

**CITY OF NEW HAVEN,  
CONNECTICUT**

FEDERAL AND STATE  
FINANCIAL AND COMPLIANCE REPORT  
For the Year Ended June 30, 2012

**CITY OF NEW HAVEN, CONNECTICUT**

**FEDERAL AND STATE FINANCIAL AND COMPLIANCE REPORT**

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**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT  
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

To the Honorable Mayor and Members of  
the Board of Aldermen  
New Haven, Connecticut

**Compliance:** We have audited City of New Haven, 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 its major federal programs for the year ended June 30, 2012. The City of New Haven, Connecticut's major federal programs are identified in the summary of independent auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City of New Haven, Connecticut's management. Our responsibility is to express an opinion on the City of New Haven, Connecticut's compliance based on our audit.

The City of New Haven, Connecticut's basic financial statements include the operations of the New Haven Parking Authority and New Haven Solid Waste and Recycling Authority, component units of the City. Our audit, described below, did not include these component units because they were not required to have OMB Circular A-133 Audits.

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. 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 New Haven, 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 on the City of New Haven, Connecticut's compliance with those requirements.

In our opinion, the City of New Haven, Connecticut complied, in all material respects, with the 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, 2012.

**Internal Control Over Compliance:** Management of the City of New Haven, Connecticut is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of New Haven, Connecticut's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance 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 New Haven, Connecticut's internal control over compliance.

A *deficiency in 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 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, 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.

Our consideration of the 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 deficiencies, 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, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of New Haven, Connecticut as of and for the year ended June 30, 2012, and have issued our report thereon dated February 15, 2013, which contained an unqualified opinion on those financial statements. We did not audit the financial statements of the New Haven Parking Authority, a discretely presented component unit of the City; our audit includes a reference to other auditors. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the City of New Haven, Connecticut's 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 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 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 financial statements or to the 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 financial statements as a whole.

This report is intended solely for the information and use of management, the Board of Aldermen and its Finance Committee, others within the entity, and 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.



New Haven, Connecticut  
February 15, 2013

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
<b>U.S. Department of Agriculture/ Passed through the State of Connecticut</b>			
<b>Department of Education:</b>			
<b>Child Nutrition Cluster:</b>			
National School Lunch Program - 2011	10.555	12060-SDE64370-20560	\$ 2,124,500
National School Lunch Program - 2012	10.555	12060-SDE64370-20560	2,901,550
USDA Commodities-Noncash	10.555	-	506,289
School Breakfast Program - 2011	10.553	12060-SDE64370-20508	1,045,929
School Breakfast Program - 2012	10.553	12060-SDE64370-20508	1,433,043
<b>Total Child Nutrition Cluster</b>			<u>8,011,311</u>
Child Care Food Program - 2011	10.558	12060-SDE64370-20518	96,928
Child Care Food Program - 2012	10.558	12060-SDE64370-20518	173,474
			<u>270,402</u>
Fresh Fruit and Vegetables 2011	10.582	12060-SDE64370-22051	26,056
Fresh Fruit and Vegetables 2012	10.582	12060-SDE64370-22051	37,644
			<u>63,700</u>
Child and Adult Care - Cash in Lieu-2011	10.550	12060-SDE64370-20544	5,059
Child and Adult Care - Cash in Lieu-2012	10.550	12060-SDE64370-20544	9,083
			<u>14,142</u>
<b>Total U.S. Department of Agriculture</b>			<u>8,359,555</u>
<b>U.S. Department of Housing and Urban Development/ Directly Funded:</b>			
Community Development Block Grant	14.218	-	3,761,781
CDBG Program Income	14.218	-	256,073
			<u>4,017,854</u>
Section 108 Income LCI	14.219	-	30
Section 108 Grant Economic Development	14.219	-	165,834
Section 108 Income Economic Development	14.219	-	64
			<u>165,928</u>
UDAG Program Income	14.221	-	25,226
Emergency Shelter Program	14.231	-	193,832
HOME Investment Program	14.239	-	2,381,896
HOME Program Income	14.239	-	140,822
			<u>2,522,718</u>
Homeless Prev Rapid Re-Housing - ARRA	14.262	-	233,287

See Notes to Schedule of Expenditures of Federal Awards.

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued  
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
<b>U.S. Department of Housing and Urban Development/ Directly Funded, Continued:</b>			
Housing Opportunities for People with AIDS	14.241	-	<u>963,801</u>
Lead Paint Abatement Program	14.900	-	<u>1,171,815</u>
<b>Total</b>			<u>9,294,461</u>
<b>Passed through the State of Connecticut</b>			
<b>Office of Economic and Community Development:</b>			
Neighborhood Stabilization - Program and Administration - ARRA	14.256	12060-ECD46400-22324	479,569
Neighborhood Stabilization - Program and Administration - ARRA	14.256	12060-ECD46400-22324	38,608
Community Challenge Planning Grant (HUD) - 2012	14.704	12060-ECD46400-22455	<u>83,053</u>
			<u>601,230</u>
<b>Total U.S. Department of Housing and Urban Development Directly Funded</b>			<u>9,895,691</u>
<b>U.S. Department of Justice/ Directly Funded:</b>			
Federal Surplus Property Program	16.578	-	<u>93,515</u>
Enhancing Police Strategies	16.738	-	1,321
JAG10/Enhancing Police Strategies to Prevent Crime	16.738	-	87,867
JAG 2011	16.738	-	79,623
P.A.S.T.	16.738	-	<u>28,576</u>
			<u>197,387</u>
Law Enforcement Tech Grant - ARRA	16.710	-	265,142
Cops Hiring Recovery 2009 - ARRA	16.710	-	<u>1,903,087</u>
			<u>2,168,229</u>
Prison Re-entry	16.753	-	<u>246,819</u>
<b>Total</b>			<u>2,705,950</u>
<b>Passed through the State of Connecticut</b>			
<b>Office of Public Safety:</b>			
ARRA Drug Task Force	16.738	12060-DPS32523-29078	<u>29,743</u>
Local Law Enforcement Block Grant	16.592	11000-DPS32523-17089	<u>13,988</u>
<b>Total</b>			<u>43,731</u>

See Notes to Schedule of Expenditures of Federal Awards.

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued  
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
<b>U.S. Department of Justice/ Passed through the State of Connecticut Office of Policy and Management:</b>			
Youth Options	16.523	12060-OPM20350-21672	17,036
Jag Recovery 2009 - ARRA	16.738	12060-OPM20350-29002	47,472
<b>Total</b>			<u>64,508</u>
<b>Total U.S. Department of Justice</b>			<u>2,814,189</u>
<b>U.S. Department of Transportation/ Passed through the State of Connecticut Department of Transportation:</b>			
Expanded DUI Enforcement	20.607	12062-DOT57343-22091	200,874
<b>Highway Planning and Construction Cluster:</b>			
Local Bridges	20.205	12062-DOT57161-22108	30,021
Boat house Long Wharf	20.205	12062-DOT57191-22108	996,601
East Rock Rd Bridge 04418	20.205	12062-DOT57191-22108	44,987
Quinnipiac Ave. Reconst. Phase I ARRA	20.205	12062-DOT57161-29105	956,781
Quinnipiac Ave. Reconst. Phase II ARRA	20.205	12062-DOT57161-29105	841,154
Traffic Signal Equip ARRA	20.205	-	2,283,554
Congress Ave Pavement Rehab ARRA	20.205	12062-DOT57161-29015	44,821
Central Control Signal System	20.205	12062-DOT57191-22108	62,529
Rehab of Grand Ave. Bridge	20.205	12062-DOT57191-22108	33,354
<b>Total Highway Planning and Construction Cluster</b>			<u>5,293,802</u>
Airport Improvement Program	20.106	-	1,411,687
<b>Federal Highway Administration:</b>			
CT Clean Fuel Program Grant	20.205	12062-DOT57931-22108	69,220
<b>Total U.S. Department of Transportation</b>			<u>6,975,583</u>
<b>Institute of Museum &amp; Library Services/ Passed through the State of Connecticut State Library:</b>			
Grants to States	45.310	11000-CSL66051-17003	1,594
<b>U.S. Department of Environmental Protection/ Directly Funded:</b>			
Diesel Retrofit Project	66.034	-	104,903

See Notes to Schedule of Expenditures of Federal Awards.

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued  
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
<b>U.S. Department of Environmental Protection, Continued/ Passed through the State of Connecticut Department of Environmental Protection:</b>			
Truck Stop Electrification - ARRA	66.400	DEPM1-0000027285	129,753
56 River Cleanup 2011	66.XXX	BF-97171901-2	795
34 Lloyd St. Cleanup 2011	66.XXX	BF-97171801-2	55,154
10 Wall Str. Brownfields	66.XXX	-	8,350
<b>Total</b>			<u>194,052</u>
<b>Total U.S. Department of Environmental Protection</b>			<u>298,955</u>
<b>U .S. Department of Energy/ Directly Funded:</b>			
Energy Efficiency Block - ARRA	81.128	-	<u>315,841</u>
<b>U .S. Department of Education/ Directly Funded:</b>			
Magnet School Assistance	84.165	-	212,044
Magnet School Assistance	84.165	-	1,257,822
NH Magnet School Assistance 2011	84.165	-	2,241,280
			<u>3,711,146</u>
Volunteer School Choices	84.361	-	1,970,651
Volunteer School Choices	84.361	-	459,174
			<u>2,429,825</u>
Impact Aid Title I	84.040	-	33,527
Impact Aid Title I 2011	84.040	-	7,046
			<u>40,573</u>
Foreign Language Assistance 2011	84.293A	-	166,688
Foreign Language Assistance 2012	84.293A	-	84,380
			<u>251,068</u>
<b>Total</b>			<u>6,432,612</u>
<b>Passed through the State of Connecticut/ Department of Education:</b>			
<b>Title I Cluster:</b>			
Title I - Improving Basic Programs - 2012	84.010	12060-SDE64370-20679	8,230,940
Title I - Improving Basic Programs - 2011	84.010	12060-SDE64370-20679	1,929,464
Title I - School Improvements - 2012	84.010	12060-SDE64370-20679	128,692
Title I Improving Basic Program 11 - ARRA	84.389A	12060-SDE64370-29010	183,188
<b>Total Title I Cluster</b>			<u>10,472,284</u>

See Notes to Schedule of Expenditures of Federal Awards.

(Continued)



CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued  
 For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
<b>U .S. Department of Education, Continued/ Passed through the State of Connecticut</b>			
<b>Department of Education, Continued:</b>			
<b>School Improvement Grant Cluster:</b>			
ARRA - School Improvement - Central Office	84.388	12060-SDE64370-29064	143,780
ARRA - School Improvement - Brennan 11	84.388	12060-SDE64370-29064	421,054
ARRA - School Improvement - Hill Central 11	84.388	12060-SDE64370-29064	431,070
ARRA - School Improvement - Hill House 11	84.388	12060-SDE64370-29064	611,206
ARRA - School Improvement - W Cross 11	84.388	12060-SDE64370-29064	467,235
ARRA - School Improvement - Carryover	84.388	12060-SDE64370-29064	537,281
School Improvement (SCG) Clemente	84.377	12060-SDE64370-22223	642,797
<b>Total School Improvement Cluster</b>			<b>3,254,423</b>
Education of Homeless Children and Youth C/O	84.196	12060-SDE64370-20770	47,400
Educational Technology - ARRA	84.386	12060-SDE64370-29063	9,275
Adult Education - Improvement	84.002	12060-SDE64370-20784	67,200
Title II, Part A, Teachers Training 2012	84.367	12060-SDE64370-20858	1,824,436
Title II, Part A, Teachers Training 2011	84.367	12060-SDE64370-20858	278,814
			<b>2,103,250</b>
<b>Special Education Cluster:</b>			
IDEA Part B, Section 611 - ARRA	84.391	12060-SDE64370-29011	122,035
IDEA Part B, Section 619 Preschool Incentive	84.173	12060-SDE64370-20983	113,665
IDEA Part B, Section 619 Preschool	84.173	12060-SDE64370-20983	26,447
IDEA Part B, Section 611 Handicapped Carryover	84.027	12060-SDE64370-20977	1,289,604
IDEA Part B, Section 611 Entitlement 2012	84.027	12060-SDE64370-20977	4,284,420
IDEA Part B, Section 611 Entitlement - Non Public - 2012	84.027	12060-SDE64370-20977	224,195
<b>Total Special Education Cluster</b>			<b>6,060,366</b>
21st Century Cohort VI sde 09	84.287	12060-SDE64370-20863	94,838
21st Century Cohort VIII 2012	84.287	12060-SDE64370-20863	190,229
21st Century Cohort VIII 2012 sde 07	84.287	12060-SDE64370-20863	193,721
21st Century Cohort VIII 2011	84.287	12060-SDE64370-20863	19,184
21st Century Cohort VIII 2011 SDE07	84.287	12060-SDE64370-20863	24,248
21st Century Cohort VIII 2011 SDE08	84.287	12060-SDE64370-20863	20,035
21st Century Cohort VIII 2012 sde 08	84.287	12060-SDE64370-20863	191,477
21st Century Cohort VI 2011 sde 09	84.287	12060-SDE64370-20863	13,072
21st Century Cohort VII 2012 sde 11	84.287	12060-SDE64370-20863	143,422
21st Century Cohort VII 2011 sde 11	84.287	12060-SDE64370-20863	21,873
			<b>912,099</b>

See Notes to Schedule of Expenditures of Federal Awards.

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued  
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
<b>U .S. Department of Education, Continued/ Passed through the State of Connecticut</b>			
<b>Department of Education, Continued:</b>			
Title III Part A English Language Acquisition - 2012	84.365	12060-SDE64370-20868	300,360
Title III Part A English Language Acquisition - 2011	84.365	12060-SDE64370-20868	88,537
			<u>388,897</u>
Carl Perkins Career & Tech Act - Basic Grants to States	84.048	12060-SDE64370-20742	485,128
Education Jobs Fund	84.410	12060-SDE64370-22405	123,108
Supports for Pregnant and Parenting Teens - 2012	93.500	12060-SDE64370-22439	96,315
Supports for Pregnant and Parenting Teens - 2011	93.500	12060-SDE64370-22439	206,096
			<u>302,411</u>
NSLP Equipment - 2012 - ARRA	10.579	12060-SDE64370-22386	11,786
<b>Total</b>			<u>24,237,627</u>
<b>Total U.S. Department of Education</b>			<u>30,670,239</u>
<b>U.S. Department of Health and Human Services/ Directly Funded:</b>			
Ryan White Formula and Supplement	93.914	-	6,595,879
Head Start Program	93.600	-	6,815,577
<b>Total</b>			<u>13,411,456</u>
<b>Passed through the State of Connecticut</b>			
<b>Department of Social Services:</b>			
Social Services Block Grant (SAGA) 10/1/10 - 9/30/11	93.667	12060-DSS60783-20701	71,666
Social Services Block Grant (SAGA) 10/1/11 - 9/30/12	93.667	12060-DSS60783-20701	133,885
<b>Total</b>			<u>205,551</u>
<b>U.S. Department of Health and Human Services/ Passed through the State of Connecticut</b>			
<b>Department of Public Health:</b>			
School Based Health Clinics	93.994	12060-DPH48832-21531	137,500

See Notes to Schedule of Expenditures of Federal Awards.

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued  
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
<b>U.S. Department of Health and Human Services, Cont'd/ Passed through the State of Connecticut</b>			
<b>Department of Public Health, Continued:</b>			
PHP Emergency Preparedness (Bioterrorism) 8/10/11-8/9/11	93.069	12060-DPH48557-22350	52,101
PHP Emergency Preparedness (Bioterrorism) 8/10/11-8/9/12	93.069	12060-DPH48557-22333	58,446
			<u>110,547</u>
Vaccines - Noncash 7/1/2011-6/30/2012	93.268	-	11,363
Immunization Program 11 1/1/11-12/31/11	93.268	12060-DPH48664-20911	49,926
Immunization Program 1/1/2012-12/31/2012	93.268	12060-DPH48664-20911	49,926
			<u>111,215</u>
Obesity Unintentional Injury	93.991	12060-DPH48558-21530	27,523
AIDS Prevention Education Services 7/1/2011-12/31/2011	93.940	12060-DPH48852-20920	46,500
AIDS Prevention Education Services 7/1/2012-12/31/2012	93.940	12060-DPH48852-22511	36,213
			<u>82,713</u>
<b>Total</b>			<u>469,498</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>14,086,505</u>
<b>U.S. Department of Homeland Security</b>			
<b>Directly Funded:</b>			
Port Security - ARRA 2011	97.116	-	557,971
<b>Passed through the State of Connecticut</b>			
<b>Emergency Management and Homeland Security:</b>			
Emergency Management Performance Grant	97.042	12060-EHS99660-21881	1,300
Boat Equipment	97.056	010P093A	90,494
Dive Equipment	97.056	010P093B	87,010
			<u>178,804</u>
<b>Passed through the State of Connecticut</b>			
<b>Department of Public Safety:</b>			
CBRNE BOAT - Port Security	97.056	12060-DPS32160-22327	823,232
FEMA (Sept. 2011 Storm)	97.036	12060-DPS32985-21891	1,025,428
FEMA Plan Disabled Individuals	97.036	12060-DPS32160-21877	30,000
FEMA Snow Removal	97.036	12060-DPS32985-21891	197,486
			<u>2,076,146</u>
<b>Total U.S. Department of Homeland Security</b>			<u>2,812,921</u>

See Notes to Schedule of Expenditures of Federal Awards.

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued  
 For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
<b>U.S. Economic Development Administration</b>			
<b>Directly Funded:</b>			
River Street MDP Phase II	11.300	-	<u>9,075</u>
<b>National Endowment for the Arts</b>			
<b>Directly Funded:</b>			
Our Town Grant - CFA Storefronts - ARRA	45.024	-	<u>100,000</u>
<b>Total Expenditures of Federal Awards</b>			<u><u>\$ 76,340,148</u></u>

See Notes to Schedule of Expenditures of Federal Awards.

**CITY OF NEW HAVEN, CONNECTICUT**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**For the Year Ended June 30, 2012**

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**Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of New Haven, Connecticut and is presented on the modified accrual/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-Profits Organizations". Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Component Units

The schedule does not include any expenditures of federal awards of the City's discretely presented component units.

**Note 2. Non-Cash Awards**

The City of New Haven's National School Lunch Program receives noncash federal awards in the form of food commodities from the Department of Agriculture. The City also receives noncash federal awards through the U.S. Department of Health and Human Services in the form of vaccines.

Noncash awards are reported in the schedule at the fair market value of the items received and disbursed. The market value of the items issued is included in the Schedule of Expenditures of Federal Awards as follows:

Food Commodities	<u>\$ 506,289</u>
Vaccines	<u>\$ 11,363</u>

**Note 3. Subrecipients**

Of the expenditures presented in the Schedule of Expenditures of Federal Awards and State Financial Assistance, the City provided the following federal awards to subrecipients:

<u>Name of Program/Project</u>	<u>CFDA Number</u>	<u>Amount Provided to Subrecipient</u>
Airport Improvement	20.106	\$1,411,687

**CITY OF NEW HAVEN, CONNECTICUT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2012**

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**I. SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements**

Type of auditor’s report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None reported
- Noncompliance material to financial statements noted?  Yes  No

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None reported

Type of auditor’s 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 OMB Circular A-133?  Yes  No

**Identification of Major Programs**

CFDA Numbers	Name of Federal Program of Cluster
84.361	Volunteer School Choice
84.010/84.389	Title I, Part A Cluster – ARRA
84.027/84.173/84.391	Special Education Cluster – ARRA
20.205	Highway Planning and Construction Cluster – ARRA
84.377/84.388	School Improvement Grant Cluster – ARRA
93.914	Ryan White Formula and Supplement
16.710	COPS Hiring Recovery 2012 – ARRA
14.239	HOME Investment Partnership Program
81.128	Energy Efficiency and Conservation Block Grant - ARRA
97.036	FEMA Disaster Grants – Public Assistance
84.367	Title II, Part A, Teachers Training
84.365	Title III, Part A, English Language Acquisition
84.287	21 <sup>st</sup> Century Cohort

Dollar threshold used to distinguish between type A and type B programs \$2,290,204

Auditee qualified as low-risk auditee?  Yes  No

**II. FINANCIAL STATEMENT FINDINGS**

No matters were reported.

**III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No matters were reported.

**CITY OF NEW HAVEN, CONNECTICUT  
SUMMARY OF PRIOR YEAR AUDIT FINDINGS  
For the Year Ended June 30, 2012**

**Finding IC11-01.**

The City of New Haven corrected the prior year finding.

**Finding IC11-02.**

The City of New Haven corrected the prior year finding.



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH “GOVERNMENT AUDITING STANDARDS”**

To the Honorable Mayor and Members of  
the Board of Aldermen  
New Haven, Connecticut

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of New Haven, Connecticut as of and for the year ended June 30, 2012, which collectively comprise the City of New Haven, Connecticut's basic financial statements, and have issued our report thereon dated February 15, 2013. Our report includes a reference to other auditors. 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. The financial statements of the New Haven Parking Authority were not audited in accordance with the standards applicable to financial audits contained in *Government Auditing Standards*.

**Internal Control Over Financial Reporting:** Management of the City of New Haven, Connecticut is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City of New Haven, Connecticut's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of New Haven, Connecticut's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of New Haven, Connecticut's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, 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 previously.

**Compliance and Other Matters:** As part of obtaining reasonable assurance about whether the City of New Haven, 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*.



We noted certain matters that we reported to management of the City of New Haven, Connecticut in a separate letter dated February 15, 2013.

This report is intended solely for the information and use of management, the Board of Aldermen and its Finance Committee, others within the entity, the Office of Policy and Management and federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*McGladrey LLP*

New Haven, Connecticut  
February 15, 2013



**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE STATE SINGLE AUDIT ACT AND ON THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**

To the Honorable Mayor and Members of  
the Board of Aldermen  
New Haven, Connecticut

**Compliance:** We have audited the compliance of the City of New Haven, Connecticut, with the types of compliance requirements described in the *Office of Policy and Management's Compliance Supplement* that could have a direct and material effect on each of the City of New Haven, Connecticut's major state programs for the year ended June 30, 2012. The City of New Haven, Connecticut's major state programs are 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 each of its major state programs is the responsibility of the City of New Haven, Connecticut's management. Our responsibility is to express an opinion on the City of New Haven, Connecticut's compliance based on our audit.

The City of New Haven, Connecticut's basic financial statements include the financial data of the New Haven Parking Authority and New Haven Solid Waste and Recycling Authority, component units of the City. Our audit, described below, did not include these component units because they were not required to have audits in accordance with the State Single Audit Act.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 – 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the City of New Haven, 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 on the City of New Haven, Connecticut's compliance with those requirements.

In our opinion, the City of New Haven, Connecticut complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2012.

**Internal Control Over Compliance:** Management of the City of New Haven, Connecticut is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the City of New Haven, Connecticut's internal control over compliance with requirements that could have a direct and material effect on a major state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of New Haven, Connecticut's internal control over compliance.

*A deficiency in 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 and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented or detected and corrected, on a timely basis.

Our consideration of the 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 deficiencies, 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 State Financial Assistance:*** We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of New Haven, Connecticut as of and for the year ended June 30, 2012 and have issued our report thereon dated February 15, 2013, which contained an unqualified opinion on those financial statements. We did not audit the financial statements of the New Haven Parking Authority, a discretely presented component unit of the City. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the City of New Haven, Connecticut's financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of the management, Board of Aldermen and its Finance Committee, others within the entity, the Office of Policy and Management, and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



New Haven, Connecticut  
February 15, 2013

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
For the Year Ended June 30, 2012

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures
<b>Office of Policy and Management:</b>		
Local Capital Improvement Program	12050-OPM20600-40254	\$ 2,921,947
Property Tax Relief for Totally Disabled	11000-OPM20600-17011	12,404
Property Tax Relief for Veterans	11000-OPM20600-17024	54,708
Property Tax Relief for Elderly	11000-OPM20600-17018	437,628
State Distressed Municipalities	11000-OPM20600-17016	87,155
Property Tax Elderly Homeowner's Freeze	11000-OPM20600-17021	8,000
PILOT State-Owned Property	11000-OPM20600-17004	4,848,701
PILOT State Colleges and Hospitals	11000-OPM20600-17006	37,384,985
<b>Total Office of Policy and Management</b>		<u>45,755,528</u>
<b>Department of Public Safety:</b>		
State Forfeiture Revolving Fund	12060-DPS32155-35142	<u>66,641</u>
Telecommunications Fund (E-911 Cities) 08/09	12060-DPS32741-35190	635,237
Telecommunications Fund (CMED) FY11	12060-DPS32741-35190	197,546
<b>Total</b>		<u>832,783</u>
<b>Total Department of Public Safety</b>		<u>899,424</u>
<b>Department of Economic and Community Development:</b>		
Tax Abatement Program	11000-ECD46400-17008	<u>177,805</u>
424 Grand Ave. Redemption	2001093021	590
Gateway Project/Macy's	13019-ECD46440-41240	635,921
River ST MDP	13019-ECD46200-41240	9,075
<b>Total</b>		<u>645,586</u>
<b>Total Department of Economic and Community Development</b>		<u>823,391</u>
<b>Department of Environmental Protection:</b>		
Kids 21st Facts	12060-DEP39170-35363	<u>104,905</u>
<b>Department of Public Health:</b>		
Per Capita Funding	11000-DPH48500-17009	145,529
School Based Health Clinics 2011	11000-DPH48500-17019	1,331,067
Tuberculosis Control	11000-DPH48500-16112	63,425
Aids - Prevention Education Services	11000-DPH48852-12100	51,350
Aids - Prevention Education Services	11000-DPH48852-12236	92,021
Sexually Transmitted Diseases	11000-DPH48500-17013	22,959
Syringe Exchange Programs	11000-DPH48500-12100	60,923
<b>Total Department of Public Health</b>		<u>1,767,274</u>

See Notes to Schedule.

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, Continued  
 For the Year Ended June 30, 2012

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures
<b>Department of Transportation:</b>		
Traffic System Modification	12062-DOT57191-22108	32,559
East Rock Rd Bridge	12062-DOT57191-22108	11,247
Boat House Long Wharf	12062-DOT57191-22108	249,150
Farmington Canal Phase 4	12062-DOT57191-22108	165,758
Closed Loop Traffic System	12062-DOT57115-22108	3,585
Farmington Canal Phase 3 Construction Inspection	12062-DOT57191-22108	1,829
Rehab Grand Ave Bridge	12060-DOT57191-22108	3,706
<b>Total</b>		<u>467,834</u>
Gateway Traffic Control	13033-DOT57191-42925	15,809
Town Aid Road Grant-STO	13033-DOT57131-43459	605,470
Ferry Terminal Site-Feasibility	12062-DOT57191-22108	4,979
Airport	1201-5000-026	48,169
TOD - PILOT Program	12052-DOT57343-43313	390,000
<b>Total Department of Transportation</b>		<u>1,532,261</u>
<b>Department of Social Services:</b>		
Child Daycare - Infant and Toddler 12	12060-DSS60794-20699	1,136,490
End Chronic Homeless	11000-DSS60783-16149	14,734
Food Stamp Education	12060-DSS60799-20735	313,484
Nuturing Families Network	11000-DSS60406-12042	214,236
Healthy Start	11000-DSS60521-16105	390,010
<b>Total Department of Social Services</b>		<u>2,068,954</u>
<b>Department of Education:</b>		
Child Nutrition Program Lunch State Match	11000-SDE64370-16211	132,316
Head Start Expansion	11000-SDE64370-16101	212,222
Head Start Enhancement	11000-SDE64370-16106	145,479
Head Start Early Childhood Link	11000-SDE64370-16202	95,625

See Notes to Schedule.

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
For the Year Ended June 30, 2012

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures
<b>Department of Education, Continued:</b>		
Vocational Education Agriculture	11000-SDE64370-17017	547,278
Family Resource Centers Program - Wexler	11000-SDE64370-16110	89,495
Family Resource Centers Program -Brennan	11000-SDE64370-16110	89,750
Family Resource Centers Program - Hill	11000-SDE64370-16110	89,605
<b>Total</b>		<u>268,850</u>
Adult Education Cooperating Eligibility Entity	11000-SDE64370-17030	177,446
Adult Education Provider	11000-SDE64370-17030	4,661,481
Adult Ed Transition PILOT	11000-SDE64370-17030	94,490
<b>Total</b>		<u>4,933,417</u>
Nonpublic Health Services	11000-SDE64370-17034	56,245
Open Choice	11000-SDE64370-17053	358,742
Open Choice Supplemental Program	11000-SDE64370-17053	20,248
		<u>378,990</u>
School Accountability Summer School	11000-SDE64370-17043	390,089
Bilingual Education	11000-SDE64370-17042	206,245
Priority School Districts	11000-SDE64370-17043	6,225,170
Extended School Hours	11000-SDE64370-17043	332,283
School Readiness - Priority School District	11000-SDE64370-17043	7,368,469
Young Parents Program	11000-SDE64370-17044	31,516
Interdistrict Cooperative - Sound Marine	11000-SDE64370-17045	200,000
Interdistrict Cooperative - Sound	11000-SDE64370-17045	131,000
<b>Total</b>		<u>331,000</u>
Youth Service Bureau	11000-SDE64370-17052	123,031
Youth Service Bureau Enhancement	11000-SDE64370-16201	10,000
School Breakfast Program	11000-SDE64370-17046	126,000
School Breakfast Program Public State Match	11000-SDE64370-17046	56,897
		<u>182,897</u>
In Classroom School Breakfast PILOT	11000-SDE64370-17046	5,016
Quality Enhancement	12060-SDE64370-90242	103,173
See Notes to Schedule.		(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, Continued  
 For the Year Ended June 30, 2012

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures
<b>Department of Education, Continued:</b>		
Magnet School Operating (SDE000079)	11000-SDE64370-17057	1,075,640
Magnet School Operating (SDE000080)	11000-SDE64370-17057	2,339,240
Magnet School Operating (SDE000081)	11000-SDE64370-17057	2,856,470
Magnet School Operating (SDE000082)	11000-SDE64370-17057	3,108,640
Magnet School Operating (SDE000083)	11000-SDE64370-17057	899,290
Magnet School Operating (SDE000088)	11000-SDE64370-17057	2,392,040
Magnet School Operating (SDE000093)	11000-SDE64370-17057	2,228,320
Magnet School Operating (SDE000106)	11000-SDE64370-17057	1,073,700
Magnet School Operating (SDE000107)	11000-SDE64370-17057	2,461,110
Magnet School Operating (SDE000111)	11000-SDE64370-17057	1,453,410
Magnet School Operating (SDE000114)	11000-SDE64370-17057	1,120,970
Magnet School Operating (SDE000127)	11000-SDE64370-17057	2,399,160
Magnet School Operating (SDE000128)	11000-SDE64370-17057	2,483,000
Magnet School Operating (SDE000143)	11000-SDE64370-17057	1,403,550
Magnet School Operating (SDE000144)	11000-SDE64370-17057	1,632,850
Magnet School Operating (SDE000146)	11000-SDE64370-17057	2,183,640
Magnet School Operating (SDE000147)	11000-SDE64370-17057	1,553,070
Magnet School Transportation	11000-SDE64370-17057	3,290,300
<b>Total</b>		<u>35,954,400</u>
Healthy Foods Initiative	11000-SDE64370-16212	<u>287,540</u>
After School Program Hill/Central/Ross	11000-SDE64370-17084	<u>118,578</u>
<b>Total Department of Education</b>		<u>58,439,829</u>
<b>Division of Special Revenue:</b>		
Bingo Payments	34003-DSR18309-42350	309
Payment to Town OTB	34004-DSR18307-40001	880,572
<b>Total Division of Special Revenue</b>		<u>880,881</u>
<b>Commission on Fire Prevention &amp; Control:</b>		
Fire Training School - New Haven	11000-FPC36510-16034	<u>45,946</u>
<b>Judicial Branch:</b>		
Distribution to Towns	34001-JUD95162-40001	<u>90,034</u>
<b>Connecticut State Library:</b>		
Connecticard	11000-CSL66051-17010	3,001
Historical Documents Preservation	12060-CSL66094-35150	9,000
Library Service and Tech Competitive-Young Adults	12060-CSL66055-21031	35,000
<b>Total Connecticut State Library</b>		<u>47,001</u>
<b>Department of Education and Services for the Blind:</b>		
Services for the Blind	11000-ESB65020-12060	<u>131,998</u>

See Notes to Schedule.

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, Continued  
 For the Year Ended June 30, 2012

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures
<b>Department of Labor:</b>		
Construction Workforce Initiative - 2011	11000-OWC22000-12108	52,634
Construction Workforce Initiative - 2012	11000-OWC22000-12108	23,442
		<u>76,076</u>
<b>Total Expenditures of State Financial Assistance Before Exempt Programs</b>		<u>112,663,502</u>
<b>Exempt Programs:</b>		
<b>Office of Policy and Management:</b>		
Mashantucket Pequot Grant	12009-OPM20600-17005	6,836,736
Municipal Video Competition Trust Accounting Grant	12060-OPM20600-35362	24,677
Municipal Revenue Sharing	12060-OPM20600-35458	1,086,540
		<u>7,947,953</u>
<b>Department of Education:</b>		
Transportation for School Children - Non-Public	11000-SDE64000-17049	205,347
Transportation for School Children - Public	11000-SDE64000-17027	2,092,803
Education Cost Sharing	11000-SDE64000-17041	142,410,001
Special ED-AG. Placements and Excess Costs	11000-SDE64000-17047	2,485,102
Special ED-AG. Placements and Excess Costs	11000-SDE64000-17047	447,884
Special ED-AG. Placements and Excess Costs	11000-SDE64000-17047	232,359
Special ED-Excess Costs 2012	11000-SDE64000-17047	1,365,588
<b>Total Department of Education</b>		<u>149,239,084</u>
<b>Department of Public Works:</b>		
School Construction Progress Payments 12	13010-DPW27610-40901	5,358,459
School Construction Progress Payments 2012	13010-DPW27610-40901	27,073,208
School Construction - Principal 2012	13010-DPW27610-40901	12,090,323
School Construction - Interest 2011	13009-DPW27610-40896	5,460,669
<b>Total Department of Public Works</b>		<u>49,982,659</u>
<b>Total Exempt Programs</b>		<u>207,169,696</u>
<b>Total Expenditures of State Financial Assistance</b>		<u>\$ 319,833,198</u>

See Notes to Schedule.



## **CITY OF NEW HAVEN, CONNECTICUT**

### **NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE For the Year Ended June 30, 2012**

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Various departments and agencies of the State of Connecticut have provided financial assistance to the City of New Haven, Connecticut, through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. The financial assistance programs fund several programs including education, economic and community development, environmental protection, library, health, public safety, social services, developmental services, emergency management and homeland security and transportation.

#### **Note 1. Summary of Significant Accounting Policies**

The accounting policies of the City of New Haven, Connecticut conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant policies relating to the aforementioned grant programs.

##### Basis of accounting

The Schedule of Expenditures of State Financial Assistance, contained in this report, is prepared based on regulations established by the State of Connecticut Office of Policy and Management. In accordance with these regulations (Section 4-236-22), certain grants are not dependent on expenditure activity, and accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule of Expenditures of State Financial Assistance.

#### **Note 2. Component Units**

The schedule does not include any expenditure of State awards of the City's discretely presented component units.

**CITY OF NEW HAVEN, CONNECTICUT**

**SCHEDULE OF STATE SINGLE AUDIT COMPLIANCE FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2012**

**I. SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued: unqualified

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

**State Financial Assistance**

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes      X   None reported

Type of auditor's report issued on compliance for major programs: unqualified.

- Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act? \_\_\_\_\_ Yes      X   No

The following schedule reflects the major programs included in the State Single Audit.

State Grantor and Program	State CORE-CT Number	Expenditures
<b>Office of Policy and Management:</b>		
Local Capital Improvement Program	12050-OPM20600-40254	\$ 2,921,947
Payment in Lieu of Taxes (PILOT) on Colleges and General Hospitals	11000-OPM20600-17006	37,384,985
Payment in Lieu of Taxes on State-Owned Property	11000-OPM20600-17004	4,848,701
Payment in Lieu of Taxes for Veterans	11000-OPM20600-17024	54,708
Property Tax Relief for Elderly	11000-OPM20600-17018	437,628
Payment in Lieu of Taxes on Exempt Property of Manufacturing Facilities in Distressed Municipalities	11000-OPM20600-17016	87,155
<b>Department of Education:</b>		
Magnet School	11000-SDE64370-17057	35,954,400
School Readiness - Priority District	11000-SDE64370-17043	7,368,469
Dollar threshold used to distinguish between Type A and Type B programs		<u>\$ 2,253,270</u>

**CITY OF NEW HAVEN, CONNECTICUT**

**SCHEDULE OF STATE SINGLE AUDIT COMPLIANCE FINDINGS AND  
QUESTIONED COSTS, Continued  
For the Year Ended June 30, 2012**

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**II. FINANCIAL STATEMENT FINDINGS**

No matters were reported.

**III. STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS**

No matters were reported.