

**TOWN OF TOLLAND, CONNECTICUT**

**FEDERAL SINGLE AUDIT REPORT**

**JUNE 30, 2009**

**TOWN OF TOLLAND, CONNECTICUT**

**FEDERAL SINGLE AUDIT REPORT**

**JUNE 30, 2009**

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

To the Members of the Town Council  
Town of Tolland, Connecticut

### Compliance

We have audited the compliance of the Town of Tolland, Connecticut, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2009. The Town of Tolland, Connecticut's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Town of Tolland, Connecticut's management. Our responsibility is to express an opinion on the Town of Tolland, Connecticut's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town of Tolland, Connecticut's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Town of Tolland, Connecticut's compliance with those requirements.

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

### Internal Control over Compliance

The management of the Town of Tolland, Connecticut, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we

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considered the Town of Tolland, Connecticut's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Tolland, Connecticut's internal control over compliance.

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

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

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

#### Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Tolland, Connecticut, as of and for the year ended June 30, 2009 and have issued our report thereon dated November 25, 2009. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Town of Tolland, Connecticut's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

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

November 25, 2009

**TOWN OF TOLLAND, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

| <u>Federal Grantor/Pass-Through<br/>Grantor/Program or Cluster Title</u>                                   | <u>Federal<br/>CFDA<br/>Number</u> | <u>Pass-Through<br/>Grantor's Number/<br/>Project Number</u> | <u>Expenditures</u>                    |
|--|------------------------------------|--|--|
| <b>United States Department of<br/>Agriculture</b>   |                                    |  |  |
| <i>Passed Through the State of Connecticut<br/>Department of Administrative Services:</i>                  |                                    |  |  |
| Food Donation  | 10.550                             |  | \$ 49,464                              |
| <i>Passed Through the State of Connecticut<br/>Department of Education:</i>                                |                                    |  |  |
| Child Nutrition Cluster:<br>National School Lunch Program  | 10.559                             | 12060-SDE64370-20560   | <u>98,861</u>                          |
| Total United States Department of<br>Agriculture   |                                    |  | <u>148,325</u>                         |
| <b>United States Department of Education</b>   |                                    |  |  |
| <i>Passed Through the State of Connecticut<br/>Department of Education:</i>                                |                                    |  |  |
| Title I Grants to Local Educational<br>Agencies  | 84.010                             | 12060-SDE64370-20679   | 94,640                                 |
| Special Education Cluster:<br>Special Education - Grants to States<br>Special Education - Preschool Grants | 84.027<br>84.173                   | 12060-SDE64370-20977<br>12060-SDE64370-20983                 | \$ 401,177<br><u>16,803</u><br>417,980 |
| Career and Technical Education - Basic<br>Grants to States   | 84.048                             | 12060-SDE64370-20742   | 29,736                                 |
| Safe and Drug-Free Schools and<br>Communities - State Grants   | 84.186                             | 12060-SDE64370-20873   | 5,538                                  |
| State Grants for Innovative Programs   | 84.298                             |  | 806                                    |
| Education Technology State Grants  | 84.318                             | 12060-SDE64370-20826   | 470                                    |
| Improving Teacher Quality State Grants   | 84.367                             | 12060-SDE64370-20858   | <u>84,854</u>                          |
| Total United States Department of<br>Education   |                                    |  | <u>634,024</u>                         |

(Continued on next page)

**TOWN OF TOLLAND, CONNECTICUT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**

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

| <u>Federal Grantor/Pass-Through<br/>Grantor/Program or Cluster Title</u>   | <u>Federal<br/>CFDA<br/>Number</u> | <u>Pass-Through<br/>Grantor's Number/<br/>Project Number</u> | <u>Expenditures</u>               |
|--|------------------------------------|--|-----------------------------------|
| <b>United States Department of Homeland Security</b>   |                                    |  |                                   |
| <i>Passed Through the State of Connecticut<br/>Department of Emergency Management<br/>and Homeland Security:</i> |                                    |  |                                   |
| Public Assistance Grants   | 97.036                             | 12060-EHS99660-21881   | \$ <u>4,000</u>                   |
| <b>United States Department of Housing<br/>and Urban Development</b>   |                                    |  |                                   |
| <i>Passed Through the State of Connecticut<br/>Department of Economic and Community<br/>Development:</i>         |                                    |  |                                   |
| Community Development Block<br>Grant/Entitlement   | 14.218                             | 12060-ECD46350-20730   | <u>750,000</u>                    |
| <b>Elections Assistance Commission</b>   |                                    |  |                                   |
| <i>Passed Through the Connecticut Secretary<br/>of the State:</i>  |                                    |  |                                   |
| Help America Vote Act  | 90.410                             | 12060-SOS12500-21465   | <u>3,736</u>                      |
| <b>Total Federal Awards Expended</b>   |                                    |  | <b>\$ <u><u>1,540,085</u></u></b> |

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

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

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

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

**Basis of Accounting** - The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Town of Tolland, Connecticut, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Note 2 - **Noncash Awards:**

Donated commodities in the amount of \$49,464 are included in the Department of Agriculture's Food Donation Program, CFDA #10.550. The amount represents the market value of commodities received.



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

To the Members of the Town Council  
Town of Tolland, Connecticut

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Tolland, Connecticut, as of and for the year ended June 30, 2009, which collectively comprise the Town of Tolland, Connecticut's basic financial statements, and have issued our report thereon dated November 25, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Town of Tolland, Connecticut's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Tolland, Connecticut's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Tolland, Connecticut's internal control over financial reporting.

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

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

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

#### Compliance and Other Matters

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

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

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

November 25, 2009

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

**I. Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

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

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

**Federal Awards**

Internal control over major programs:

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

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

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

Identification of major programs:

| CFDA # | Name of Federal Program or Cluster            |
|--------|---|
| 14.218 | Community Development Block Grant/Entitlement |

Dollar threshold used to distinguish between type A and type B programs: \$300,000

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

**II. Financial Statement Findings**

- We issued reports, dated November 25, 2009, on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.

- Our report on compliance indicated no reportable instances of noncompliance.
- Our report on internal control over financial reporting indicated no significant deficiencies.

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

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