

TOWN OF HAMDEN, CONNECTICUT

FEDERAL AND STATE
SINGLE AUDIT REPORTS

June 30, 2023

TOWN OF HAMDEN, CONNECTICUT

FEDERAL AND STATE SINGLE AUDIT REPORTS June 30, 2023 TABLE OF CONTENTS

	<u>Page Number</u>
<u>Financial Statements</u>	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1-2
<u>Federal Single Audit</u>	
Independent Auditor's Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance	3-5
Schedule of Expenditures of Federal Awards	6-7
Notes to the Schedule of Expenditures of Federal Awards	8
Schedule of Findings and Questioned Costs	9-11
Summary Schedule of Prior Years Audit Findings	12
<u>State of Connecticut Single Audit</u>	
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	13-15
Schedule of Expenditures of State Financial Assistance	16-17
Notes to the Schedule of Expenditures of State Financial Assistance	18
Schedule of Findings and Questioned Costs	19-20

CLERMONT

ACCOUNTANTS • ADVISORS

Clermont & Associates, LLC
301 Highland Avenue
Waterbury CT 06708

Main: 203-758-6658
Fax: 203-758-6758

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

To The Legislative Council
Town of Hamden, Connecticut
Hamden, Connecticut 06518

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Hamden, Connecticut, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Hamden, Connecticut's basic financial statements, and have issued our report thereon dated December 29, 2023.

Report on Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 and therefore, material weaknesses may exist that have not been identified. 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 or significant deficiencies in internal control over financial reporting may exist that were not identified.

Report on Compliance and other Matters

As part of obtaining reasonable assurance about whether the Town of Hamden, Connecticut's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Hamden, Connecticut's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CLERMONT & ASSOCIATES, LLC

Waterbury, Connecticut

A handwritten signature in black ink that reads "Clermont & Associates, LLC". The signature is written in a cursive, flowing style.

December 29, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Legislative Council
Town of Hamden, Connecticut
Hamden, Connecticut 06518

Report on Compliance for Each Federal Program

Opinion on Each Major Federal Program

We have audited the Town of Hamden, Connecticut's 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 Town of Hamden, Connecticut's major federal programs for the year ended June 30, 2023. The Town of Hamden, Connecticut's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Town of Hamden, Connecticut, 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, 2023.

Basis for Opinion on Each Federal Program

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 Controller 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance sections of our report.

We are required to be independent of the Town of Hamden and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town of Hamden's compliance with the compliance requirements referred to above.

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 Town of Hamden, Connecticut's compliance.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Town of Hamden's federal programs.

Auditor's Responsibilities for the Audit for Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town of Hamden's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the Town of Hamden's compliance with the requirements of each federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we;

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures included examining, on a test basis, evidence regarding The Town of Hamden's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town of Hamden's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Town of Hamden's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 the internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

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

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Hamden, Connecticut, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise of the Town of Hamden, Connecticut's basic financial statements. We issued our report thereon dated December 29, 2023, 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 the 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.

CLERMONT & ASSOCIATES, LLC

Waterbury, Connecticut

A handwritten signature in black ink that reads "Clermont & Associates, LLC". The signature is written in a cursive, flowing style.

December 29, 2023

TOWN OF HAMDEN, CONNECTICUT

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through C.F.D.A. Federal Grantor/Program Title Number Expenditures	Pass-Through Number	C.F.D.A.	Expenditures	Passed Through
U.S. Department of Agriculture:				
<i>Passed Through the State of Connecticut</i>				
<i>Department of Education:</i>				
National School Breakfast Program	12060-SDE64370-20508	10.553	\$ 621,275	
National School Lunch Program	12060-SDE64370-20560	10.555	1,874,093	
Summer Food Service Program	12060-SDE64370-20540	10.559	66,704	
Summer Food Service Program	12060-SDE64370-20548	10.559	5,590	
Supply Chain Assistance Fund	12060-SDE64370-23126	10.5xx	135,087	
P-EBT Local Level Administrative Cost Grant	12060-SDE64370-29802	10.5xx	8,787	
Fresh Fruits and Vegetables Program	12060-SDE64370-22051	10.582	60,485	
Total U.S. Department of Agriculture			\$ 2,772,021	-
U.S. Department of Education:				
<i>Passed Through the State of Connecticut</i>				
<i>Department of Education:</i>				
IDEA-Part B, Section 611 Grants to State 2022	12060-SDE64370-20977	84.027	\$ 58,522	
IDEA-Part B, Section 611 Grants to State 2023	12060-SDE64370-20977	84.027	1,717,775	
IDEA-Part B, Section 619 Preschool Grants - ARP 2023	12060-SDE64370-23083	84.027X	365,355	
IDEA-Part B, Section 619 Preschool Grants 2022	12060-SDE64370-20983	84.173	38,127	
IDEA-Part B, Section 619 Preschool Grants 2023	12060-SDE64370-20983	84.173	5,711	
IDEA-Part B, Section 619 Preschool Grants - ARP 2023	12060-SDE64370-29684	84.173X	2,141	
Title I - Grants to Local Education Agencies 2022	12060-SDE64370-20679	84.010	194,448	
Title I - Grants to Local Education Agencies 2023	12060-SDE64370-20679	84.010	1,184,044	
Title II Improvements to Teachers Quality 2022	12060-SDE64370-20858	84.367	70,227	
Title II Improvements to Teachers Quality 2023	12060-SDE64370-20858	84.367	52,194	
Adult Basic Education 2022	12060-SDE64370-20784	84.002	90,000	
Title III - Part A - English Language Acq. 2022	12060-SDE64370-20868	84.365	41,948	
Title III - Part A - English Language Acq. 2022	12060-SDE64370-20868	84.365	6,482	
Title III - Part A - English Language Acq. 2023	12060-SDE64370-20868	84.365	2,900	
Title III - Part A - English Language Acq. 2023	12060-SDE64370-20868	84.365	6,000	
Student Support and Enrichment 2022	12060-SDE64370-22854	84.424	50,037	
Student Support and Enrichment 2023	12060-SDE64370-22854	84.424	8,240	
Elementary and Secondary School Emerge. Relief I 2020	12060-SDE64370-29571	84.425D	172,349	
Elementary and Secondary School Emerge. Relief II 2021	12060-SDE64370-29571	84.425D	120,000	
Elementary and Secondary School Emerge. Relief II - 2021	12060-SDE64370-29571	84.425D	1,559,638	
Elementary and Secondary School Emerge. Relief II - Dyslexia 2021	12060-SDE64370-29571	84.425D	20,800	
Elementary and Secondary School Emerge. Relief II - State Set-Aside 2021	12060-SDE64370-29571	84.425D	117,674	
Elementary and Secondary School Emerge. Relief II - Family Resource 2021	12060-SDE64370-29571	84.425D	11,796	
Elementary and Secondary School Emerge. Relief II - Special Populations 2021	12060-SDE64370-29571	84.425D	25,000	
Elementary and Secondary School Emerge. Relief - ARP 2021	12060-SDE64370-29636	84.425U	4,822,927	
Elementary and Secondary School Emerge. Relief - ARP FASFA 2021	12060-SDE64370-29636	84.425U	7,020	
Elementary and Secondary School Emerge. Relief - HCY 2021	12060-SDE64370-29650	84.425W	20,358	
Career and Technical Education 2023	12060-SDE64370-20742	84.048	98,502	
Total U.S. Department of Education			\$ 10,870,215	-
U.S. Department of the Treasury:				
<i>Passed Through the State of Connecticut Department of Education:</i>				
State and Local Fiscal Recovery Funds - School Readiness	12060-SDE64370-28227	21.027	64,720	
State and Local Fiscal Recovery Funds - Free Meals for Students	12060-SDE64370-28105	21.027	669,767	
Total U.S. Department of the Treasury			\$ 734,487	-
U.S. Department of Housing and Urban Development:				
<i>Direct Funding:</i>				
Community Development Block Grant/Entitlement Grants	-	14.218	\$ 10,256	
U.S. Department of Health and Human Services				
<i>Passed Through the State of Connecticut</i>				
<i>Secretary of the State:</i>				
Help America Vote Act	12060-SOS12500-21465	93.618	\$ 17,451	

See Notes to Schedule.

(continued)

TOWN OF HAMDEN, CONNECTICUT

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through C.F.D.A. Federal Grantor/Program Title Number Expenditures	Pass-Through Number	C.F.D.A.	Expenditures	Passed Through
U.S. Department of Transportation:				
<i>Passed Through the State of Connecticut</i>				
<i>Department of Transportation:</i>				
National Priority Safety Program	12062-DOT57191-22600	20.616	\$ 51,048	
Highway Planning and Construction	12062-DOT57161-22108	20.205	50,286	
Total U.S. Department of Transportation			\$ 101,334	-
U.S. Department of Federal Emergency Management Agency:				
<i>Passed Through the State of Connecticut</i>				
<i>Department of Public Safety:</i>				
Public Assistance	12060-DPS32990-21891	97.036	\$ 60,172	
U.S. Department of Justice				
<i>Passed Through the State of Connecticut</i>				
<i>Office of Policy and Management:</i>				
Byrne Memorial Grant Program 2005	12060-OPM20350-21921	16.738	\$ 11,115	
U.S. Department of Homeland Security:				
<i>Passed Through the State of Connecticut</i>				
<i>Department of Public Safety:</i>				
State Homeland Security	12060-DPS32160-27550	97.067	1,000	
Total U.S. Department of Homeland Security			\$ 1,000	
Total Federal Awards			\$ 14,578,051	-

See Notes to Schedule.

TOWN OF HAMDEN, CONNECTICUT

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended June 30, 2023

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the Town of Hamden under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of operations of the Town of Hamden, Connecticut, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Town of Hamden, Connecticut.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance and/or OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments* wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

Note 3 – Indirect Cost Recovery

The Town of Hamden, Connecticut did not recover its indirect costs using the 10% de minimis direct cost rate provided under Section 200.41, of the Uniform Guidance rules.

TOWN OF HAMDEN, CONNECTICUT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2023**

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

Federal Awards

Internal Control Over Major Programs:

- Material weakness(es) identified? _____ yes x no
- Significant deficiency(ies) identified? x yes _____ 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 2 CFR Section
200.516(a) are reported in this Schedule? _____ yes x no

Identification of major programs:

<u>C.F.D.A. Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010 84.027 & 84.173	Title I - Grants to Local Education Agencies Special Education Cluster

Dollar threshold used to distinguish
between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? x yes _____ no

TOWN OF HAMDEN, CONNECTICUT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2023

II. FINANCIAL STATEMENT FINDINGS

No findings required to be reported.

TOWN OF HAMDEN, CONNECTICUT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2023**

III. FEDERAL AWARDS FINDINGS

No findings required to be reported.

TOWN OF HAMDEN, CONNECTICUT

SUMMARY SCHEDULE OF PRIOR YEARS FINDINGS

June 30, 2023

FEDERAL AWARDS FINDINGS

Finding - 22-01 Community Service Department – Administration & Procedures

Grantor – United States Department of Housing and Urban Development

Passthrough Entity – n/a

Program Name – Community Development Block Grant/Entitlement Grant

CFDA Number - 14.218

Type of Finding: Significant Deficiency in Internal Control over Compliance

Criteria – The Town of Hamden is required to accurately administer and monitor community development grant programs, which includes having properly maintained files for every project with applications, invoices, grant-draws, supporting documentations, financial reports, and quarterly cash on hand submissions.

Current Status of Finding – Corrected Action Taken

CLERMONT

ACCOUNTANTS • ADVISORS

Clermont & Associates, LLC
301 Highland Avenue
Waterbury CT 06708

Main: 203-758-6658
Fax: 203-758-6758

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 Legislative Council
Town of Hamden, Connecticut
Hamden, Connecticut 06518

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Town of Hamden, Connecticut's 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 Town of Hamden, Connecticut's major state programs for the year ended June 30, 2023. The Town of Hamden, Connecticut's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Town of Hamden, Connecticut, 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, 2023.

Basis for Opinion on Each State Program

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance sections of our report.

We are required to be independent of the Town of Hamden, Connecticut and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of Town of Hamden, Connecticut's compliance with the compliance requirements referred to above.

Management's Responsibility

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Town of Hamden, Connecticut's state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Town of Hamden, Connecticut's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted 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) will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Town of Hamden, Connecticut's compliance with the requirements of each state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, we;

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures included examining, on a test basis, evidence regarding Town of Hamden, Connecticut's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Town of Hamden, Connecticut's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Town of Hamden, Connecticut's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 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, each major fund, and the aggregate remaining fund information of the Town of Hamden, Connecticut as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Hamden, Connecticut's basic financial statements. We have issued our report thereon dated December 29, 2023, 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 Town of Hamden, Connecticut's basic financial statements. The accompanying Schedule of Expenditures of State Financial Assistance is presented for the 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 taken as a whole.

CLERMONT & ASSOCIATES, LLC

Waterbury, Connecticut



December 29, 2023

TOWN OF HAMDEN, CONNECTICUT

**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2023**

State Grantor/Pass-Through Grantor/Program Title	State Core-CT Identification Number	Expenditures	Passed Through
Department of Education:			
Child Nutrition State Match	11000-SDE64370-16211	\$ 23,522	
Adult Education	11000-SDE64370-17030	657,877	
Health Foods Initiative	11000-SDE64370-16212	44,719	
Family Resource Center	11000-SDE64370-16110	101,725	
State School Breakfast	11000-SDE64370-17046	26,620	
Non-Public Health Services	11000-SDE64370-17034	132,888	
Talent Development	11000-SDE64370-12552	6,827	
Non Sheff Transportation	11000-SDE64370-12632	23,400	
Commissioner's Network	11000-SDE64370-12547	805,000	
Education Cost Sharing - Alliance District	11000-SDE64000-17041-82164	9,847,342	
Bilingual Education	11000-SDE64370-17042	15,705	
Total Department of Education		\$ 11,685,625	-
Department of Family and Children Services:			
Youth Services Bureau	11000-SDE64370-17052	\$ 32,390	
Youth Services Bureau - Enhancement	11000-SDE64370-16201	12,991	-
Total Department of Family and Children Services		\$ 45,381	-
Department of Transportation:			
Town Aid Road Grants - STO	13033-DOT57131-43459	\$ 334,055	
Town Aid Road Grants - Municipal	12052-DOT57131-43455	334,056	
Total Department of Transportation		\$ 668,111	-
Office of Policy and Management:			
Municipal Special Purposes and Projects	12052-OPM20600-43587	\$ 286,689	
Local Capital Improvement Program	12050-OPM20600-40254	1,306,000	
Property Tax Relief for Veterans	11000-OPM20600-17024	111,360	
Property Tax Relief - Disabled	11000-OPM20600-17011	11,359	
Payment in Lieu of Taxes - State Owned Property	11000-OPM20600-35691	1,453,352	
Payment in Lieu of Taxes - Private Colleges & Hospitals	11000-OPM20600-17111	5,378,353	
Total Office of Policy and Management		\$ 8,547,113	-
Connecticut State Library:			
Document Preservation Grant	12060-CSL66094-35150	7,500	
Connecticard Payments	11000-CSL66051-17010	\$ 4,233	
Total Connecticut State Library		\$ 11,733	-
Office of Early Childhood:			
Early Childhood Program	11000-OEC64845-16274	\$ 903,515	903,515
Early Childhood Program - Infant and Toddler Expansion	11000-OEC64841-16274	38,250	
Early Childhood Program - Infant and Toddler Expansion Facility	11000-OEC64841-16274	225,000	
Early Childhood Program - COLA	11000-OEC64841-16274	7,793	
School Readiness Quality Enhancement	11000-OEC64845-16158	3,881	
Wage Supports for Early Childhood Educators	11000-OEC64806-12639	151,345	
Total Office of Early Childhood		\$ 1,329,784	903,515
Department of Public Safety:			
State 911 Enhancement	12060-DPS32741-35190	\$ 251,103	
Total Department of Public Safety		\$ 251,103	-
Total State Financial Assistance Before Exempt Programs		\$ 22,538,850	903,515

See Notes to Schedule.

(continued)

TOWN OF HAMDEN, CONNECTICUT

**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2023**

State Grantor/Pass-Through Grantor/Program Title	State Core-CT Identification Number	Expenditures	Passed Through
<u>Exempt Programs</u>			
Office of Policy and Management:			
Mashantucket Pequot and Mohegan Fund Grant	12009-OPM20600-17005	\$ 725,946	
Municipal Transit Grant	11000-OPM20600-17103	7,677,027	
Municipal Stabilization Grant	11000-OPM20600-17104	1,646,236	
Municipal Revenue Sharing	11000-OPM20600-17102	1,446,491	
Total Office of Policy and Management		\$ 11,495,700	-
Department of Education:			
Education Cost - Sharing	11000-SDE64000-17041	\$ 23,053,740	
Excess Cost - Student Based	11000-SDE64000-17047	2,796,230	
Total Department of Education		\$ 25,849,970	-
Total Exempt Programs		\$ 37,345,670	-
Total State Financial Assistance		\$ 59,884,520	903,515

See Notes to Schedule.

TOWN OF HAMDEN, CONNECTICUT

NOTES TO THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE FOR THE YEAR ENDED JUNE 30, 2023

The accompanying Schedule of Expenditures of State Financial Assistance includes state grant activity of the Town of Hamden, Connecticut under programs of the State of Connecticut for the fiscal year ended June 30, 2023. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs including education, public safety, and general government services.

1. Summary of Significant Accounting Policies

The accounting policies of the Town of Hamden, Connecticut conform to accounting principles generally accepted in the United States of America as applicable to governments.

The information in the Schedule of Expenditures of State Financial Assistance is presented based upon regulations established by the State of Connecticut Office of Policy and Management.

Basis of Accounting

The financial statements contained in the Town's annual audit report are prepared on the modified accrual basis. The following is a summary of such basis:

Revenues are recognized when earned and available. Certain grants are recognized based on grant award since they are considered entitlement grants; other grants, such as grants that are dependent upon expenditure factor for determining eligibility, recognize grant revenue to the extent of expenditures.

Expenditures are recorded when the related liability is incurred. Encumbrances are reflected as a reserve against fund balance, and accordingly, are not reflected as expenditures.

The Schedule of Expenditures of State Financial Assistance, contained in this report, is prepared based on regulations established by the State of Connecticut Office of Policy and Management. In accordance with 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 expenditure column of the Schedule of Expenditures of State Financial Assistance.

TOWN OF HAMDEN, CONNECTICUT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

I. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued: **Unmodified**

Internal Control Over Financial Reporting:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ none reported

Noncompliance material to financial statements
noted?

☐ yes ☒ no

State Financial Assistance

Internal Control Over Major Programs:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ none reported

Type of auditor's report issued on compliance for major programs: **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 ☒ no

TOWN OF HAMDEN, CONNECTICUT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

<u>State Grantor and Program</u>	<u>State Core – CT Number</u>	<u>Expenditures</u>
Department of Education		
Education Cost Sharing – Alliance District	11000-SDE64000-17041-82164	\$ 9,847,342
Commissioner's Network	11000-SDE64370-12547	805,000
Office of Policy and Management		
Tiered PILOT	11000-OPM20600-17111	5,378,353
Tiered PILOT - MRSA	11000-OPM20600-35691	1,453,352
Office of Policy and Management		
School Readiness Competitive Municipalities	11000-OEC64845-16274	903,515

Dollar threshold used to distinguish type A and type B programs: \$ 433,000

II. FINANCIAL STATEMENTS FINDINGS

- We issued reports, dated December 29, 2023 on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
- Our report on compliance indicated no reportable instances of noncompliance.
- Our report on internal control over financial reporting indicated no significant deficiencies or material weaknesses.

III. STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

No findings or questioned costs are reported relating to State Financial Assistance Programs.