

TOWN OF SOUTH WINDSOR, CONNECTICUT

FEDERAL SINGLE AUDIT REPORT
JUNE 30, 2020

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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

To the Members of the Town Council
Town of South Windsor, Connecticut

Report on Compliance for Each Major Federal Program

We have audited the Town of South Windsor, Connecticut's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Town of South Windsor, Connecticut's major federal program for the year ended June 30, 2020. The Town of South Windsor, Connecticut's major federal program is 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 the Town of South Windsor, Connecticut's major federal program 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 of South Windsor, 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 its major federal program. However, our audit does not provide a legal determination of the Town of South Windsor, Connecticut's compliance.

Opinion on Each Major Federal Program

In our opinion, the Town of South Windsor, Connecticut, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management of the Town of South Windsor, 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 Town of South Windsor, Connecticut's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 of South Windsor, 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. 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 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 South Windsor, Connecticut, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town of South Windsor, Connecticut's basic financial statements. We issued our report thereon dated November 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.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
November 30, 2020

**TOWN OF SOUTH WINDSOR, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	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	\$ 420,299
School Breakfast Program	10.553	12060-SDE64370-20508	53,431
COVID-19 National School Lunch Program	10.555	12060-SDE64370-29572	63,608
COVID-19 School Breakfast Program	10.555	12060-SDE64370-29576	32,368
			<u>\$ 569,706</u>
United States Department of Housing and Urban Development			
<i>Passed Through the State of Connecticut Department of Housing:</i>			
Community Development Block Grants/State's Program	14.228	12060-DOH46930-20730	<u>171,503</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-DOT57343-20559	43
State and Community Highway Safety	20.600	12062-DOT57513-20559	9,025
National Priority Safety Programs	20.616	12062-DOT57513-22600	3,914
			<u>12,982</u>
Highway Planning and Construction Cluster:			
Highway Planning and Construction	20.205	12062-DOT57141-22108	100
Alcohol Open Container Requirements	20.607	12062-DOT57513-22091	<u>14,900</u>
Total United States Department of Transportation			<u>27,982</u>
United States Department of Homeland Security			
<i>Passed Through the State of Connecticut Department of Emergency Services and Public Protection:</i>			
Emergency Management Performance Grants	97.042	12060-DPS32160-21881	12,895
<i>Passed Through the United Way:</i>			
Emergency Food and Shelter National Board Program	97.024		<u>1,800</u>
Total United States Department of Homeland Security			<u>14,695</u>
United States Department of Justice			
<i>Passed Through the State of Connecticut Department of Emergency Services and Public Protection:</i>			
Missing Children's Assistance (ICAC Grant)	16.543	12060-DPS32353-21917	2,567
<i>Passed Through the State of Connecticut Office of Policy and Management:</i>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	12060-OPM20350-21921	3,071
<i>Direct:</i>			
Bulletproof Vest Partnership Program	16.607		<u>3,842</u>
Total United States Department of Justice			<u>9,480</u>

The accompanying notes are an integral part of this schedule

TOWN OF SOUTH WINDSOR, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
United States National Endowment for the Humanities			
<i>Passed Through the State of Connecticut Economic and Community Development:</i>			
Promotion of the Arts Partnership Agreements	45.025	12060-ECD46820-20328	\$ 1,200
United States Department of Education			
<i>Passed Through the State of Connecticut Department of Education:</i>			
Special Education Cluster (IDEA):			
Special Education Grants to States	84.027	12060-SDE64370-20977-2020	\$ 406,530
Special Education Grants to States	84.027	12060-SDE64370-20977-2019	291,294
Special Education Preschool Grants	84.173	12060-SDE64370-20983-2020	18,677
			716,501
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2020	147,359
Career and Technical Education - Basic Grants to States	84.048	12060-SDE64370-20742-2020	32,385
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2020	4,995
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2019	44,020
			49,015
English Language Acquisition State Grants	84.365	12060-SDE64370-20868-2020	19,975
English Language Acquisition State Grants	84.365	12060-SDE64370-20868-2019	1,056
English Language Acquisition State Grants (Immigrant and Youth Education Program)	84.365	12060-SDE64370-20868-2019	628
			21,659
Title IV - Student Support and Academic Enrichment Program	84.424	12060-SDE64370-22854-2020	10,000
Total United States Department of Education			976,919
United States Department of Health and Human Services			
<i>Direct:</i>			
Connecticut's Targeted Response to the Opioid Crisis	93.788		3,206
Total Federal Awards			\$ 1,774,691

The accompanying notes are an integral part of this schedule

**TOWN OF SOUTH WINDSOR, CONNECTICUT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020**

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 Town of South Windsor, Connecticut, under programs of the federal government for the year ended June 30, 2020. 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 Town of South Windsor, 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 Town of South Windsor, 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, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

2. INDIRECT COST RECOVERY

The Town of South Windsor, 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 \$98,890 are included in the Department of Agriculture's National School Lunch Program, CFDA #10.555. The amount represents the market value of commodities 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***

To the Members of the Town Council
Town of South Windsor, 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 South Windsor, Connecticut, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town of South Windsor, Connecticut's basic financial statements, and have issued our report thereon dated November 30, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of South Windsor, 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 Town of South Windsor, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of South Windsor, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of South Windsor, 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*.

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 of South Windsor, 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 Town of South Windsor, Connecticut's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
November 30, 2020

**TOWN OF SOUTH WINDSOR, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020**

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

• Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
• Significant deficiency(ies) identified?	<u> </u> yes	<u> X </u> none reported
Noncompliance material to financial statements noted?	<u> </u> yes	<u> X </u> no

Federal Awards

Internal control over major programs:

• Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
• Significant deficiency(ies) identified?	<u> </u> yes	<u> X </u> 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)?

 yes X no

Major program:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
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84.027/84.173	Special Education Cluster (IDEA)
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Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

 X yes no

II. FINANCIAL STATEMENT FINDINGS

No matters were reported.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.