b>			
<b>Department of Transportation:</b>			
Highway Planning and Construction	12062-DOT57161-22108	20.205	\$
Occupant Protection	12062-DOT57513-22091	20.000	<u>8,642</u>
<b>Total U.S. Department of Transportation</b>			<b>\$ <u>8,642</u></b>
<b>U.S. Department of Health and Human Services:</b>			
<b>Passed Through the State of Connecticut</b>			
<b>Department of Social Services:</b>			
Social Services Block Grant	12060-OEC64841-26155	93.667	<u>\$ 87,633</u>
<b>U.S. Department of Homeland Security:</b>			
<b>Passed Through the State of Connecticut</b>			
<b>Department of Public Safety:</b>			
FEMA-Public Assistance Grants	12060-DPS32990-21891	97.036	\$ 495,147
ICAC Grant	12060-DPS32353-21917	97.000	1,500
FEMA-Public Assistance Grants	12060-DPS32990-22520	97.036	694,320
Emergency Management Performance Grant	12060-DPS32960-21881	97.042	<u>36,242</u>
<b>Total U.S. Department of Homeland Security</b>			<b>\$ <u>1,227,209</u></b>
<b>TOTAL FEDERAL AWARDS</b>			<b>\$ <u><u>6,414,134</u></u></b>

See Notes to Schedule.

**TOWN OF HAMDEN, CONNECTICUT**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

**Note 1 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Town of Hamden under programs of the federal government for the year ended June 30, 2013. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Because the schedule presents only a selected portion of operations of the Town of Hamden, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Town of Hamden.

**Note 2 – Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments* wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

**Note 3 – Non-monetary Assistance**

The Town's National School Lunch Program receives noncash federal awards in the form of food commodities from the Department of Agriculture.

Non-monetary assistance is reported in the schedule at the fair market value of the items received and disbursed. The market value of the items issued is included in the Schedule of Expenditures of Federal Awards as follows:

Food Commodities	\$ <u>115,500</u>
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**TOWN OF HAMDEN, CONNECTICUT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

**SECTION II – FINANCIAL STATEMENT FINDINGS**

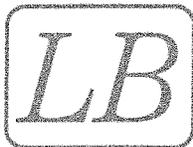
No findings reported.

**SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COST**

No findings reported.

**TOWN OF HAMDEN, CONNECTICUT**  
**SUMMARY SCHEDULE OF PRIOR YEARS AUDIT FINDINGS**  
**JUNE 30, 2014**

The Town had no findings reported in the prior years' audit that are required to be reported in this schedule.



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### REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY THE STATE SINGLE AUDIT ACT

Legislative Council  
Town of Hamden  
Hamden, Connecticut

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

We have audited the Town of Hamden's compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of the Town of Hamden's major state programs for the year ended June 30, 2014. The Town of Hamden's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

#### **Management's Responsibility**

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Town of Hamden's major state 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 the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act 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 state program occurred. An audit includes examining, on a test basis, evidence about the Town of Hamden'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 for each major state program. However, our audit does not provide a legal determination of the Town of Hamden's compliance.

## **Opinion on Each Major State Program**

In our opinion, the Town of Hamden 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 state programs for the year ended June 30, 2014.

## **Report on Internal Control Over Compliance**

Management of the Town of Hamden, 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 Town of Hamden's internal control over compliance with the type of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, 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 Hamden'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 state 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 state 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 combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act**

We have audited the financial statements of the Town of Hamden as of and for the year ended June 30, 2014, and have issued our qualified opinion report thereon dated January 28, 2015, which contained an unmodified opinion on the financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing procedures generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the financial statements taken as a whole.



LEVITSKY & BERNEY, P.C  
Certified Public Accountants

January 28, 2015

TOWN OF HAMDEN  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2014

State Grantor/Pass-Through Grantor/Program Title	State Core-CT Identification Number	Expenditure
<b>DEPARTMENT OF EDUCATION:</b>		
School Readiness Grant - Severe Needs School	11000-SDE64370-12113	\$ 199,940
School Readiness Quality Enhancement	11000-SDE64370-17097	4,331
Youth Service Bureau Enhancement	12060-SDE64370-16201	7,455
Child Care Services	11000-SDE64220-12520	21,461
Adult Education	11000-SDE64370-17030	584,426
Child Nutrition Program	11000-SDE64370-16211	27,279
Health Foods Initiative	11000-SDE64370-16212	55,834
Family Resource Center	11000-SDE64370-16110	104,500
Family Resource Center	11000-SDE64370-16110	104,500
State School Breakfast	11000-SDE64370-17046	26,922
Non-Public Health Services	11000-SDE64370-17034	149,844
Youth Services Bureau	11000-SDE64370-17052	37,679
Open Choices - Receiving District	11000-SDE64370-17053	44,585
Magnet School - Operating	11000-SDE64370-17057	23,400
ECS - Alliance District Fund	11000-SDE64000-17041	165,354
ECS - Alliance District Fund	11000-SDE64370-17041	2,452,259
High Quality Schools and Common Core	12052-SDE64370-43538	674,278
Early Childhood Bond Funds	12052-SDE64370-43540	6,300
Bilingual Education	11000-SDE64370-17042	5,701
<b>TOTAL DEPARTMENT OF EDUCATION</b>		<b>\$ 4,696,048</b>
<b>DEPARTMENT OF TRANSPORTATION:</b>		
Town Aid Road Grants	12001-DOT57131-17036	\$ 685,436
Tuttle Avenue Bridge	12062-DOT57161-22108	211,525
<b>TOTAL DEPARTMENT OF TRANSPORTATION</b>		<b>\$ 896,961</b>
<b>OFFICE OF POLICY AND MANAGEMENT:</b>		
Municipal Special Purposes and Projects	12052-OPM20600-43587	\$ 269,631
Property Tax Relief - Elderly Circuit Breakers	11000-OPM20600-17018	393,456
Distressed Municipalities	11000-OPM20600-17016	8,163
Property Tax Relief for Elderly Homeowners-Freeze	11000-OPM20600-17021	4,000
Property Tax Relief for Veterans	11000-OPM20600-17024	138,603
Property Tax Relief - Disabled	11000-OPM20600-17011	9,409
Payment in Lieu of Taxes on State-Owned Property	11000-OPM20600-17004	899,598
Payment in Lieu of Taxes on Private Colleges	11000-OPM20600-17006	2,724,546
Urban Action Bond	13019-ECD46200-41240	150,412
<b>TOTAL OFFICE OF POLICY AND MANAGEMENT</b>		<b>\$ 4,597,818</b>
<b>CONNECTICUT STATE LIBRARY:</b>		
Historic Documents Preservation	12060-CSL66094-35150	\$ 6,500
State Grants to Public Libraries	11000-CSL66051-17003	1,280
Connecticard Payments	11000-CSL66051-17010	6,474
<b>TOTAL CONNECTICUT STATE LIBRARY</b>		<b>\$ 14,254</b>
<b>DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION</b>		
Open Space Grant Farmington Canal	12052-DEP43153-40523	\$ 271,957
<b>OFFICE OF EARLY CHILDHOOD</b>		
Child Day Care (CDC)	11000-OEC64841-12520	\$ 162,747
<b>DEPARTMENT OF PUBLIC SAFETY:</b>		
State 911 Enhancement	12060-DPS32741-35190	\$ 138,999
Drug Assistance	12060-DPS32155-35142	12,476
<b>TOTAL DEPARTMENT OF PUBLIC SAFETY</b>		<b>\$ 151,475</b>
<b>TOTAL STATE FINANCIAL ASSISTANCE BEFORE EXEMPT PROGRAMS</b>		<b>\$ 10,791,260</b>

TOWN OF HAMDEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, Continued  
 For the Year Ended June 30, 2014

State Grantor/Pass-Through Grantor/Program Title	State Core-CT Identification Number	Expenditures
<b>EXEMPT PROGRAMS</b>		
<b>OFFICE OF POLICY AND MANAGEMENT:</b>		
Mashantucket Pequot and Mohegan Fund Grant	12009-OPM20600-17005	\$ 933,650
Municipal Revenue Sharing	12060-OPM20600-35458	496,553
Municipal Video Competition	12060-OPM20600-35362	19,284
<b>TOTAL OFFICE OF POLICY AND MANAGEMENT</b>		<b>\$ 1,449,487</b>
<b>DEPARTMENT OF EDUCATION:</b>		
Education Cost-sharing	11000-SDE64000-17041	\$ 29,482,557
Transportation of School Children	11000-SDE64000-17027	571,101
Excess Cost - Student Based	11000-SDE64000-17047	1,605,947
Nonpublic School Transportation	11000-SDE64000-17049	165,394
<b>TOTAL DEPARTMENT OF EDUCATION</b>		<b>\$ 31,824,999</b>
<b>DEPARTMENT OF CONSTRUCTION SERVICES:</b>		
School Construction - Interest	13009-DPW27610-40896	\$ 187,809
School Construction Grants	13010-DPW27610-40901	1,511,119
<b>TOTAL DEPARTMENT OF CONSTRUCTION SERVICES</b>		<b>\$ 1,698,928</b>
<b>TOTAL EXEMPT PROGRAMS</b>		<b>\$ 34,973,414</b>
<b>TOTAL STATE FINANCIAL ASSISTANCE</b>		<b>\$ 45,764,674</b>

See Notes to Schedule.

**TOWN OF HAMDEN, CONNECTICUT**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF  
STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2014**

The accompanying schedule of expenditures of state financial assistance includes state grant activity of the Town of Hamden under programs of the State of Connecticut for the fiscal year ended June 30, 2014. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs including education, public safety and general government services.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Town of Hamden conform to accounting principles generally accepted in the United States of America as applicable to governments.

The information in the Schedule of Expenditures of State Financial Assistance is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

**Basis of Accounting**

The financial statements contained in the Town's annual audit report are prepared on the modified accrual basis. The following is a summary of such basis:

Revenues are recognized when earned and available. Certain grants are recognized based on grant award since they are considered entitlement grants; other grants, such as grants that are dependent upon expenditure factor for determining eligibility, recognize grant revenue to the extent of expenditures.

Expenditures are recorded when the related liability is incurred. Encumbrances are reflected as a reserve against fund balance and accordingly are not reflected as expenditures.

The Schedule of Expenditures of State Financial Assistance, contained in this report, is prepared based on regulations established by the State of Connecticut Office of Policy and Management. In accordance with these regulations (Section 4-236-22), certain grants are not dependent on expenditure activity, and accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule of Expenditures of State Financial Assistance.

**TOWN OF HAMDEN, CONNECTICUT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

**I. SUMMARY OF AUDIT RESULTS**

***Financial Statements***

Type of auditor's report issued: **Unmodified**

Internal control over financial reporting:

•Material weakness (es) identified? \_\_\_\_\_ yes \_\_\_x\_\_\_ no

•Significant deficiency (ies) identified? \_\_\_\_\_ yes \_\_\_x\_\_\_ none reported

Noncompliance material to financial statements  
noted? \_\_\_\_\_ yes \_\_\_x\_\_\_ no

***State Financial Assistance***

Internal control over major programs:

•Material weakness (es) identified? \_\_\_\_\_ yes \_\_\_x\_\_\_ no

•Significant deficiency (ies) identified? \_\_\_\_\_ yes \_\_\_x\_\_\_ 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 Section 4-236-24 of the  
Regulations to the State Single Audit Act? \_\_\_\_\_ yes \_\_\_x\_\_\_ no

**TOWN OF HAMDEN, CONNECTICUT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

The following schedule reflects the major programs included in the audit:

<b>State Grantor and Program</b>	<b>State Core – CT Number</b>	<b>Expenditures</b>
<b>Department of Energy and Environmental Protection</b>		\$
Open Space Grant	12001-DOT57131-17036	271,957
<b>Office of Policy &amp; Management</b>		
PILOT – State Owned Property	11000-OPM20600-17004	899,598
PILOT – Private Colleges	11000-OPM20600-17006	2,724,546
Municipal Special Purposes and Projects	12052-OPM20600-43587	269,631
<b>Department of Education</b>		
ECS – Alliance District Fund	11000-SDE64370-17041	2,617,613
Adult Education	11000-SDE64370-17030	584,426
High Quality Schools and Common Core	11000-SDE64370-43538	674,278

Dollar threshold used to distinguish type A and type B Programs \$ 215,825

**II. FINANCIAL STATEMENTS FINDINGS**

No matters are reported.

**III. STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS**

No findings or questioned costs are reported relating to State Financial Assistance Programs.