

**Federal Single Audit
and
State Single Audit
of the
Town of East Haven, Connecticut
For the Year Ended June 30, 2019**

**Town of East Haven, Connecticut
For the Year Ended June 30, 2019**

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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***

**Board of Finance
Town of East Haven, Connecticut**

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 East Haven, Connecticut (“Town”), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated January 30, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town'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's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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's financial statements are free from 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 Town's internal control on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

Wethersfield, Connecticut
January 30, 2020

**Federal
Single
Audit**



**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 the Uniform Guidance**

**Board of Finance
Town of East Haven, Connecticut**

Report on Compliance for Each Major Federal Program

We have audited the Town of East Haven, Connecticut's ("Town") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town's major federal programs for the year ended June 30, 2019. The Town's major federal 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Town'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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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'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's compliance.

**Board of Finance
Town of East Haven, Connecticut**

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Opinion on Each Major Federal Program

In our opinion, the Town 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, 2019.

Report on Internal Control Over Compliance

Management of the Town 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'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 an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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'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 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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of East Haven, Connecticut, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements. We issued our report thereon dated January 30, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic 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 basic 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 basic financial statements or to the basic 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 expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

PKF O'Connor Davies, LLP

Wethersfield, Connecticut
January 30, 2020

Town of East Haven, Connecticut
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

Federal Grantor/Pass Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Provided Through to Subrecipients	Total Expenditures
<u>U.S. Department of Agriculture:</u>				
Passed through State Department of Education:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	12060-SDE64370-20508	\$ -	\$ 153,959
National School Lunch Program - Cash	10.555	12060-SDE64370-20560	-	724,722
National School Lunch Program - Commodities	10.555	N/A	-	55,051
Summer Food Service Program - Operating	10.559	12060-SDE64370-20540	-	42,152
Summer Food Service Program - Administration	10.559	12060-SDE64370-20548	-	4,760
Total Child Nutrition Cluster				<u>980,644</u>
<u>U.S. Department of Housing and Urban Development:</u>				
Passed through the State Department of Housing:				
CDBG - Disaster Recovery Grants Cluster:				
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.269	12060-DOH46961-29520	-	<u>198,432</u>
<u>U.S. Department of Justice:</u>				
Passed through State Office of Policy and Management:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	12060-OPM20350-21921	-	14,998
Direct Program:				
Equitable Sharing Program	16.922	N/A	-	<u>6,479</u>
Total U.S. Department of Justice				<u>21,477</u>
<u>U.S. Department of Transportation:</u>				
Passed through State Department of Transportation:				
Highway Safety Cluster:				
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	12062-DOT57513-22091	-	<u>4,473</u>
<u>U.S. Department of Education:</u>				
Passed through State Department of Education:				
Adult Education - Basic Grants to States	84.002	12060-SDE64370-20784-2019	-	<u>117,000</u>
Title I Grants to Local Educational Agencies		12060-SDE64370-20679-2018	-	408,555
Title I Grants to Local Educational Agencies		12060-SDE64370-20679-2019	-	<u>510,365</u>
Total Title I Grants to Local Educational Agencies	84.010			<u>918,920</u>
Special Education Cluster (IDEA):				
Special Education - Grants to States (IDEA, Part B)	84.027	12060-SDE64370-20977-2018	-	619,369
Special Education - Grants to States (IDEA, Part B)	84.027	12060-SDE64370-20977-2019	-	<u>4,371</u>
Total Special Education - Grants to States (IDEA, Part B)				<u>623,740</u>
Special Education - Preschool Grants (IDEA, Preschool)	84.173	12060-SDE64370-20983-2018	-	34,091
Special Education - Preschool Grants (IDEA, Preschool)	84.173	12060-SDE64370-20983-2019	-	<u>728</u>
Total Special Education - Preschool Grants (IDEA, Preschool)				<u>34,819</u>
Total Special Education Cluster (IDEA)				<u>658,559</u>

(Continued)

See Notes to Schedule of Expenditures of Federal Awards.

Town of East Haven, Connecticut

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019**

<u>Federal Grantor/Pass Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Provided Through to Subrecipients</u>	<u>Total Expenditures</u>
Career and Technical Education - Basic Grants to States (Perkins IV)	84.048	12060-SDE64370-20742-2019	\$ -	<u>\$ 48,748</u>
English Language Acquisition State Grants (Title III Part A)		12060-SDE64370-20868-2018	-	31,886
English Language Acquisition State Grants (Title III Part A)		12060-SDE64370-20868-2019	-	<u>240</u>
Total English Language Acquisition State Grants (Title III Part A)	84.365			<u>32,126</u>
Supporting Effective Instruction State Grants		12060-SDE64370-20858-2018	-	87,973
Supporting Effective Instruction State Grants		12060-SDE64370-20858-2019	-	<u>30,550</u>
Total Supporting Effective Instruction State Grants	84.367			<u>118,523</u>
Student Support and Academic Enrichment Program (Title IV)	84.424	12060-SDE64370-22854	-	<u>38,054</u>
Passed through State Office of Early Childhood: Preschool Development Grants - Development Grants	84.419A	12060-OEC64845-22705	-	<u>718,522</u>
Total U.S. Department of Education				<u>2,650,452</u>
Total Federal Awards			<u>\$ -</u>	<u>\$ 3,855,478</u>

(Concluded)

N/A - Not available or not applicable

See Notes to Schedule of Expenditures of Federal Awards.

Town of East Haven, Connecticut

**Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019**

1. Basis of presentation

The accompanying schedule of expenditures of federal awards ("Schedule") includes the federal award activity of the Town of East Haven, Connecticut ("Town") under programs of the federal government. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Because the Schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in fund balance, changes in net position, or cash flows of the Town.

2. Summary of significant accounting policies

A. Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

B. The Town has elected not to use the 10% *de minimis* indirect cost rate as allowed under the Uniform Guidance.

3. Noncash federal awards

The Town received and expended \$55,051 of USDA donated commodities under the National School Lunch Program.

4. Prior year findings and questions costs

There were no prior year audit findings or questioned costs.

Town of East Haven, Connecticut

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified opinion

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

Federal Awards

Internal control over major programs:
• Material weakness(es) identified yes x no
• Significant deficiency(ies) identified? yes x none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? yes x no

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
84.010	Title I Grants to Local Educational Agencies
84.027/84.173	Special Education Cluster (IDEA)

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? x yes no

II. Findings - Financial Statement Audit

None.

III. Findings and Questioned Costs – Major Federal Award Programs Audit

None.

**State
Single
Audit**



**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**

**Board of Finance
Town of East Haven, Connecticut**

Report on Compliance for Each Major State Program

We have audited the Town of East Haven, Connecticut's ("Town") 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's major state programs for the year ended June 30, 2019. The Town'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 laws, regulations, contracts, and grants applicable to its state programs.

Auditors' Responsibility

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

Opinion on Each Major State Program

In our opinion, the Town 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, 2019.

Report on Internal Control Over Compliance

Management of the Town 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's internal control over compliance with the types 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'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 a 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.

**Board of Finance
Town of East Haven, Connecticut**

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

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of East Haven, Connecticut, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements. We have issued our report thereon dated January 30, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. 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 basic 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 basic 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 basic financial statements or to the basic 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 expenditures of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

PKF O'Connor Davies, LLP

Wethersfield, Connecticut
January 30, 2020

Town of East Haven, Connecticut

**Schedule of Expenditures of State Financial Assistance
For the Year Ended June 30, 2019**

State Grantor/Pass Through Grantor/Program Title	State Grant Program Core- CT Number	Passed Through to Subrecipients	Total Expenditures
<u>Department of Education:</u>			
Primary Mental Health	11000-SDE64370-12198	\$ -	\$ 20,000
Talent Development	11000-SDE64370-12552	-	8,182
Family Resource Centers	11000-SDE64370-16110	-	100,000
Youth Services Bureau Enhancement	11000-SDE64370-16201	-	5,753
Child Nutrition State Matching Grant	11000-SDE64370-16211	-	12,532
Healthy Foods Initiative	11000-SDE64370-16212	-	23,878
Adult Education	11000-SDE64370-17030	-	447,468
Alliance District	11000-SDE64370-17041	-	1,095,914
Bilingual Education	11000-SDE64370-17042	-	11,713
School Breakfast	11000-SDE64370-17046	-	23,183
Youth Services Bureau	11000-SDE64370-17052	-	20,340
Open Choice	11000-SDE64370-17053	-	58,538
Passed through ACES:			
Open Choice	11000-SDE64370-17053	-	47,630
Magnet Schools	11000-SDE64370-17057	-	2,240
Low-Performing Capital Projects	12052-SDE64370-43679	-	4,118
<u>Department of Administrative Services:</u>			
Alliance District General Improvements	12052-DAS27635-43651	-	464,333
<u>Department of Labor:</u>			
Passed through New Haven Workforce Alliance:			
Connecticut's Youth Employment Program	11000-DOL40000-12205	-	25,400
<u>Department of Social Services:</u>			
Medicaid	11000-DSS60000-16020	-	138,294
<u>Department of Transportation:</u>			
Town Aid Road Grants Transportation Fund	13033-DOT57131-43455	-	400,634
Local Transportation Capital Improvement Program	13033-DOT57197-43584	-	233,182
<u>Department of Emergency Services and Public Protection:</u>			
School Security Competitive Grant Program	12052-DPS32161-43546	-	255,044
<u>Department of Consumer Protection:</u>			
Payments to Municipalities - Parimutuels	34004-DCP39930-40001	-	57,428
<u>Office of Early Childhood:</u>			
School Readiness Quality Enhancement	11000-OEC64845-16158	-	66,854
Smart Start	11000-OEC64845-16279	-	150,000
Early Care and Education	11000-OEC64845-16274	-	402,919
<u>Office of Policy and Management:</u>			
Payment in Lieu of Taxes (PILOT) on State-Owned Property	11000-OPM20600-17004	-	462,357
Property Tax Relief on Property of Totally Disabled Persons	11000-OPM20600-17011	-	4,791
Property Tax Relief for Elderly Homeowners - Freeze Program	11000-OPM20600-17021	-	3,693
Property Tax Relief for Veterans	11000-OPM20600-17024	-	58,006
Local Capital Improvement Program	12050-OPM20600-40254	-	88,012
Municipal Grants-in-Aid	12052-OPM20600-43587	-	43,500

(Continued)

See Notes to Schedule of Expenditures of State Financial Assistance

Town of East Haven, Connecticut

**Schedule of Expenditures of State Financial Assistance
For the Year Ended June 30, 2019**

<u>State Grantor/Pass Through Grantor/Program Title</u>	<u>State Grant Program Core- CT Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Expenditures</u>
Connecticut State Library:			
State Grants to Public Libraries	11000-CSL66051-17003	\$ -	\$ 1,404
Historic Documents Preservation Grants	12060-CSL66094-35150	-	<u>6,500</u>
Total State Financial Assistance before Exempt Programs			<u>4,743,840</u>
Exempt Programs:			
Department of Education:			
Education Cost Sharing	11000-SDE64000-17041-82002	-	403,242
Education Cost Sharing	11000-SDE64000-17041-82010	-	18,403,183
Excess Costs Student Based and Equity	11000-SDE64000-17047	-	802,224
Office of Policy and Management:			
Mashantucket Pequot and Mohegan Fund Grant	12009-OPM20600-17005	-	<u>82,006</u>
Total Exempt Programs			<u>19,690,655</u>
Total State Financial Assistance		<u>\$ -</u>	<u>\$ 24,434,495</u>

(Concluded)

See Notes to Schedule of Expenditures of State Financial Assistance

Town of East Haven, Connecticut

**Notes to Schedule of Expenditures of State Financial Assistance
For the Year Ended June 30, 2019**

1. Basis of presentation

The accompanying schedule of expenditures of state financial assistance ("Schedule") includes state grant activity of the Town of East Haven, Connecticut ("Town"), under programs of the State of Connecticut. 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 general government, education, public safety, public works, sanitation and social services.

Because the Schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in fund balance, changes in net position, or cash flows of the Town.

2. Summary of significant accounting policies

The accounting policies of the Town conform to accounting principles generally accepted in the United States of America promulgated by the Governmental Accounting Standards Board.

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

Basis of accounting

The expenditures reported on the Schedule are reported on the modified accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, 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.

3. Prior year findings and questioned costs

There were no prior year audit findings or questioned costs.

Town of East Haven, Connecticut

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019**

I. Summary of Auditors' Results

Financial Statements

Type of auditors' opinion issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted?

yes no

State Financial Assistance

Internal control over major programs:

- Material weakness(es) identified yes no
- Significant deficiency(ies) identified? yes none reported

Type of auditors' opinion 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 of the State Single Audit Act?

yes no

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

<u>State Grantor and Program</u>	<u>State Core-CT Number</u>	<u>Expenditures</u>
Department of Education:		
Alliance District	11000-SDE64370-17041	\$ 1,095,914
Department of Administrative Services:		
Alliance District General Improvements	12052-DAS27635-43651	464,333
Department of Transportation:		
Town Aid Road Grants Transportation Fund	13033-DOT57131-43455	400,634
Local Transportation Capital Improvement Program	13033-DOT57197-43584	233,182
Department of Emergency Services and Public Protection:		
School Security Competitive Grant Program	12052-DPS32161-43546	255,044
Dollar threshold used to distinguish between type A and type B programs:		<u>\$200,000</u>

Town of East Haven, Connecticut

**Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2019**

II. Financial Statement Findings

None.

III. State Financial Assistance Findings and Questioned Costs

None.