

CITY OF STAMFORD, CONNECTICUT

FEDERAL SINGLE AUDIT REPORT

JUNE 30, 2015

**CITY OF STAMFORD, CONNECTICUT
FEDERAL SINGLE AUDIT REPORT
JUNE 30, 2015
TABLE OF CONTENTS**

Independent Auditors' 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	1-3
Schedule of Expenditures of Federal Awards	4-8
Notes to Schedule of Expenditures of Federal Awards	9
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 <i>Government Auditing Standards</i>	10-11
Schedule of Findings and Questioned Costs	12-13



Accounting | Tax | Business Consulting

**Independent Auditors' 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 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 Circular A-133 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, 2015. 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 the requirements of laws, regulations, contracts and grants 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 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 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, 2015.

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 OMB Circular A-133, 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 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 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 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 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, 2015, 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 December 31, 2015, 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 OMB Circular A-133 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.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 31, 2015

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015**

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number/ Project Number</u>	<u>Expenditures</u>
United States Department of Agriculture			
<i>Passed Through the State of Connecticut</i>			
<i>Department of Education:</i>			
Child Nutrition Cluster:			
School Breakfast Program	10.553	12060-SDE64370-20508	\$ 604,043
National School Lunch Program	10.555	12060-SDE64370-20560	<u>3,216,054</u>
			\$ 3,820,097
Child and Adult Care Food Program	10.558	12060-SDE64370-20518	10,296
Cash-In-Lieu/Commodities-CCFP	10.558	12060-SDE64370-20544	855
<i>Passed Through the State of Connecticut</i>			
<i>Department of Public Health:</i>			
Special Supplemental Nutrition Program for Women, Infants and Children Food Benefits	10.557	Non-Cash	3,861,549
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	12060-DPH48872-20892	<u>847,873</u>
			<u>4,709,422</u>
Total United States Department of Agriculture			<u>8,540,670</u>
United States Department of Education			
<i>Direct Programs:</i>			
Upward Bound	84.067		261,290
<i>Passed Through the State of Connecticut</i>			
<i>Department of Education:</i>			
Adult Education	84.002	12060-SDE64370-20784-2015	155,000
Title I, Part A Cluster:			
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2015	1,652,777
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2014	<u>986,575</u>
			2,639,352
Special Education Cluster:			
Special Education - Grants to States	84.027	12060-SDE64370-20977-2015	3,220,954
Special Education - Grants to States	84.027	12060-SDE64370-20977-2014	687,817
Special Education - Preschool Grants	84.173	12060-SDE64370-20983-2015	89,501
Special Education - Preschool Grants	84.173	12060-SDE64370-20983-2014	<u>21,755</u>
			4,020,027

(Continued on next page)

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Grantor's Number/ Project Number	Expenditures
Career and Technical Education - Basic Grants to States	84.048	12060-SDE64370-20742-2015	\$ 184,428
Twenty-First Century Community Learning Centers	84.287	12060-SDE64370-20863-2015	317,303
English Language Acquisition Grants	84.365	12060-SDE64370-20868-2015	\$ 224,108
English Language Acquisition Grants	84.365	12060-SDE64370-20868-2014	40,204
Immigrant and Youth Education	84.365	12060-SDE64370-20868-2014	113,016
Immigrant and Youth Education	84.365	12060-SDE64370-20868-2015	<u>11,560</u>
			388,888
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2015	457,812
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2014	<u>45,855</u>
			<u>503,667</u>
Total United States Department of Education			<u>8,469,955</u>
Environmental Protection Agency			
<i>Direct:</i>			
Mill River Storm Water Management	66.602		<u>227,970</u>
United States Department of Health and Human Services			
<i>Passed Through the State of Connecticut Department of Public Health:</i>			
Immunization Grants	93.268	12060-DPH48664-20911	85,718
Immunization Grants	93.268	Non-Cash	<u>55,651</u>
			141,369
State Oral Disease Prevention	93.283	12060-DPH48834-22598	9,940
Preventive Health Services Block Grant	93.758	12060-DPH48558-22664	25,259
Comprehensive HIV Prevention	93.940	12060-DPH48852-22511	67,457
Comprehensive HIV Prevention	93.940		<u>75,000</u>
			142,457
Public Health Emergency Preparedness	93.069	12060-DPH48558-22333	59,801
Ebola Active Monitoring	93.074	12060-DPH48557-22712	1,500
Vaccines-Federal	93.712	Non-Cash	10,140

(Continued on next page)

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Grantor's Number/ Project Number	Expenditures
<i>Passed Through the State of Connecticut Department of Social Services:</i>			
Social Services Block Grant	93.667	12060-DSS60783-20701	\$ 55,357
<i>Passed Through the State of Connecticut Office of Early Childhood:</i>			
Social Services Block Grant	93.667	12060-OEC64841-22668	<u>973,298</u>
			\$ 1,028,655
<i>Passed Through the National Association of County and City Health Officials:</i>			
Medical Reserve Corps Small Grant Program	93.008		4,648
<i>Passed Through the State of Connecticut Office of Healthcare Advocate:</i>			
Access Health	93.779		<u>1,525</u>
Total United States Department of Health and Human Services			<u>1,425,294</u>
United States Department of Homeland Security			
<i>Direct:</i>			
Staffing for Adequate Fire and Emergency Personnel	97.044		380,518
Port Security Grant Program	97.056		290,906
Homeland Security Grant	97.067		135,435
<i>Passed Through the State of Connecticut Department of Emergency Services and Public Protection:</i>			
Urban Areas Security Initiative	97.008	12060-DPS32160-22330	10,575
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	12060-DPS32990-21891	86,239
Emergency Management Performance Grants	97.042	12060-DPS32160-21881	<u>42,853</u>
Total United States Department of Homeland Security			<u>946,526</u>

(Continued on next page)

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Grantor's Number/ Project Number	Expenditures
United States Department of Housing and Urban Development			
<i>Direct Programs:</i>			
CDBG-Entitlement Grants Cluster: Community Development Block Grant/Entitlement	14.218		\$ 855,979
Home Investment Partnership Program	14.239		970,856
Community Challenge Planning & DOT - Tiger II - VITA	14.704		308,217
<i>Passed Through the State of Connecticut Department of Housing:</i>			
CDBG-State-Administered Small Cities Program Cluster:			
CDBG-Disaster Recovery Admin	14.269	12060-DOH46961-29502	\$ 255
Neighborhood Stabilization Program	14.218	12060-DOH46920-22324	<u>4,033</u>
			<u>4,288</u>
Total United States Department of Housing and Urban Development			<u>2,139,340</u>
United States Department of Justice			
<i>Direct Programs:</i>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2013-DJBX-0163	14,272
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2012-DJBX-0518	280
Edward Byrne Memorial Justice Assistance Grant Program	16.738		<u>17,173</u>
			31,725
<i>Passed Through the State of Connecticut Office of Policy and Management:</i>			
Juvenile Justice and Delinquency Prevention Allocation to States	16.540	12060-OPM20350-21676	46,348
JAG Program Cluster			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	12060-OPM20350-21921	<u>32,000</u>
Total United States Department of Justice			<u>110,073</u>

(Continued on next page)

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number/ Project Number</u>	<u>Expenditures</u>
United States Department of Transportation			
<i>Passed Through the State of Connecticut Department of Transportation:</i>			
Highway Planning and Construction Cluster:			
Highway Planning and Construction	20.205	12062-DOT57191-22108	\$ 6,175
Highway Planning and Construction	20.205	CT-90-X403-01	25,177
Highway Planning and Construction	20.205	15DOT0127AA (135-328)	27,199
Highway Planning and Construction	20.205	15DOT0041AA (135-321)	<u>39,514</u>
			\$ 98,065
Federal Transit Cluster:			
Federal Transit - Capital Investment Grants	20.500	CT-04-0025	2,883,375
Federal Transit - Capital Investment Grants	20.500	CT-03-0151	57,600
Federal Transit - Capital Investment Grants	20.500	CT-03-0138	616,285
Federal Transit - Capital Investment Grants	20.500	CT-90-X516	10,426
Federal Transit - Capital Investment Grants	20.500	CT-03-0144	8,563
Federal Transit - Capital Investment Grants	20.500	CT-04-0008	124,531
Federal Transit - Capital Investment Grants	20.500	CT-95-0005	106,692
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CT-95-X002	<u>147,242</u>
			3,954,714
Highway Safety Cluster:			
Alcohol Traffic Safety and Drunk Driving	20.601	12062-DOT57513-22086	27,403
Alcohol Open Container Requirements	20.607	12062-DOT57513-22091	27,929
DOT NHTSA MAP 21 405 Funds	20.616	12062-DOT57513-22600	<u>39,543</u>
Total United States Department of Transportation			<u>4,147,654</u>
National Endowment Humanities			
<i>Passed Through the State of Connecticut Office of Economic and Community Development:</i>			
National Endowment for the Art	45.025	12060-ECD46820-20328	<u>11,000</u>
Total Federal Awards Expended			<u>\$ 26,018,482</u>

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, 2015**

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the City of Stamford, Connecticut, under programs of the federal government for the year ended June 30, 2015. The information in the 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 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported using the modified 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.

3. NONCASH AWARDS

Donated commodities in the amount of \$315,119 are included in the Department of Agriculture's National School Lunch Program, CFDA #10.555. The amount represents the market value of commodities received.

Donated vaccines in the amount of \$55,651 are included in the Department of Public Health's Immunization Grant Program, CFDA #93.268. The amount represents the market value of vaccines received.

Donated vaccines in the amount of \$10,140 are included in the Department of Public Health's Immunization Grant Program, CFDA #93.712. The amount represents the market value of vaccines received.

WIC Food Payments

The City of Stamford, Connecticut, also reports noncash awards in the amount of \$3,861,549 under the Special Supplemental Nutrition Program for Women, Infants and Children, CFDA #10.557. The amount represents noncash benefit payments made directly to suppliers by the State of Connecticut, as reported by the State Department of Public Health for eligible participants of the program.



Accounting | Tax | Business Consulting

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*

To the 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, 2015, 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 December 31, 2015.

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) 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 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 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 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 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 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 result 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.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 31, 2015

**CITY OF STAMFORD, CONNECTICUT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2015**

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' 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

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

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

Identification of major programs:

CFDA #	Name of Federal Program or Cluster
10.553/10.555	Child Nutrition Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants and Children
84.010	Title I, Part A Cluster
84.027/84.173	Special Education Cluster
84.367	Improving Teacher Quality State Grant
14.239	Home Investment Partnership Program

Dollar threshold used to distinguish between type A and type B programs: \$780,554

Auditee qualified as low-risk auditee? _____ yes X no

II. FINANCIAL STATEMENT FINDINGS

No matters were reported.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

IV. STATUS OF PRIOR YEAR FINDINGS

Prior Audit Findings Resolved:

Finding Number	Description
2014-003	The finding has been resolved
2014-004	The finding has been resolved
2014-005	The finding has been resolved
2014-006	The finding has been resolved