

# **City of Norwalk, Connecticut**

Federal and State Compliance Reports  
Year Ended June 30, 2017

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RSM US LLP

**Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

**Independent Auditor's Report**

To the Honorable Mayor and  
Members of the Common Council  
City of Norwalk, Connecticut

**Report on Compliance for Each Major Federal Program**

We have audited City of Norwalk, Connecticut's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2017. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

## **Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 22, 2017 which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*RSM US LLP*

New Haven, Connecticut  
December 22, 2017

**City of Norwalk, Connecticut**

**Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2017**

Federal Grantor Pass-Through Grantor Program Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
<b>U.S. Department of Agriculture</b>			
Passed through the State of Connecticut			
Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	12060-SDE64370-20508	\$ 346,240
National School Lunch Program	10.555	12060-SDE64370-20560	2,756,203
Summer Food Service Program for Children	10.559	12060-SDE64370-20548	109,248
<b>Total</b>			<u>3,211,691</u>
Passed through the State of Connecticut			
Department of Health Services:			
Special Supplemental Food Program for Women, Infants and Children (WIC)	10.557	12060-SDE64370-20508	208,138
WIC Food Benefits Grants to State - Non Cash	10.557	N/A	1,233,090
<b>Total</b>			<u>1,441,228</u>
<b>Total U.S. Department of Agriculture</b>			<u>4,652,919</u>
<b>U.S. Department of Housing and Urban Development</b>			
Direct Program:			
Community Development Block Grants/Entitlement Grants	14.218	N/A	<u>773,837</u>
<b>U.S. Department of Justice</b>			
Direct Program:			
Drug Seizure Fund	16.578	N/A	73,552
Police Overtime Reimbursements	16.710	N/A	476
Bullet Proof Vest Partnership Grant	16.607	N/A	5,749
Organized Crime Drug Enforcement Task Force	16.710	N/A	10,420
Norwalk JAG Local Pass-Through Project	16.738	N/A	38,164
<b>Total</b>			<u>128,361</u>
Passed through the State Department of			
Office Policy and Management:			
Juvenile Justice and Delinquency Prevention	16.540	12060-OPM20350-21676	8,787
Byrne Criminal Justice Innovation Program	16.817	12060-OPM20350-21921	109,572
<b>Total</b>			<u>118,359</u>
<b>Total U.S. Department of Justice</b>			<u>246,720</u>
<b>Department of the Interior</b>			
Direct Program:			
Refuge Revenue Sharing	15.227	N/A	<u>25,335</u>

(Continued)

**City of Norwalk, Connecticut**

**Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2017**

Federal Grantor Pass-Through Grantor Program Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
<b>U.S. Department of Education</b>			
Passed through the State of Connecticut			
Department of Education:			
Title I Part A Cluster:			
Title I Grants to Local Education Agencies - 14/16	84.010A	12060-SDE64370-20679	\$ 831,821
Title I Grants to Local Education Agencies - 15/17	84.010A	12060-SDE64370-20679	<u>1,216,529</u>
<b>Total</b>			<u>2,048,350</u>
English Language Acquisition State Grants	84.365	12060-SDE64370-20868	<u>61,158</u>
Career and Technical Education - Basic Grants to States	84.048A	12060-SDE64370-20742	<u>142,946</u>
Special Education Cluster:			
Special Education - Preschool Grants	84.173A	12060-SDE64370-20983	48,255
Special Education - Grants to States 14/16	84.027A	12060-SDE64370-20977	208,007
Special Education - Grants to States 15/17	84.027A	12060-SDE64370-20977	<u>1,342,918</u>
<b>Total</b>			<u>1,599,180</u>
English Language Acquisition Grants - 14/16	84.365A	12060-SDE64370-20868	115,589
English Language Acquisition Grants - 15/17	84.365A	12060-SDE64370-20868	<u>132,582</u>
<b>Total</b>			<u>248,171</u>
Improving Teacher Quality State Grants - 14/16	84.367A	12060-SDE64370-20858	189,220
Improving Teacher Quality State Grants - 15/17	84.367A	12060-SDE64370-20858	<u>48,893</u>
<b>Total</b>			<u>238,113</u>
<b>Total U.S. Department of Education</b>			<u>4,337,918</u>
<b>U.S. Department of Homeland Security</b>			
Passed through the State of Connecticut			
Department of Emergency Services and Public Protection:			
Port Security Grant Program	97.056	12060-DPS32160-22327	14,354
Emergency Management Program Grant	97.042	12060-DPS32160-21881	<u>84,535</u>
			<u>98,889</u>

(Continued)

**City of Norwalk, Connecticut**

**Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2017**

Federal Grantor Pass-Through Grantor Program Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
<b>U.S. Department of Health and Human Services</b>			
Passed through the State of Connecticut			
Department of Public Health:			
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds	93.758	12060-DPH48558-22664	\$ 25,460
Childhood Immunization Grants	93.268	12060-DPH48664-20911	116,150
Public Health Emergency Preparedness Grant	93.069	12060-DPH48558-22333	96,920
Epidemiologic Research Studies of Acquired Immunodeficiency	93.943	12060-DPH48665-22670	79,187
<b>Total</b>			<u>317,717</u>
Office of Early Childhood:			
Head Start	93.600	12060-OEC64841-26155	913,081
<b>Total U.S. Department of Health and Human Services</b>			<u>1,230,798</u>
<b>U.S. Department of Transportation</b>			
Passed through the State of Connecticut			
Department of Transportation:			
Highway Planning and Construction Cluster:			
West Avenue Pedestrian Improvement Project	20.205	12062-DOT57161-22108	20,096
Perry Ave. Bridge over Norwalk River	20.205	12062-DOT57191-22108	1,863,783
James St. Bridge over Silvermine River	20.205	12062-DOT57191-22108	6,636
<b>Total</b>			<u>1,890,515</u>
National Priority Safety Programs	20.616	12062-DOT57513-22600	32,545
<b>Federal Emergency Management Agency</b>			
Passed through the State of Connecticut			
Harzard Mitigation	97.039	12060-DPS32983-22519	26,922
<b>Total U.S. Department of Transportation</b>			<u>1,949,982</u>
Direct Program:			
Expanded DUI Enforcement Program	20.500	N/A	55,756
<b>Total U.S. Department of Transportation</b>			<u>2,005,738</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 13,372,154</u>

N/A = Not Applicable.

See Notes to Schedule of Expenditures of Federal Awards.

## City of Norwalk, Connecticut

### Notes to Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2017

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#### **Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the City of Norwalk, Connecticut (the City) under programs of the federal government for the year ended June 30, 2017. The information in this Schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in fund balance, changes in net position or cash flows of the City.

#### **Note 2. Summary of Significant Accounting Principles**

Expenditures reported on the Schedule are reported using the modified accrual basis of accounting for governmental funds and the accrual basis of accounting for government-wide reporting and proprietary funds. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

#### **Note 3. Noncash Awards**

**United States Department of Agriculture contributions:** The United States Department of Agriculture makes available commodities for donations to schools. The amount of \$274,543 represents the market value of such commodities used during the period. This amount is included in the Child Nutrition Cluster within the National School Lunch Program.

**Women, Infants and Children (WIC) food payments:** The United States Department of Agriculture makes noncash distributions of food vouchers for WIC. The amount of \$1,233,090 represents the market value of such vouchers used during this period.

#### **Note 4. Indirect Cost Rate**

The City has not elected to use the 10 percent de minimus indirect cost rate allowed under the Uniform Guidance because, at this time, they do not have any grants which require application of an overhead rate.

#### **Note 5. Subrecipients**

The City does not provide any federal funds to subrecipients for the year ended June 30, 2017.



**City of Norwalk, Connecticut**

**Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2017**

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II. Financial Statement Findings

No matters to report.

III. Federal Awards Findings and Questioned Costs

No matters to report.

**City of Norwalk, Connecticut**

**Summary of Prior Year Audit Findings  
For the Year Ended June 30, 2017**

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There were no findings in the prior year.

**Report on Internal Control Over Financial Reporting and on Compliance and Other  
Matters Based on an Audit of Financial Statements Performed in Accordance with  
Government Auditing Standards**

**Independent Auditor's Report**

To the Honorable Mayor and  
Members of the Common Council  
City of Norwalk, Connecticut

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Norwalk, Connecticut (the City) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 22, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*RSM US LLP*

New Haven, Connecticut  
December 22, 2017

**Report on Compliance for Each Major State Program;  
Report on Internal Control over Compliance; and Report on the Schedule of  
Expenditures of State Financial Assistance Required by the State Single Audit Act**

**Independent Auditor's Report**

To the Honorable Mayor and  
Members of the Common Council  
City of Norwalk, Connecticut

**Report on Compliance for Each Major State Program**

We have audited the City of Norwalk, Connecticut's (the City) compliance 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's major state programs for the year ended June 30, 2017. The City's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its state programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the City's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the City's compliance.

**Opinion on Each Major State Program**

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2017.

### **Report on Internal Control over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program 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's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act**

We have audited the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon dated December 22, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City'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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

*RSM US LLP*

New Haven, Connecticut  
December 22, 2017

**City of Norwalk, Connecticut**

**Schedule of Expenditures of State Financial Assistance  
For the Year Ended June 30, 2017**

State Grantor Pass-Through Grantor Program Title	State Grant Program CORE-CT Number	Expenditures
<b>Connecticut State Library</b>		
Connecticard Payment	11000-CSL66051-17010	1,575
		<u>1,575</u>
<b>Department of Education</b>		
Family Resource Center	11000-SDE64370-16110	206,000
Adult Education	11000-SDE64370-17030	79,529
Non-Public Health Services	11000-SDE64370-17034	29,805
Bilingual Education	11000-SDE64370-17042	121,445
Priority School District	11000-SDE64370-17043-82052	4,284,105
Magnet School - Transportation	11000-SDE64370-17057	306,800
Youth Services Bureau	11000-SDE64370-17052	53,485
School Accountability - Summer School	11000-SDE64370-17043-82055	251,730
State School Breakfast	11000-SDE64370-17046	55,270
Child Nutrition State Matching Grant	11000-SDE64370-16211	50,359
Healthy Food Grant	11000-SDE64370-16212	102,088
Magnet School - Operating	11000-SDE64370-17057	1,292,159
Extended School Hours	11000-SDE64370-17043-82054	213,544
Youth Services Bureau - Enhancement	11000-SDE64370-16201	7,550
Low Performing Schools	12052-SDE64370-43539	13,490
Commissioner's Network	11000-SDE64370-12547	120,000
Education Cost Sharing - Alliance District Funding	11000-SDE64370-17041-82164	1,235,209
		<u>8,422,568</u>
<b>Office of Policy and Management</b>		
Property Tax Relief - Elderly Circuit Breakers	11000-OPM20600-17018	429,129
Property Tax Relief - Private Colleges and Hospitals	11000-OPM20600-17004	31,982
Payment in Lieu of Taxes (PILOT) on State-Owned Property	11000-OPM20600-17006	1,471,056
Property Tax Relief for Elderly Homeowners - Freeze Program	11000-OPM20600-17021	8,000
Property Tax Relief for Veterans	11000-OPM20600-17024	3,374
PILOT on Exempt Property of Manufacturing Facilities in Distressed Municipalities	11000-OPM20600-17016	183,658
Property Tax Relief - Disabled	11000-OPM20600-17011	3,397
Municipal Grants-in-Aid	12052-OPM20600-43587	402,915
		<u>2,533,511</u>

(Continued)

**City of Norwalk, Connecticut**

**Schedule of Expenditures of State Financial Assistance (Continued)  
For the Year Ended June 30, 2017**

State Grantor Pass-Through Grantor Program Title	State Grant Program CORE-CT Number	Expenditures
<b>Department of Transportation</b>		
Town Aid Road Grants	12052-DOT57131-43455-34005	\$ 894,294
Click it or Ticket	12062-DOT57513-22600	5,808
Safe Routes to School Program-Strawberry Hill Ave Tienrey St	12DOT 0299AA	91,219
		<u>991,321</u>
<b>Department of Economic and Community Development</b>		
Urban Act Grant-Waypointe Development	13019-ECD46440-41240	<u>236,082</u>
<b>Department of Energy and Environmental Protection</b>		
Operations and Maintenance of Norwalk Visitors Dock	12060-DEP43760-20954	7,199
Ina Clark Comm Garden/Urban Green & Community Garden	2011-11249	19,483
Oak Hills Park Improvements	CPAP 2015-05	907,461
Oyster Shell Park CUAP 2007-10	2009-9069	23,948
		<u>958,091</u>
<b>Judicial Department</b>		
Littering Fines	34001-JUD95162-40001	95
Motor Vehicle Violation Surcharge	34001-JUD95162-40001	37,620
Motor Vehicle Fines - Cell Phone	34001-JUD95162-40001	19,238
		<u>56,953</u>
<b>Department of Emergency Services and Public Protection</b>		
State Asset Forfeiture Revolving Fund	12060-DPS32155-35142	38,848
State 911 Enhancement	12060-DPS32181-35190	195,858
		<u>234,706</u>
<b>Department of Revenue Services</b>		
Connecticut Income Tax Reimbursement	N/A	62,675
Payments to Municipalities - Off-Track Betting	34003-DRS16442-18010	128,080
		<u>190,755</u>
<b>Department of Consumer Protection</b>		
Bingo Payments	34003-DCP39930-42350	<u>90</u>
<b>State Comptroller and Teasuarer</b>		
Nitrogen Credit Exchange Program	21016-OTT-14230-42407	<u>351,824</u>

(Continued)

**City of Norwalk, Connecticut**

**Schedule of Expenditures of State Financial Assistance (Continued)  
For the Year Ended June 30, 2017**

State Grantor Pass-Through Grantor Program Title	State Grant Program CORE-CT Number	Expenditures
<b>Department of Public Health</b>		
Lead Poisoning Prevention	11000-DPH48852-12126	\$ 16,406
Per Capita Grant	11000-DPH48558-17009	90,116
Connecticut Vaccine Program	11000-DPH48500-12563	3,739
Sexually Transmitted Disease	12004-DPH48500-17013	13,764
		<u>124,025</u>
<b>Office of Early Childhood</b>		
School Readiness and Child Care Grant	11000-OEC64845-17101	5,176,356
School Readiness Quality Enhancement	11000-OEC64845-17097	50,282
<b>Total Office of Early Childhood</b>		<u>5,226,638</u>
<b>Department of Administrative Services</b>		
ECS Alliance District Construction	12052-DAS27635-43651	1,055,470
<b>Total State Financial Assistance Before Exempt Programs</b>		<u>20,383,609</u>
<b>Exempt Programs</b>		
<b>Office of Policy and Management</b>		
Municipal Revenue Sharing Grant	12002-OPM20600-17102	3,401,590
Grants to Towns	12009-OPM20600-17005	816,834
		<u>4,218,424</u>
<b>Department of Education</b>		
Education Cost Sharing	11000-SDE64370-17041-82010	10,124,108
Special Education - Excess Costs	11000-SDE64730-17047	4,729,867
<b>Total Department of Education</b>		<u>14,853,975</u>
<b>Total Exempt Programs</b>		<u>19,072,399</u>
<b>Total State Financial Assistance</b>		<u>\$ 39,456,008</u>

N/A = Not Applicable.

See Notes to Schedule of Expenditures of State Financial Assistance.

**City of Norwalk, Connecticut**

**Notes to Schedule of Expenditures of State Financial Assistance  
For the Year Ended June 30, 2017**

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The accompanying schedule of expenditures of State Financial Assistance (the Schedule) includes state grant activity of the City of Norwalk, Connecticut (the City) under programs of the State of Connecticut (the State) for the fiscal year ended June 30, 2017. Various departments and agencies of the State have provided financial assistance to the City through grants and other authorizations in accordance with the General Statutes of the State. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to, and does not, present the financial position, changes in fund balance, and changes in net position or cash flows of the City.

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

The accounting policies of the City 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.

The information in the Schedule is presented based upon regulations established by the State's Office of Policy and Management.

**Basis of accounting:** The expenditures reported on the Schedule are reported on the modified accrual basis of accounting for governmental funds and the accrual basis of accounting for proprietary funds. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, 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.

**Note 2. Loan Programs**

In accordance with Section 426-23(a)4(f) of the regulations to the State Single Audit Act, the notes to the Schedule shall include loans and loan activities. The following is a summary of the loan program activity for the year ended June 30, 2017:

**Department of Energy and Environmental Protection**

*Clean Water Funds 21044-OTI4230-4001*

Balance July 1, 2016	Issued	Retired	Balance June 30, 2017
\$ 27,867,770	\$ -	\$ 3,810,734	\$ 31,678,504

**City of Norwalk, Connecticut**

**Schedule of State Single Audit Findings and Questioned Costs  
For the Year Ended June 30, 2017**

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I. Summary of Auditor's Results

*Financial Statements*

Type of auditor's report issued: unmodified.

Internal control over financial reporting:

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

*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: unmodified.

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 major programs included pursuant to the State Single Audit:

State Grantor and Program	State CORE-CT Number	Expenditures
Department of Education: Priority School District	11000-SDE64370-17043-82052	\$ 4,284,105
Office of Early Childhood: School Readiness and Child Care Grant	11000-OEC64845-17101	\$ 5,176,356
Office of Policy and Management: Payment in Lieu of Taxes (PILOT) on State-Owned Property	11000-OPM20600-17006	\$ 1,471,056
Department of Administrative Services ECS Alliance District Construction	12052-DAS27635-43651	\$ 1,055,470
Dollar threshold used to distinguish between type A and type B programs		<u>\$ 407,672</u>

**City of Norwalk, Connecticut**

**Schedule of State Single Audit Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2017**

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II. Financial Statement Findings:

No matters to report.

III. State Financial Assistance Findings and Questioned Costs

No matters to report.

**City of Norwalk, Connecticut**

**Summary of Prior Year Audit Findings  
For the Year Ended June 30, 2017**

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There were no findings in the prior year.