

**McGladrey & Pullen**

Certified Public Accountants

**CITY OF STAMFORD, CONNECTICUT**

**FEDERAL AND STATE FINANCIAL AND COMPLIANCE REPORTS**

**FISCAL YEAR ENDED JUNE 30, 2009**

**CITY OF STAMFORD, CONNECTICUT**

**FEDERAL AND STATE FINANCIAL AND COMPLIANCE REPORTS**

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
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COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND ON THE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

To the Board of Finance  
City of Stamford, Connecticut

**Compliance**

We have audited the compliance of the City of Stamford, 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 each of its major federal programs for the year ended June 30, 2009. The City of Stamford, Connecticut's major federal programs are identified in the summary of 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 Stamford, Connecticut's management. Our responsibility is to express an opinion on the City of Stamford, Connecticut's compliance based on our audit.

The City of Stamford, Connecticut's basic financial statements include the operations of the URC, the Mill River Fund and Old Town Hall Renovation Fund, all component units of the City. Our audit, described below, did not include the operations of these component units.

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. Our audit does not provide a legal determination on the City of Stamford, Connecticut's compliance with those requirements.

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

### **Internal Control Over Compliance**

The management of the City of Stamford, 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 Stamford, Connecticut's internal control over compliance with 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 City of Stamford, 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 non-compliance 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 a 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 an entity's internal control.

Our consideration of the 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 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, the aggregate 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, 2009, and have issued our report thereon dated November 23, 2009. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the City of Stamford, 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 of management and the Board of Finance of the City of Stamford, Connecticut 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 & Pullen, LLP*

New Haven, Connecticut  
November 23, 2009

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2009

| Federal Grantor/Pass-Through<br>Grantor/Program Title         | Federal<br>CFDA<br>Number | Federal<br>Expenditures |
|---|---------------------------|-------------------------|
| <b>U.S. DEPARTMENT OF AGRICULTURE</b>                         |                           |                         |
| Passed Through Connecticut Department of Education            |                           |                         |
| Child Nutrition Cluster                                       |                           |                         |
| Food Distribution - Non cash                                  | 10.555                    | \$ 186,697              |
| School Breakfast Program                                      | 10.553                    | 372,683                 |
| National School Lunch Program                                 | 10.555                    | 1,917,593               |
| <b>Total for Cluster</b>                                      |                           | <u>\$ 2,476,973</u>     |
| Passed Through Connecticut Department of Agriculture          |                           |                         |
| Farmer's Market   | 10.557                    | <u>1,340</u>            |
| Passed Through Connecticut Department of Health               |                           |                         |
| Women, Infants and Children 07/08 2008-0173                   | 10.557                    | 204,168                 |
| WIC Food Benefits Provided - Non cash                         |                           | 3,937,739               |
| Women, Infants and Children 08/09 2008-0173-1                 |                           | <u>478,804</u>          |
|   |                           | <u>4,620,711</u>        |
| <b>Total U.S. Department of Agriculture</b>                   |                           | <u>7,099,024</u>        |
| <b>U.S. FEDERAL EMERGENCY MANAGEMENT AGENCY</b>               |                           |                         |
| Passed Through the Connecticut Office of Emergency Management |                           |                         |
| Emergency Management 08/09                                    | 83.503                    | 47,146                  |
| April 2007 Noreaster FEMA-1700-DR-CT                          | 97.036                    | 17,581                  |
| <b>Total U.S. Federal Emergency Management Agency</b>         |                           | <u>64,727</u>           |
| <b>U.S. DEPARTMENT OF TRANSPORTATION</b>                      |                           |                         |
| Passed Through Federal Transit Administration (FTA)           |                           |                         |
| Federal Transit - Capital Investment Grants                   |                           |                         |
| Urban Transit Way Design CT-03-0112-03                        | 20.500                    | 2,388,464               |
| Urban Transit Way FWHA CT-70-0001-00                          |                           | 4,138,098               |
| Urban Transitway CT-04-0008-00                                |                           | 10,123                  |
| Urban Transitway CT-03-0138-01                                |                           | 248,083                 |
| Urban Transitway STP, CT-90-0403-01                           |                           | 2,469,977               |
| Urban Transitway STP, CT-95-0002-00                           |                           | 252,825                 |
| Train Station Enhancements CT-90-X420-00                      |                           | <u>7,232</u>            |
|   |                           | <u>9,514,802</u>        |
| Passed Through CT Department of Transportation                |                           |                         |
| DUI Enforcement Expanded 08-054AL                             | 20.600                    | 30,655                  |
| DUI Enforcement Expanded 09-154AL                             |                           | 32,551                  |
| Ferry Site Analysis 135-290                                   |                           | <u>17,834</u>           |
|   |                           | <u>81,040</u>           |

(continued)

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2009

| Federal Grantor/Pass-Through<br>Grantor/Program Title         | Federal<br>CFDA<br>Number | Federal<br>Expenditures |
|---|---------------------------|-------------------------|
| <b>U.S. DEPARTMENT OF TRANSPORTATION, Continued</b>           |                           |                         |
| Passed Through CT Department of Transportation, Continued     |                           |                         |
| Farms Rd. Bridge 135-284                                      | 20.500                    | 1,594,103               |
| Studio Rd. Bridge 135-235                                     |                           | 2,010                   |
|   |                           | <u>1,596,113</u>        |
| Passed through the CT Dept. of Environmental Protection       |                           |                         |
| Mianus River Park Trail 2005-5351                             | 20.219                    | 7,350                   |
| <b>Total U.S. Department of Transportation</b>                |                           | <u>11,199,305</u>       |
| <b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>                   |                           |                         |
| Brownfields Cleanup-1 Dock St. BF-97136901-01                 | 86.818                    | 2,037                   |
| Brownfields Assessment grant BF-97184601-0                    |                           | 15,776                  |
|   |                           | <u>17,813</u>           |
| Targeted Lead Reduction                                       | 66.716                    | 14,446                  |
| Passed through the CT Department of Environmental Protection  |                           |                         |
| STAG Mill River Stormwater Management XP-97144201-0           | 66.606                    | 183,261                 |
| <b>Total U.S. Environmental Protection Agency</b>             |                           | <u>215,520</u>          |
| <b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>       |                           |                         |
| CDP-Home Investment - 05/06 M05MC090204                       | 14.239                    | 302,134                 |
| Community Development Block Grant                             |                           |                         |
| Project B-07-MC-09-0014-07/08                                 | 14.218                    | 951,459                 |
| Project B-06-MC-09-0014-06/07                                 |                           | 341                     |
|   |                           | <u>951,800</u>          |
| Passed through Office of Community Planning and Development   |                           |                         |
| Neighborhood Stabilization Program                            |                           | 37,350                  |
| <b>Total U.S. Department of Housing and Urban Development</b> |                           | <u>1,291,284</u>        |
| <b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>           |                           |                         |
| Passed through the Connecticut Department of Public Health    |                           |                         |
| Behavioral Risk Factors 2009-0033                             | 93.991                    | 18,145                  |
| Immunication Expansion Program                                |                           |                         |
| Project 2009-0206 08/09                                       | 93.268                    | 29,343                  |
| Project 2007-0181 07/08                                       |                           | 29,343                  |
|   |                           | <u>58,686</u>           |

(continued)

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued  
 For the Year Ended June 30, 2009

| Federal Grantor/Pass-Through<br>Grantor/Program Title                     | Federal<br>CFDA<br>Number | Federal<br>Expenditures |
|---|---------------------------|-------------------------|
| <b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES, Continued</b>            |                           |                         |
| Passed through the Connecticut Department of Public Health, Continued     |                           |                         |
| Vaccine   | 93.268                    | 53,130                  |
| AIDS Education Risk Reduction<br>Project 2009-0144                        | 93.940                    | 171,350                 |
| Public Health Preparedness and Planning 2008-1008                         | 93.283                    | 13,860                  |
| Public Health Preparedness and Planning 2006-1008-02                      |                           | 68,046                  |
|   |                           | 81,906                  |
| Passed through the Connecticut Department of Social Sciences              |                           |                         |
| Counseling for the Elderly<br>Project 135 SBG 34                          | 93.667                    | 41,452                  |
| Project 135 SBG 33  |                           | 13,156                  |
| Day Care 135 CDC 40   |                           | 714,955                 |
| Day Care 135 CDC 39   |                           | 152,956                 |
|   |                           | 922,519                 |
| Passed through the Southwest Connecticut Agency on Aging                  |                           |                         |
| Senior Health Program<br>Project 08-D12-01                                | 93.043                    | 8,788                   |
| Project 08/09   |                           | 27,193                  |
|   |                           | 35,981                  |
| <b>Total U.S. Department of Health and Human Services</b>                 |                           | 1,341,717               |
| <b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>                               |                           |                         |
| Passed through the CT Dept. of Emergency Management and Homeland Security |                           |                         |
| Homeland Security 2005-GE-T5-0016   | 97.067                    | 90,656                  |
| Homeland Security 2006-GE-T6-0008   |                           | 90,534                  |
| Hazardous Devices School  |                           | 6,968                   |
| <b>Total Department of Homeland Security</b>                              |                           | 188,158                 |
| <b>U.S. DEPARTMENT OF JUSTICE</b>   |                           |                         |
| Passed through The Connection, Inc.                                       |                           |                         |
| Project Safe Neighborhoods 07/08  | 16.609                    | 7,314                   |
| Project Safe Neighborhoods 08/09 080225-0100                              |                           | 10,000                  |
| Project Safe Neighborhoods - 2 08/09                                      |                           | 10,000                  |
|   |                           | 27,314                  |
| Passed through the Office of Violence Against Women                       |                           |                         |
| Arrest Enforcement Program  | 16.590                    | 265,746                 |

(continued)

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued  
 For the Year Ended June 30, 2009

| Federal Grantor/Pass-Through<br>Grantor/Program Title  | Federal<br>CFDA<br>Number | Federal<br>Expenditures |
|--|---------------------------|-------------------------|
| <b>U.S. DEPARTMENT OF JUSTICE, Continued</b>           |                           |                         |
| Passed through the Office of Justice Programs          |                           |                         |
| Justice Assistance 2007DJBX0897                        | 16.592                    | 6,631                   |
| Justice Assistance 2006DJBX0596                        |                           | 775                     |
| Justice Assistance 2005DJBX0390                        |                           | 24,734                  |
|  |                           | <u>32,140</u>           |
| Urban Crime and Community Safety Program               | 16.579                    | <u>36,534</u>           |
| Passed through the Office of COPS                      |                           |                         |
| Technology Initiative 2008CKWX0447                     | 16.710                    | 90,573                  |
| Child Sexual Predator Program 2008CSWX003              |                           | 32,007                  |
|  |                           | <u>122,580</u>          |
| <b>Total U.S. Department of Justice</b>                |                           | <u>484,314</u>          |
| <b>U.S. DEPARTMENT OF EDUCATION</b>                    |                           |                         |
| Passed through the Connecticut Department of Education |                           |                         |
| Education of Handicapped IDEA Part B                   |                           |                         |
| 12060-SDE64370-20977                                   | 84.027                    | 3,060,437               |
| 12060-SDE64370-20983                                   | 84.027                    | 89,461                  |
|  |                           | <u>3,149,898</u>        |
| Title I  |                           |                         |
| 12060-SDE64370-20679                                   | 84.010                    | 2,238,410               |
| 12060-SDE64370-20854                                   | 84.010                    | 261,259                 |
|  |                           | <u>2,499,669</u>        |
| Adult Education  |                           |                         |
| 12060-SDE64370-20784                                   | 84.002                    | <u>195,000</u>          |
| Title V- Innovative Educational Strategies             |                           |                         |
| 12060-SDE64370-20909                                   | 84.298                    | <u>2,799</u>            |
| Carl Perkins Vocational and Applied Tech               |                           |                         |
| 12060-SDE64370-20742                                   | 84.048                    | <u>192,899</u>          |
| Title IV - Safe and Drug Free School and Communities   |                           |                         |
| 12060-SDE64370-20873                                   | 84.186                    | <u>62,719</u>           |
| Title II - Part A Teachers                             |                           |                         |
| 12060-SDE64370-20858                                   | 84.367                    | <u>687,888</u>          |

(continued)

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued  
 For the Year Ended June 30, 2009

| Federal Grantor/Pass-Through<br>Grantor/Program Title                                    | Federal<br>CFDA<br>Number | Federal<br>Expenditures     |
|--|---------------------------|-----------------------------|
| <b>U.S. DEPARTMENT OF EDUCATION, Continued</b>   |                           |                             |
| Passed through the Connecticut Department of Education, Continued                        |                           |                             |
| Title III - Emerging Immigrant Education Program<br>12060-SDE64370-20868                 | 84.365                    | <u>406,300</u>              |
| Title II - D. Enhancing Education Thru Technology<br>12060-SDE64370-20826                | 84.318                    | <u>12,235</u>               |
| 21st Century Community Learning Center<br>12060-SDE64370-20863                           | 84.287                    | <u>161,663</u>              |
| School Improvement<br>12060-SDE64370-22223   | 84.318                    | <u>77,235</u>               |
| <b>Total U.S. Department of Education</b>  |                           | <u><u>7,448,305</u></u>     |
| <b>U.S. DEPARTMENT OF ENERGY</b>   |                           |                             |
| Through the Environmental Protection Agency<br>Waste to Energy Phase 1 DE-FG36-06GO86013 | 81.087                    | <u>406,364</u>              |
| <b>Total Expenditures of Federal Awards</b>  |                           | <u><u>\$ 29,739,118</u></u> |

See Notes to Schedule.

**CITY OF STAMFORD, CONNECTICUT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued  
For the Year Ended June 30, 2009**

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**Notes to Schedule of Expenditures of Federal Awards**

Expenditures

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Stamford 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-Profit Organizations." Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

U.S.D.A. Contributions

The United States Department of Agriculture makes available commodities for donations to schools. The amount of \$187,000 represents the market value of such commodities used during the period.

WIC Food Payments

The United States Department of Agriculture makes non-cash distributions of food vouchers for WIC. The amount of \$3,938,000 represents the market value of such vouchers used during this period.

**CITY OF STAMFORD, CONNECTICUT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2009**

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**I. SUMMARY OF INDEPENDENT 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 that are not considered to be material weaknesses?  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 that are not considered to be material weaknesses?  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 | Program Name or Cluster       |
|--------------|-------------------------------|
| 20.500       | Urban Transit Way             |
| 93.667       | Daycare                       |
| 10.553       | School Breakfast Program      |
| 10.555       | National School Lunch Program |
| 84.010       | Title I                       |

Dollar threshold used to distinguish between type A and type B programs \$892,174

Auditee qualified as low-risk auditee?  Yes  No

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS, Continued  
For the Year Ended June 30, 2009

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II. FINANCIAL STATEMENT FINDINGS

A. Significant Deficiencies in Internal Control

IC09-1. Year-End Closing Procedures

Criteria: - Repeated from 2008

Per the City's accounting policy and procedure manual, the Controller's Office is responsible for closing and reconciling all accounts to the general ledger at year end. The Charter requires a draft audit by September 30, which requires the Controller's Office to complete the file within 6 weeks of the fiscal year-end. Some information is not fully available to the Controller's Office prior to closing the books for the auditors. Subsequent known adjustments such as 60 day receivables, accounts payable and accrued expenditures are prepared by the Controller's Office as the information becomes available.

Condition:

There were several non-client adjustments made to the final trial balance at year end including the following:

- ◆ Recording of deferred revenues
- ◆ Recording of other transactions, including Old Town Hall Redevelopment Authority
- ◆ Recording amounts for GASB 34
- ◆ Recording of debt refunding
- ◆ Recording of fixed assets

Context:

The City did not make all of the appropriate adjustments at year-end.

Cause:

All closing entries were not properly recorded.

Effect:

The financial statements can be misstated.

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS, Continued  
For the Year Ended June 30, 2009

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Recommendation:

We recommend that the City follow its month-end and year-end closing procedures as documented in the accounting policy and procedure manual.

IC09-2.

**Capital Assets**

Criteria: - Repeated from 2008

In order to record, reconcile and depreciate the City's capital assets, a system needs to be in place in which capital asset transactions are properly recorded on a timely basis and properly segregate additions, deletions, transfers from construction in progress and transfers between funds.

Condition:

The City does not have an adequate process in place to segregate additions, deletions, and transfers as well as recognize which expenditures when paid via wire should be recorded as capital assets.

Context:

The capital assets are not always identified when purchased via wire. The capital assets transactions cannot easily be reconciled for financial reporting purposes.

Cause:

The City's policies and procedures manual does not adequately address the control process over recording capital additions, deletions and transfers consistently and preparing necessary reconciliations.

Effect:

Capital asset transactions may not be reported in accordance with generally accepted accounting principles.

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS, Continued  
For the Year Ended June 30, 2009

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Recommendation:

We recommend the City implement a process that will better track capital project additions purchased via wire transfer. The City should implement a process to enter transactions in a manner that allows for segregation of additions, deletions and transfers when preparing periodic reconciliations.

**IC09-3. Old Town Hall Redevelopment Authority**

Criteria:

The City created the Old Town Hall Redevelopment Authority (OTHRA) to obtain funding for the rehabilitation and operations of the City of Stamford Old Town Hall. In order to obtain certain tax credits to fund the rehabilitation, several Limited Liability Corporations (LLC) were created in conjunction with outside entities; the accounting for OTHRA as a blended component unit and its blended component unit LLC entities was complex in nature.

To add to the complexity, the accounting for these entities and associated transactions has been divided between the City's finance division and an external accountant. The complexity of transactions and division of accounting functions requires several adjustments to properly record OTHRA at year end.

Condition:

The City does not have an adequate process in place to properly account for the complex nature of OTHRA's entities. The use of an outside accountant and the City's financial management to account for these entities has resulted in duplicated and unrecorded accounting information.

Context:

Constructed and transferred capital assets and associated debt were not properly recorded for OTHRA.

Cause:

The complexity and nature of the OTHRA transactions and the City's inexperience with these entities.

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS, Continued  
For the Year Ended June 30, 2009

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Effect:

OTHRA transactions were not properly recorded as of June 30, 2009

Recommendation:

We recommend the City implement a policies and procedures to account for OTHRA including a process to properly segregate accounting functions and reporting duties between the external accountant and the City's finance department. These policies and procedures should be created for the finalization of construction and operations of the newly renovated Old Town Hall.

**IC09-4. Debt Refunding**

Criteria:

In order to record bond refunding, policies and procedures need to be in place in which the City calculates and identifies the bond premiums or discounts, gains or losses and bond offering costs to be recorded in conjunction with the refunding.

Condition:

The City does not have an adequate process in place to record premiums, discounts, bond offering costs and gains or losses on debt refunding transactions.

Context:

During fiscal 2009, the City refunded debt and adjustments were necessary to record premiums in accordance with GAAP.

Cause:

The City's policies and procedures manual does not adequately address the process over recording bond refunding.

Effect:

Debt refunding transactions may not be reported in accordance with generally accepted accounting principles.

**CITY OF STAMFORD, CONNECTICUT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, Continued  
For the Year Ended June 30, 2009**

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Recommendation:

We recommend the City implement a process including a checklist and example entries for recording bond refunding entries.

**B. Compliance Findings**

None reported.

**III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

**A. Deficiencies in Internal Control**

None reported.

**B. Compliance Findings**

None reported.

**CITY OF STAMFORD, CONNECTICUT  
SUMMARY OF PRIOR YEAR AUDIT FINDINGS  
For the Year Ended June 30, 2009**

- IC08-1.** Significant Journal Entries - repeated.
- IC08-2.** Capital Assets – repeated.
- IC08-3.** Sewer Usage Billings – resolved.

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

To the Board of Finance  
City of Stamford, Connecticut

We have audited the financial statements of the City of Stamford, Connecticut as of and for the year ended June 30, 2009, and have issued our report thereon dated November 23, 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 City of Stamford, 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 Stamford, Connecticut's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Stamford, Connecticut's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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 combination of control deficiencies, that adversely affects the City of Stamford, Connecticut's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City of Stamford, Connecticut's financial statements that is more than inconsequential will not be prevented or detected by the City of Stamford, Connecticut's internal control. We consider the deficiencies described in the accompanying schedule of findings and responses to be significant deficiencies in internal control over financial reporting (Items IC09-1 – IC09-4).

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.

Our consideration of 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 internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are considered to be material weaknesses. However, we believe that none of the significant deficiencies described above are material weaknesses.

**Compliance and Other Matters:** As part of obtaining reasonable assurance about whether the City of Stamford, 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 Stamford, Connecticut in a separate letter dated November 23, 2009.

This report is intended solely for the information and use of management and the Board of Finance of the City of Stamford, Connecticut 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 & Pullen, LLP*

New Haven, Connecticut  
November 23, 2009

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM, AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH THE STATE SINGLE AUDIT AND ON THE  
SCHEDULE OF AWARDS/EXPENDITURES OF STATE FINANCIAL ASSISTANCE**

To the Board of Finance  
City of Stamford, Connecticut

**Compliance**

We have audited the compliance of the City of Stamford, Connecticut with the types of compliance requirements described in the "Office of Policy and Management Compliance Supplement to the State Single Audit Act" that are applicable to each of its major state programs for the year ended June 30, 2009. The major state programs are identified in the summary of audit results section of the accompanying schedule of state single audit 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 Stamford, Connecticut's management. Our responsibility is to express an opinion on compliance based on our audit.

The City of Stamford, Connecticut's basic financial statements include the operations of the URC, the Mill River Fund and Old Town Hall Renovation Fund, all component units of the City. Our audit, described below, did not include the operations of these component units.

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 to 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 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. Our audit does not provide a legal determination on the City of Stamford, Connecticut's compliance with those requirements.

In our opinion, the City of Stamford, Connecticut complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended June 30, 2009.

## **Internal Control Over Compliance**

The management of the City of Stamford, 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 internal control over compliance with requirements that could have a direct and material effect on a major state 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 City of Stamford, 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 state 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 state program such that there is more than a remote likelihood that non-compliance with a type of compliance requirement of a state 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 a combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a state program will not be prevented or detected by an entity's internal control.

Our consideration of the 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 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 State Financial Assistance**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate 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, 2009 and have issued our report thereon dated November 23, 2009. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the City of Stamford, Connecticut's basic 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 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 of management of the City of Stamford, Connecticut, the Board of Finance, 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 & Pullen, LLP*

New Haven, Connecticut  
November 23, 2009

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

For the Year Ended June 30, 2009

| State Grantor Pass-Through<br>Grantor Program Title                   | State Grant<br>Program<br>CORE-CT<br>Number | State<br>Awards/<br>Expenditures |
|---|---|----------------------------------|
| <b>DEPARTMENT OF EDUCATION</b>  |   |                                  |
| Priority School District  | 11000-SDE64370-17043                        | \$ 2,872,510                     |
| Health Services - Non-Public  | 11000-SDE64370-17034                        | 350,735                          |
| School Readiness & Child Care in Priority School Districts            | 11000-SDE64370-17043                        | 3,649,907                        |
| Quality Enhancement   | 12060-SDE64370-90242                        | 82,398                           |
| Adult Education   | 11000-SDE64370-17030                        | 1,513,248                        |
| Interdistcic Cooperative  | 11000-SDE64370-17045                        | 66,347                           |
| Youth Services Bureau   | 11000-SDE64370-17052                        | 59,930                           |
| Youth Services Bureau   | 11000-SDE64370-17052                        | 10,000                           |
| Child Nutrition State Matching Grant                                  | 11000-SDE64370-16072                        | 48,513                           |
| Bilingual Education   | 11000-SDE64370-17042                        | 185,775                          |
| Extended School Hours and Support Program                             | 11000-SDE64370-17043                        | 264,199                          |
| School Accountability - Summer School                                 | 11000-SDE64370-17043                        | 308,997                          |
| After School Program  | 11000-SDE64370-17084                        | 149,945                          |
| Magnet School operating   | 11000-SDE64370-17057                        | 2,498,320                        |
| State School Breakfast  | 11000-SDE64370-17046                        | 67,904                           |
| ECS Accountability Priorities   | 11000-SDE64370-17041                        | 63,658                           |
|   |   | 12,192,386                       |
| <b>OFFICE OF POLICY AND MANAGEMENT</b>                                |   |                                  |
| Payment in Lieu of Taxes on Private Colleges and<br>General Hospitals | 11000-OPM20600-17012                        | 2,647,240                        |
| Distressed Municipality   | 11000-OPM20600-17016                        | 1,131,229                        |
| Property Tax Relief for Elderly and Totally Disabled Homeowners       | 11000-OPM20600-17018                        | 364,045                          |
| Manufacturing Machinery and Equipment                                 | 11000-OPM20600-17031                        | 547,611                          |
| Property Tax Relief for Veterans                                      | 11000-OPM20600-17024                        | 13,069                           |
| Elderly Freeze  | 11000-OPM20600-17021                        | 14,301                           |
| Local Capital Improvements  | 12050-OPM20600-40254                        | 786,289                          |
|   |   | 5,503,784                        |
| <b>DEPARTMENT OF SOCIAL SERVICES</b>                                  |   |                                  |
| Day Care Program 135-CDC-40   | 12060-DSS60752-17022                        | 703,076                          |
| Day Care Program 135-CDC-39   | 12060-DSS60752-17022                        | 702,756                          |
| Old Town Hall 135-NF-14A2   | 11000-DSS60000-Various                      | 27,082                           |
| Municipal Agent Funding Project                                       | N/A   | 8,450                            |
| Dental Improvement Initiative 135-DEN-01                              | N/A   | 31,655                           |
|   |   | 1,473,019                        |
| <b>DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT</b>               |   |                                  |
| Old Town Hall 2005-135-001  | 13019-ECD46000-41240-094                    | 2,993,578                        |
| Tax Abatement Program 135-TA-Various                                  | 11000-ECD46400-17008-038                    | 333,951                          |
| Payment in Lieu of Taxes 135-PILOT-38                                 | 11000-ECD46400-17012-039                    | 315,565                          |
| Bartlett Arboretum  | 13019-ECD46000-41240-094                    | 69,060                           |
|   |   | 3,712,154                        |

(continued)

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, Continued  
 For the Year Ended June 30, 2009

| State Grantor Pass-Through<br>Grantor Program Title  | State Grant<br>Program<br>CORE-CT<br>Number | State<br>Awards/<br>Expenditures |
|--|---|----------------------------------|
| <b>STATE LIBRARY BOARD</b>                           |   |                                  |
| Historic Document Preservation 135-PC-07             | 10000-CSL66051-21017                        | 17,000                           |
| <b>DEPARTMENT OF PUBLIC SAFETY</b>                   |   |                                  |
| Telecommunications Fund/ 911 Enhancement             | 12060-DPS32740-35190                        | 225,813                          |
| <b>DEPARTMENT OF PUBLIC HEALTH</b>                   |   |                                  |
| Sexually Transmitted Diseases 2007-0062-2 08/09      | 11000-DPH48500-17013                        | 28,657                           |
| Sexually Transmitted Diseases 2007-0062 07/08        | 11000-DPH48500-17013                        | 56                               |
| AIDS Prevention 2009 - 0144                          | 11000-DPH48500-12236                        | 112,643                          |
| AIDS Syringe Exchange 2009 - 0144                    | 11000-DPH48500-12100                        | 2,067                            |
| AIDS Syringe Exchange 2009 - 0144                    | 11000-DPH48500-12100                        | 39,488                           |
| Behavioral Risk Factors/Preventive Health Services   | 11000-DPH48500-10020                        | 2,600                            |
| Tuberculosis Treatment 2007-0062 - 2                 | 11000-DPH48500-16112                        | 16,494                           |
| Tuberculosis Treatment 2007 - 0062 - 2               | 11000-DPH48500-17009                        | 49,481                           |
| Per Capita Grant                                     | 11000-DPH48500-10020                        | 145,681                          |
| Immunization 2009 - 0206 08/09                       | 11000-DPH48500-12236                        | 14,834                           |
| Immunization 2007 - 0181 07/08                       | 12052-DPH48500-40362                        | 15,343                           |
|  |   | <u>427,344</u>                   |
| <b>DEPARTMENT OF TRANSPORTATION</b>                  |   |                                  |
| Town Aid Highway Fund                                | 12001-DOT57131-17036                        | 588,723                          |
| Local Bridge Program - Cold Spring Rd. Bridge        | 12001-DOT57161-42313                        | 3,064                            |
| Click it or Ticket                                   | N/A   | 6,975                            |
| Elderly and Disabled Responsive Transportation 07/08 | 176-2697                                    | 33,504                           |
| Elderly and Disabled Responsive Transportation 08/09 | N/A   | 6,090                            |
|  |   | <u>638,356</u>                   |
| <b>DEPARTMENT OF JUDICIAL SERVICES</b>               |   |                                  |
| Motor Vehicle Fines                                  | 34001-JUD95162-40001                        | 31,045                           |
| <b>STATE COMPTROLLER'S OFFICE</b>                    |   |                                  |
| Boat Registration Reimbursement                      | 12027-OSC15910-40211                        | 104,924                          |
| Mashantucket Pequot Grant                            | 11000-OPM20600-16053                        | 952,812                          |
| Payment in Lieu of Taxes on State Owned Property     | 11000-OPM20600-17004                        | 1,761,020                        |
|  |   | <u>2,818,756</u>                 |
| Through the Connecticut Firemen's Association        |   |                                  |
| Fire Training School 08/09                           | 12037-OSC15910-00000                        | 46,164                           |
| Fire Training School 07/08                           | N/A   | 1,981                            |
|  |   | <u>48,145</u>                    |
| <b>Total State Comptroller's Office</b>              |   | <u>2,866,901</u>                 |

(continued)

**CITY OF STAMFORD, CONNECTICUT**

**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, Continued  
For the Year Ended June 30, 2009**

| State Grantor Pass-Through<br>Grantor Program Title                | State Grant<br>Program<br>CORE-CT<br>Number | State<br>Awards/<br>Expenditures |
|--|---|----------------------------------|
| <b>CONNECTICUT COMMISSION ON CULTURE AND TOURISM</b>               |   |                                  |
| Boyle Stadium Renovation CT-CIA--HRF-27                            | 12060-CAT45241-73001                        | 48,000                           |
| <b>CONNECTICUT DEPARTMENT OF ENVIRONMENTAL PROTECTION</b>          |   |                                  |
| Cove Island Estuarian Habitat CSAP-2005-01                         | 12060-DEP43000-Various                      | 378,349                          |
| Scalzi Playground Equipment CUAP 2008-17                           | 13019-DEP44420-64004                        | 35,000                           |
| Springdale Elementary School Equipment CUAP 2008-14                | N/A   | 100,000                          |
| Cummings Park Seawall and Pedestrian Pathway CSAP-2005-05          | N/A   | 4,721                            |
|  |   | <u>518,070</u>                   |
| <b>DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES</b>          |   |                                  |
| Local Prevention Council   | 11000-MHA53000-12215                        | 4,380                            |
| <b>DEPARTMENT OF PUBLIC HEALTH</b>                                 |   |                                  |
| Through the CT Assoc. Directors of Health (CADH)                   |   |                                  |
| Bio-terrorism Laboratory Development                               | N/A   | 600                              |
| Lead Poisoning Prevention and Control 2009-1500                    | N/A   | 5,863                            |
|  |   | <u>6,463</u>                     |
| <b>CT CHILDREN'S TRUST FUND</b>                                    |   |                                  |
| PLTI Program   | 11000-CTF94000-12042                        | 22,000                           |
|  |   | <u>22,000</u>                    |
| <b>Total State Financial Assistance Before<br/>Exempt Programs</b> |   | <u>27,686,715</u>                |
| <b>EXEMPT PROGRAMS</b>   |   |                                  |
| <b>DEPARTMENT OF EDUCATION</b>                                     |   |                                  |
| Education Cost Sharing   | 11000-SDE64370-17041                        | 7,345,570                        |
| Transportation of School Children                                  | 11000-SDE64370-17027                        | 156,263                          |
| Nonpublic School Transportation                                    | 11000-SDE64370-17049                        | 42,199                           |
| School Construction Projects-Principal                             | 13010-SDE64370-40901                        | 769,949                          |
| School Construction Projects-Interest                              | 13009-SDE64370-40896                        | 252,698                          |
| School Construction Progress-Payments                              | 13010-SDE64370-40901                        | 25,361,473                       |
| Magnet School Transportation                                       | 11000-SDE64370-17057                        | 36,400                           |
| Special Education - Agency Placements I and Excess Cost            | 11000-SDE64370-17047                        | 2,377,364                        |
| <b>Total Exempt Programs</b>                                       |   | <u>36,341,916</u>                |
| <b>Total State Financial Assistance</b>                            |   | <u>\$ 64,028,631</u>             |

See Notes to Schedule.

**CITY OF STAMFORD, CONNECTICUT**

**NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
For the Year Ended June 30, 2009**

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Various departments and agencies of the State of Connecticut have provided financial assistance to the City of Stamford through grants and other authorizations in accordance with the General Statutes of the State of Connecticut.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the City of Stamford, 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 financial statements for the governmental fund types contained in the City of Stamford, Connecticut's basic financial statements are prepared on the modified accrual basis of accounting. The financial statements for the business-type activities are prepared on the full accrual basis of accounting.

The Schedule of Expenditures of State Financial Assistance, contained in this report, is also prepared on the modified accrual basis of accounting while amounts relating to the business-type activities are reported on the full accrual basis of accounting and 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 as awards in the awards/expenditures column of the Schedule of Expenditures of State Financial Assistance.

As a result, certain classifications of revenue and expenditures under accounting principles generally accepted in the United States of America differ from classifications utilized for the Schedule of Expenditures of State Financial Assistance.

**2. LOAN PROGRAMS**

In accordance with Section 4-236-23(a)(4)(F) of the Regulations to the State Single Audit Act, the notes to the Schedule of Expenditures of State Financial Assistance shall include loans and loan activities. The following is a summary of the various loan program activity for the year ended June 30, 2009.

CITY OF STAMFORD, CONNECTICUT

NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, Continued  
For the Year Ended June 30, 2009

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*Department of Environmental Protection*

Clean Water Funds 21104-OTT14230-4001

|       | Balance<br>July 1, 2008 | Issued      | Retired             | Balance<br>June 30, 2009 |
|-------|-------------------------|-------------|---------------------|--------------------------|
| 117-C | \$ 876,263              | \$ -        | \$ 136,560          | \$ 739,703               |
| 375-C | 370,920                 | -           | 43,214              | 327,706                  |
| 414-D | 2,291,635               | -           | 170,708             | 2,120,927                |
| 414-D | 64,237,216              | -           | 3,168,724           | 61,068,492               |
|       | <u>\$ 67,776,034</u>    | <u>\$ -</u> | <u>\$ 3,519,206</u> | <u>\$ 64,256,828</u>     |

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF STATE SINGLE AUDIT COMPLIANCE FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2009

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I. SUMMARY OF INDEPENDENT AUDITOR'S AUDIT 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 that are not considered to be material weaknesses?  Yes  None reported
- Noncompliance material to financial statements noted?  Yes  No

**State Financial Assistance**

Internal control over major programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?  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 4-236-24 of the Regulations to the State Single Audit Act?  Yes  No

**CITY OF STAMFORD, CONNECTICUT**

**SCHEDULE OF STATE SINGLE AUDIT COMPLIANCE FINDINGS AND QUESTIONED COSTS, Continued  
For the Year Ended June 30, 2009**

The following schedule reflects the major state programs included in the audit:

| State Grantor and Program                                | State CORE-CT<br>Number  | State<br>Expenditures |
|--|--------------------------|-----------------------|
| Priority School District                                 | 11000-SDE64370-17043     | \$ 2,872,510          |
| Health Services - Non-Public                             | 11000-SDE64000-17034     | 350,735               |
| School Readiness   | 11000-SDE64000-14043     | 3,649,907             |
| Adult Education  | 11000-SDE64370-17030     | 1,513,248             |
| School Accountability - Summer School                    | 11000-SDE64370-17043     | 308,997               |
| Magnet School Operating                                  | 11000-SDE64370-17057     | 2,498,320             |
| Payment in Lieu of Taxes on Private Colleges & Hospitals | 11000-OPM20600-17012     | 2,647,240             |
| Distressed Municipalities                                | 11000-OPM20600-17016     | 1,131,229             |
| Property Tax Relief for Elderly & Disabled Homeowners    | 11000-OPM20600-17018     | 364,045               |
| Manufacturing Machinery and Equipment                    | 11000-OPM20600-17031     | 547,611               |
| Local Capital Improvements                               | 11000-OPM20600-40254     | 786,289               |
| Day Care Program   | 12060-DSS60752-17022     | 703,076               |
| Day Care Program   | 12060-DSS60752-17022     | 702,756               |
| Old Town Hall  | 13019-ECD46000-41240-094 | 2,993,578             |
| Tax Abatement Program 135-TA-Various                     | 11000-ECD46400-17008-038 | 333,951               |
| Payment in Lieu of Taxes                                 | 11000-ECD46400-17012-039 | 315,565               |
| Town Aid Highway Fund                                    | 12001-DOT57131-17036     | 588,723               |
| Mashantucket Pequot Grant                                | 11000-OPM20600-16053     | 952,812               |
| Payment in Lieu of Taxes on State Owned Property         | 11000-OPM20600-17004     | 1,761,020             |
| Cove Island Estuarian Habitat CSAP-2005-01               | 12060-DEP43000-Various   | 378,349               |

**II. FINANCIAL STATEMENT FINDINGS**

- We issued reports, dated November 23, 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 four matters that we consider to be significant deficiencies.

**CITY OF STAMFORD, CONNECTICUT**

**SCHEDULE OF STATE SINGLE AUDIT COMPLIANCE FINDINGS AND QUESTIONED COSTS, Continued  
For the Year Ended June 30, 2009**

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

**A. Deficiencies in Internal Control**

None reported.

**B. Compliance Findings**

None reported.

**IV. SUMMARY OF PRIOR YEAR AUDIT FINDINGS**

**A. Internal Controls Over Compliance**

None reported.

**B. Compliance Findings**

None reported.