

**CITY OF STAMFORD, CONNECTICUT
FEDERAL SINGLE AUDIT REPORT
YEAR ENDED JUNE 30, 2021**



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**CITY OF STAMFORD, CONNECTICUT
FEDERAL SINGLE AUDIT REPORT
YEAR ENDED JUNE 30, 2021
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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

Members of the Board of Finance
City of Stamford, Connecticut

Report on Compliance for Each Major Federal Program

We have audited the City of Stamford, Connecticut's 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 City of Stamford, Connecticut's major federal programs for the year ended June 30, 2021. The City of Stamford, Connecticut'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 City of Stamford, Connecticut'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 City of Stamford, 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Stamford, Connecticut's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Stamford, Connecticut, 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, 2021.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2021-003 and 2021-004. Our opinion on each major federal program is not modified with respect to these matters.

City of Stamford, Connecticut's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Stamford's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the City of Stamford, Connecticut, 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 City of Stamford, Connecticut'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 City of Stamford, Connecticut'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 a 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 and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2021-003, 2021-004 and 2021-005, that we consider to be significant deficiencies.

Members of the Board of Finance
City of Stamford, Connecticut

The City of Stamford, Connecticut's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Stamford, Connecticut's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Stamford, Connecticut, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Stamford, Connecticut's basic financial statements. We issued our report thereon dated May 20, 2022, 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.



CliftonLarsonAllen LLP

West Hartford, Connecticut
June 19, 2022

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
United States Department of Agriculture				
<i>Passed Through the State of Connecticut Department of Education:</i>				
Child Nutrition Cluster:				
National School Lunch Program	10.555	12060-SDE64370-20560	\$ 458,779	
COVID-19 National School Lunch Program - CARES Act	10.555	12060-SDE64370-29573	54,175	
COVID-19 National School Lunch Program - CARES Act	10.555	12060-SDE64370-29574	641,709	
Summer Food Service Program for Children	10.559	12060-SDE64370-20540	4,489,451	
Summer Food Service Program for Children	10.559	12060-SDE64370-20548	<u>282,500</u>	
				\$ 5,926,614
Child and Adult Care Food Program	10.558	12060-SDE64370-20518	11,250	
Child and Adult Care Food Program	10.558	12060-SDE64370-20544	<u>785</u>	
				<u>12,035</u>
Total United States Department of Agriculture			\$ <u>-</u>	<u>5,938,649</u>
United States Department of Transportation				
<i>Passed Through the State of Connecticut Department of Transportation:</i>				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	12062-DOT57513-20559	4,531	
National Priority Safety Programs	20.616	12062-DOT57513-22600	<u>72,493</u>	
				77,024
Highway Planning and Construction Cluster:				
Highway Planning and Construction	20.205	12062-DOT57161-22108	1,193,574	
Highway Planning and Construction	20.205	12062-DOT57191-22108	<u>87,806</u>	
				1,281,380
Alcohol Open Container Requirements	20.607	12062-DOT57513-22091		48,983
<i>Direct:</i>				
Federal Transit Cluster:				
Federal Transit - Capital Investment Grants	20.500			<u>488,752</u>
Total United States Department of Transportation			<u>-</u>	<u>1,896,139</u>
United States Department of Education				
<i>Direct:</i>				
TRIO Cluster:				
Upward Bound	84.047			226,654
<i>Passed Through the State of Connecticut Department of Education:</i>				
Special Education Cluster (IDEA):				
Special Education - Grants to States	84.027	12060-SDE64370-20977-2021	3,541,339	
Special Education - Grants to States	84.027	12060-SDE64370-20977-2020	119,982	
Special Education - Preschool Grants	84.173	12060-SDE64370-20983-2021	<u>97,156</u>	
				3,758,477
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2021	1,958,264	
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2020	1,095,656	
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2019	<u>2,405</u>	
				3,056,325
Career and Technical Education - Basic Grants to States	84.048	12060-SDE64370-20742-2021		264,477
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2021	221,707	
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2020	183,969	
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2019	<u>33,575</u>	
				439,251

The accompanying notes are an integral part of this schedule

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
Twenty-First Century Community Learning Centers	84.287	12060-SDE64370-20863-2021	\$	275,928
Twenty-First Century Community Learning Centers	84.287	12060-SDE64370-20863-2020		109,359
				\$ 385,287
Title IV - Student Support	84.424	12060-SDE64370-22854-2021		62,809
Title IV - Student Support	84.424	12060-SDE64370-22854-2020		158,640
Title IV - Student Support	84.424	12060-SDE64370-22854-2019		4,953
				226,402
Adult Education - Basic Grants to States	84.002	12060-SDE64370-20784-2021		158,000
English Language Acquisition State Grants	84.365	12060-SDE64370-20868-2021		309,611
English Language Acquisition State Grants	84.365	12060-SDE64370-20868-2020		32,500
				342,111
COVID-19 - ESSERF K-12 Fund	84.425D	12060-SDE64370-29571-2020		333,352
Total United States Department of Education			\$ -	9,190,336
United States Department of Justice				
<i>Direct:</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738			42,287
Public Safety Partnership and Community Policing Grants	16.710			217,266
Equitable Sharing Program	16.922			83,904
BJA Coronavirus Emergency Supplemental Funding Program	16.034			134,930
Total United States Department of Justice			-	478,387
United States Election Assistance Commission				
<i>Passed Through the State of Connecticut Secretary of State:</i>				
Help America Vote Act Requirements Payments	90.401	12060-SOS12500-21465	-	101,398
United States Environmental Protection Agency				
<i>Passed Through the State of Connecticut Department of Energy and Environmental Protection:</i>				
State Clean Diesel Grant Program	66.040	12060-DEP43520-22319	-	110,617
United States Department of Housing and Urban Development				
<i>Direct:</i>				
CDBG - Entitlement Grants Cluster: Community Development Block Grants/Entitlement Grants	14.218		1,053,590	1,161,457
<i>Passed Through the State of Connecticut Department of Housing:</i>				
CDBG - Disaster Recovery Grants - Pub. L. No. 113-2 Cluster: Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.269	12060-DOH46961-29501		21
Total United States Department of Housing and Urban Development			1,053,590	1,161,478
United States Department of Homeland Security				
<i>Passed Through the State of Connecticut Department of Emergency Services and Public Protection:</i>				
Homeland Security Grant Program	97.067	12060-DPS32160-21877		500,724
Homeland Security Grant Program	97.067	12060-DPS32160-21877		50,000
				550,724
Emergency Management Performance Grants	97.042	12060-DPS32160-21881		64,557

The accompanying notes are an integral part of this schedule

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<i>Direct:</i>				
Port Security Grant Program	97.056			\$ 73,365
Total United States Department of Homeland Security			\$ -	688,646
United States Department of Health and Human Services				
<i>Direct:</i>				
Medical Reserve Corps Small Grant Program	93.008			9,222
Immunization Cooperative Agreements	93.268			26,701
<i>Passed Through the State of Connecticut Department of Public Health:</i>				
Preventive Health and Health Services Block Grant	93.758	12060-DPH48558-22664		3,337
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	12060-DPH48557-29582		109,673
Immunization Cooperative Agreements	93.268	12060-DPH48551-29654		14,849
Total United States Department of Health and Human Services			-	163,782
United States Department of the Treasury				
<i>Direct:</i>				
Equitable Sharing	21.016			180,471
<i>Passed Through the State of Connecticut Department of Education:</i>				
COVID-19 - Coronavirus Relief Fund	21.019	12060-SDE64370-29561		5,357,085
<i>Passed Through the State of Connecticut Office of Policy and Management:</i>				
COVID-19 - Coronavirus Relief Fund	21.019	12060-OPM20600-29561		340,478
Total United States Department of the Treasury			-	5,697,563
Total Federal Expenditures			\$ 1,053,590	\$ 25,607,466

The accompanying notes are an integral part of this schedule

**CITY OF STAMFORD, CONNECTICUT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Stamford, Connecticut, under programs of the federal government for the year ended June 30, 2021. The information in the 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 City of Stamford, Connecticut, 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 City of Stamford, Connecticut.

Basis of Accounting

Expenditures reported on the Schedule are reported using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards with the exception of federal assistance listing number 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principals, certain types of expenditures are not allowable or are limited as to reimbursement.

2. INDIRECT COST RECOVERY

The City of Stamford, Connecticut, has elected not to use the 10% de minimis indirect cost rate provided under Section 200.414 of the Uniform Guidance.

3. NONCASH AWARDS

Donated commodities in the amount of \$458,779 are included in the Department of Agriculture's National School Lunch Program, assistance listing number 10.555. The amount represents the market value of commodities received.

Donated vaccines in the amount of \$26,701 are included in the Department of Public Health's Immunization Grant Program, assistance listing number 93.268. The amount represents the market value of vaccines received.



**INDEPENDENT AUDITORS' 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**

Members of the Board of Finance
City of Stamford, 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, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Stamford, Connecticut, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Stamford, Connecticut's basic financial statements, and have issued our report thereon dated May 20, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Stamford, Connecticut's internal control over financial reporting (internal control) as a basis for designing 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 City of Stamford, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Stamford, Connecticut'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 a 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2021-001 and 2021-002 that we consider to be material weaknesses.

Compliance and Other Matters

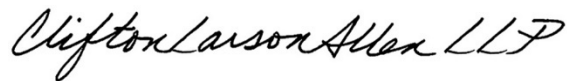
As part of obtaining reasonable assurance about whether the City of Stamford, Connecticut’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

City of Stamford, Connecticut’s Response to Findings

City of Stamford, Connecticut’s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Stamford, Connecticut’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 City of Stamford, Connecticut’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 City of Stamford, Connecticut’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

West Hartford, Connecticut
May 20, 2022

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? X yes 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? X yes none reported

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

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

Major programs:

Assistance Listing Number	Name of Federal Program or Cluster
21.019	COVID-19 Coronavirus Relief Fund
84.027/84.173	Special Education Cluster
84.425D	COVID-19 ESSERF K-12 Fund

Dollar threshold used to distinguish between type A and type B programs: \$768,224

Auditee qualified as low-risk auditee? X yes no

II. FINANCIAL STATEMENT FINDINGS

2021-001	School Construction Grants Receivable
Criteria	Generally accepted accounting principles (GAAP) requires that revenue be recognized when it is both measurable and available.
Condition	A material audit adjustment was required for the capital projects fund to defer revenue that was not available within the period of availability.
Context	A material audit adjustment was proposed based on the results of audit procedures performed.

Effect The financial statements would not be materially correct without the audit adjustment.

Cause In previous years, the City of Stamford, Connecticut (the City) had school construction projects which were partially funded with grants from the state of Connecticut (the State). The State paid the City on a monthly basis during the project but held back a small percentage of the grant until they could complete a final project audit. Upon completion of these projects, the City recorded a receivable for the percentage of the grant held back. Due to staffing shortages at the State, they have not yet audited these projects and budget cuts at the State has not allowed them to contract with CPA firms to perform these audits.

Recommendation We recommend that the City continue to record grant revenue only when measurable and available.

Views of Responsible Officials The City believes the recording of the receivable and related revenue recognition was appropriate at the time the reimbursement request was submitted given the facts at the time. The understanding was that the funds would be received from the state of Connecticut promptly upon conclusion and audit by the state of the projects. The state of Connecticut has continued to delay concluding on the projects despite the requests and actions by the City.

2021-002 Audit Readiness and Internal Controls over Financial Reporting

Criteria The City's management is responsible for financial reporting in the form of financial statements that present fairly, in all material respects, the respective financial position, changes in financial position and, where applicable, cash flows for governmental activities, business-type activities, the discretely presented component unit each major fund, and the aggregate remaining fund information of the City.

Condition At the commencement of our audit in mid-September, the year-end closing process was not completed. As a result, during the course of our engagement, we proposed significant audit adjustments that would not have been identified as a result of the City's existing internal controls.

Context Significant audit adjustments were required across multiple funds.

Effect Management does not have accurate financial information upon which to base management decisions.

Cause The cause is the lack of effective controls over financial reporting.

Recommendation We recommend the City evaluate the process and internal controls over financial reporting in order to ensure readiness for the audit and to avoid numerous material audit journal entries.

Views of Responsible Officials Management agrees with the finding.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding No. 2021-003

Activities Allowed or Unallowed

Federal Agency: United States Department of Treasury

Federal Program Title: COVID-19 Coronavirus Relief Fund

Assistance Listing Number: 21.019

Pass-Through Agency: State of Connecticut Department of Education

Pass-Through Number(s): 12060-SDE64370-29561

Award Period: July 1, 2020 through December 30, 2020

Type of Finding

Significant Deficiency in Internal Control over Compliance and Other Compliance Finding

Criteria

Management is responsible for the design, implementation and maintenance of internal controls relevant to allowability over grants expenditures.

Condition

We noted the following: one transaction was not supported by original documents such as purchase order, invoice or check; one purchase order was issued after the State of Connecticut Department of Education imposed deadline of December 30, 2020.

Questioned Costs

\$599

Context

Out of a population of 51 and sample size of 8, one transaction is not allowed for reimbursement per grant agreement as the client was unable to locate original source documents.

Effect

Expenditures were charged to the grant that did not have proper back up information.

Cause

Controls not followed to ensure that expenditure are not charged without source documents.

Recommendation

We recommend that the City follow controls that are in place to ensure that expenditures charged are substantiated by source documents such as invoices.

Views of Responsible Officials

Management agrees with this finding.

Finding No. 2021-004

Period of Performance

Federal Agency: United States Department of Treasury

Federal Program Title: COVID-19 Coronavirus Relief Fund

Assistance Listing Number: 21.019

Pass-Through Agency: State of Connecticut Department of Education

Pass-Through Number(s): 12060-SDE64370-29561

Award Period: July 1, 2020 through December 30, 2020

Type of Finding

Significant Deficiency in Internal Control over Compliance and Other Compliance Finding

Criteria

Management is responsible for the design, implementation and maintenance of internal controls relevant to period of performance over grants expenditures.

Condition

We noted the following: two invoices were not paid within 120 days after the State of Connecticut Department of Education imposed deadline of December 30, 2020 and one purchase order was issued after the State of Connecticut Department of Education imposed deadline of December 30, 2020.

Questioned Costs

\$101,284

Context

Three transactions did not meet the requirements of period of performance per grant agreement. Out of a population of 43 and sample size of 8, two invoices were paid after 120 days of the imposed deadline. In addition, out of a population of 43 and sample size of 9, one purchase order was issued after the State of Connecticut Department of Education imposed deadline of December 30, 2020.

Effect

Expenditures that were incurred after December 30, 2020 imposed deadline were charged to grant in error and two payments were made after the allowed period of 120 days subsequent to period end of December 30, 2020.

Cause

Controls not followed to ensure that invoices are not incurred for grants after imposed deadlines.

Recommendation

We recommend that the City follow controls that are in place to ensure that invoices outside the period of performance are not charged to the grants.

Views of Responsible Officials

Management agrees with this finding.

Finding No. 2021-005

Annual Report Card, High School Graduation - repeat finding of 2019-002 and 2020-001

Federal Agency: United States Department of Education

Federal Program Title: Title I Grants to Local Educational Agencies

Assistance Listing Number: 84.010

Pass-Through Agency: State of Connecticut Department of Education

Pass-Through Number(s): 12060-SDE64370-20679-2021, 12060-SDE64370-20679-2020 and 12060-SDE64370-20679-2019

Award Period: July 1, 2019 through June 30, 2022

Type of Finding

Significant Deficiency in Internal Control over Compliance

Criteria

The Board of Education is required to maintain appropriate written documentation to support the removal of a student from the district. Additionally, the Board of Education is required to ensure that the proper exit code is utilized to remove a student from the adjusted regulatory cohort.

Condition

From the 23 selections tested, 2 exit forms were not completed and 1 form had incorrect code.

Questioned Costs

None.

Context

During our testing, it was noted that the Board of Education did not complete and maintain exit forms for all student removals from the district and wrong code was used in one of the forms.

Effect

The lack of controls over required approvals resulted in missing completed forms and use of incorrect exit codes.

Cause

Lack of controls that ensure that all students leaving the District have a completed form approved by all proper designees.

Recommendation

We recommend that the Board of Education follow its own policies and procedures related to approval process, thereby ensuring that all exit forms have the proper approvals for removing a student from the adjusted regulatory cohort.

Views of Responsible Officials

Management agrees with this finding.

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor. CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://www.nexia.com/member-firm-disclaimer) for details. **CliftonLarsonAllen LLP**

