

# **Town of Greenwich, Connecticut**

Federal and State Financial and Compliance Report  
Fiscal Year Ended June 30, 2015

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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 OMB Circular A-133**

**Independent Auditor's Report**

Board of Estimate and Taxation  
Town of Greenwich

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

We have audited the Town of Greenwich, Connecticut's (the Town) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Town's major federal programs for the year ended June 30, 2015. The Town'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Town'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 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 Town'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 Town's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the Town 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, 2015.

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

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town'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 OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town'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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

## **Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

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 Town of Greenwich, Connecticut, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town of Greenwich, Connecticut's basic financial statements. We issued our report thereon dated December 14, 2015, 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 OMB Circular A-133 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 14, 2015

Town of Greenwich, Connecticut

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2015

Federal Grantor Pass-Through Grantor Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. Department of Agriculture</b>			
Passed through the State of Connecticut			
Department of Education:			
Child Nutrition Cluster:			
School Breakfast	10.553	12060-SDE64370-20508	\$ 33,139
National School Lunch Program	10.555	12060-SDE64370-20560	493,072
<b>Total Child Nutrition Cluster</b>			<u>526,211</u>
<b>Total U.S. Department of Agriculture</b>			<u>526,211</u>
<b>Department of Homeland Security</b>			
Passed through the State of Connecticut			
Emergency Management and Homeland Security:			
2012 Port Security Grant - Reimb from City of Stamford	97.056	EMW-2012-PU-00464	19,914
2013 Port Security Grant	97.056	EMW-2013-PU-00467	135,466
Hazard Mitigation Grant	97.039	12060-DPS32983-22519	242,496
FEMA	97.042	12060-EHS99660-21881	60,360
<b>Total Department of Homeland Security</b>			<u>458,236</u>
<b>U.S. Department of Education</b>			
Passed through the State of Connecticut			
Department of Education:			
Title I Cluster:			
Title I - Grants 13-15	84.010A	12060-SDE64370-20679	282,290
Title I - Grants 14-16	84.010A	12060-SDE64370-20679	711,792
<b>Total Title I Cluster</b>			<u>994,082</u>
Special Education Cluster:			
Special Education - Grants to States 13-15	84.027A	12060-SDE64370-20977	33,890
Special Education - Preschool Grants 14-16	84.027A	12060-SDE64370-20983	47,582
Special Education - Grants to States 14-16	84.173A	12060-SDE64370-20977	2,062,312
Special Education - Preschool Grants 13-15	84.173A	12060-SDE64370-20983	623
<b>Total Special Education Cluster</b>			<u>2,144,407</u>
Career and Technical Education - Basic Grants to State	84.048A	12060-SDE64370-20742	41,655
English Language Acquisition 13-15	84.365A	12060-SDE64370-20868	11,371
English Language Acquisition 14-16	84.365A	12060-SDE64370-20868	51,331
			<u>62,702</u>
Improving Teacher Quality State Grants 13-15	84.367A	12060-SDE64370-20858	82,174
Improving Teacher Quality State Grants 14-16	84.367A	12060-SDE64370-20858	35,229
<b>Total Title II</b>			<u>117,403</u>
<b>Total U.S. Department of Education</b>			<u>3,360,249</u>

(Continued)

Town of Greenwich, Connecticut

Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2015

Federal Grantor Pass-Through Grantor Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. Department of Housing and Urban Development</b>			
Direct Program:			
Community Development Block Grant	14.218	N/A	\$ 700,680
<b>Total CDBG-State-Administered Small Cities Program Cluster</b>			<u>700,680</u>
<b>U.S. Department of Public Health</b>			
Passed through the State Department of Public Health:			
Public Health Emergency Preparedness	93.069	12060-DPH48557-22333	51,819
Ebola Active Monitoring	93.074	12060-DPH48557-22712	1,000
PPHF Grant	93.758	12060-DPH48558-22664	8,022
<b>Total U.S. Department of Public Health</b>			<u>60,841</u>
<b>U.S. Department of Transportation</b>			
Passed through State Department of Transportation:			
Highway Planning and Construction Cluster:			
Highway Planning and Construction	20.205	12062-DOT57931-22108	1,352,029
<b>Total Highway Planning and Construction Cluster</b>			<u>1,352,029</u>
Highway Safety Cluster:			
Discretionary Safety Grants	20.614	12062-DOT57513-20559	2,511
Alcohol Traffic Safety Grants	20.601	12062-DOT57343-22091	36,218
<b>Total Highway Safety Cluster</b>			<u>38,729</u>
<b>Total U.S. Department of Transportation</b>			<u>1,390,758</u>
<b>Total expenditures of federal awards</b>			<u>\$ 6,496,975</u>

See Notes to Schedule of Expenditures of Federal Awards.

**Town of Greenwich, Connecticut**

**Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2015**

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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 Town of Greenwich, Connecticut (the Town) under programs of the federal government for the year ended June 30, 2015. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in net position or cash flows of the Town.

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

Expenditures reported on the Schedule are reported using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in 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.

**Note 3. Noncash Awards**

**Vaccines:** The United States Department of Public Health makes non-cash distributions of vaccines. The amount of \$8,602 represents the fair value of such vaccines used during the period.

**Town of Greenwich, Connecticut**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2015**

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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?   X   Yes        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?        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 510(a) of OMB Circular A-133?        Yes   X   No

*Identification of Major Programs*

CFDA Numbers	Name of Federal Program or Cluster
84.027A/84.173A	Special Education Cluster
14.218	CDBG
10.553/10.555/10.556/10.559	Child Nutrition Cluster
20.205/20.219/23.003	Highway Planning and Construction Cluster

Dollar threshold used to distinguish between type A and type B programs           \$ 300,000          

Auditee qualified as low-risk auditee?   X   Yes        No



**Town of Greenwich, Connecticut**

**Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2015**

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II. Financial Statement Findings

**SDIC 15-1. Payroll Process**

**Criteria:**

In order to maintain the proper internal controls, the Town and Board of Education should have proper segregation of duties for all material financial activities.

**Condition:**

Currently, the Town and Board of Education payroll clerks have the ability to change employee pay rates. In addition, the payroll register is not reviewed and approved prior to the payroll being processed.

**Context:**

Systemic in nature.

**Cause:**

Controls should be established to enable proper segregation of duties for all functional areas for these departments.

**Effect:**

The lack of proper controls and segregation of duties increases the risk of error, fraud, misappropriation of assets and inaccurate financial reporting.

**Recommendation:**

We recommend that to improve segregation of duties and adequacy of internal controls over the payroll process, incompatible responsibilities must be segregated between employees and that the Town's and Board of Education's policies be revised to reassign responsibilities to properly segregate duties in the payroll process.

**Corrective Action Plan:**

We will put the Town payroll technicians in a view only access mode for job data that will not allow access to touch salary and work on a data flow and clarify ownership

III. Federal Award Findings and Questioned Costs

No matters were reported.

**Town of Greenwich, Connecticut**

**Summary of Prior Year Audit Findings  
For the Year Ended June 30, 2015**

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**Finding SDIC 14-1 tax collection reconciliation:**

***Condition:***

There is no tax collector's report that is prepared during the fiscal year. In addition, there is no monthly process to reconcile between tax and general ledger accounts. The reports are all done at year-end.

***Current Status:***

The finding has been corrected.

**Finding SDIC 14-2 payroll journals:**

***Condition:***

A former Town employee responsible for processing the Board of Education summer checks was terminated prior to June 30, 2014. This created a lack of continuity of knowledge with the successor payroll processor, who lacked the proper training to process the July BOE summer payroll. As a result, errors were made that resulted in a number of BOE Teachers being overpaid. To date, not all of the overpayments have been recouped.

***Current Status:***

The finding has been corrected.

**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 Members of the Board of Estimate and Taxation  
Town of Greenwich, 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 Town of Greenwich, Connecticut (the Town) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated December 14, 2015. Our report includes an emphasis of a matter paragraph because of the adoption of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* and its amendment, GASB Statement No. 71.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town'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 Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency as item (SDIC2015-1).

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town'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*.

**Town of Greenwich's Response to Findings**

The Town's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Town of Greenwich's response was not subject to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town'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's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RSM US LLP

New Haven, Connecticut  
December 14, 2015

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

**Independent Auditor's Report**

Board of Estimate and Taxation  
Town of Greenwich, Connecticut

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

We have audited the Town of Greenwich, Connecticut's (the Town) 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's major state programs for the year ended June 30, 2015. The Town's major state 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 the requirements of laws, regulations, contracts, and grants applicable to its state programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Town'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 Town'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 Town's compliance.

**Opinion on Each Major State Program**

In our opinion, the Town 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, 2015.

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

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town'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 Town'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 Town of Greenwich, Connecticut, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town of Greenwich, Connecticut's basic financial statements. We issued our report thereon dated December 14, 2015, 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 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 14, 2015

Town of Greenwich, Connecticut

Schedule of Expenditures of State Financial Assistance  
For the Year Ended June 30, 2015

State Grantor Pass-Through Grantor Program Title	State Grant Program CORE-CT Number	Expenditures
<b>State Department of Education</b>		
School Breakfast	11000-SDE64000-17046	\$ 15,160
Bilingual Education	11000-SDE64000-17042	14,189
Child Nutrition Program - School Lunch State Match	11000-SDE64000-16211	22,544
High Quality Schools	12052-SDE64000-43538	20,649
Adult Education	11000-SDE64000-17030	192,950
Nonpublic Health Services	11000-SDE64000-17034	8,074
<b>Total Department of Education</b>		<b>273,566</b>
<b>Judicial Department</b>		
Motor Vehicle Fines	34001-JUD95162-40001	84,447
<b>Connecticut State Library</b>		
Historic Documents Preservation	12060-CSL66094-35150	7,500
<b>State Office of Policy and Management</b>		
Property Tax Relief for Elderly and Totally Disabled Homeowners	11000-OPM20600-17018	179,254
Property Tax Relief for Elderly Homeowners - Freeze Program	11000-OPM20600-17021	2,000
Property Tax Relief for Veterans	11000-OPM20600-17024	32,177
Local Capital Improvement Program	12050-OPM20600-40254	3,441,548
Reimburse Property Tax-Disabled Exemption	11000-OPM20600-17011	299
Payment in Lieu of Taxes (PILOT) on State Owned Property	11000-OPM15910-17004	25,772
Municipal Grants - in - Aid	12052-OPM20600-43587	83,725
Municipal Grants - in - Aid Adjustment	11000-OPM20600-17099	31,834
Payment in Lieu of Taxes (PILOT) on Private Colleges and General Hospitals	11000-OPM15910-17006	897,965
<b>Total State Office of Policy and Management</b>		<b>4,694,574</b>
<b>Department of Emergency Services and Public Protection</b>		
School Security Competitive Grant Program	12052-DPS32183-43546	270,669
Telecommunications Fund/911 Enhancement	12060-DPS32741-35190	67,874
Drug Assets Forfeiture Funds	12060-DPS32155-35142	13,309
<b>Total Department of Emergency Services and Public Protection</b>		<b>351,852</b>
<b>State Department of Transportation</b>		
High Risk Rural Roads-Speed Enforcement Program	0170-3291-AP	30,301
Local Road and Bridge Program	13033-DOT57191-43456	276,946
Bus Operations	12001-DOT57000-12175	72,902
Town Aid Road Grant	12001-DOT57000-43455-34005	1,030,101
<b>Total State Department of Transportation</b>		<b>1,410,250</b>
<b>State Department of Public Health</b>		
Lead Poisoning Prevention	11000-DPH48500-12126	5,644
STEAP Fund	12052-DPH48500-43410	63,200
Local and Districts Departments of Health	11000-DPH48000-17009	73,462
		<b>142,306</b>

(Continued)

Town of Greenwich, Connecticut

Schedule of Expenditures of State Financial Assistance (Continued)  
For the Year Ended June 30, 2015

State Grantor Pass-Through Grantor Program Title	State Grant Program CORE-CT Number	Expenditures
<b>Office of Early Childhood</b>		
School Readiness and Child Care in Competitive Grant Municipalities	11000-OEC64840-12113	\$ 261,545
Competitive School Readiness	11000-OEC64840-17097	3,790
<b>Total Office of Early Childhood</b>		<u>265,335</u>
<b>State Department of Energy and Environmental Protection</b>		
Nitrogen Credit Exchange	21016-OTT14230-42407	<u>96,240</u>
<b>Department of Housing</b>		
Payment In Lieu of Taxes (PILOT)	11000-DOH46920-17012-039	<u>100,286</u>
<b>Total State Financial Assistance Before Exempt Programs</b>		<u>7,426,356</u>
<b>Exempt Programs</b>		
<b>Department of Education</b>		
Education Cost Sharing	11000-SDE64000-17041-82010	3,647,012
Transportation of School Children	11000-SDE64000-17027	287
Excess Cost - Student Based and Equity	11000-SDE64000-17047	1,140,237
<b>Total Department of Education</b>		<u>4,787,536</u>
<b>Department of Construction Services</b>		
School Construction Projects - Principal	13010-DCS28000-40901	<u>4,018,815</u>
<b>Total Department of Construction Services</b>		<u>4,018,815</u>
<b>Office of Policy and Management</b>		
Mashantucket Pequot/Mohegan Fund	12009-OPM20600-17005	<u>98,189</u>
<b>Total Office of Policy and Management</b>		<u>98,189</u>
<b>Total Exempt Programs</b>		<u>8,904,540</u>
<b>Total State Financial Assistance</b>		<u>\$ 16,330,896</u>

See Notes to Schedule of Expenditures of State Financial Assistance.



**Town of Greenwich, Connecticut**

**Notes to Schedule of Expenditures of State Financial Assistance  
Year Ended June 30, 2015**

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The accompanying schedule of expenditures of state financial assistance includes state grant activity of the Town of Greenwich, Connecticut under programs of the State of Connecticut for the fiscal year ended June 30, 2015. 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, road construction, school construction, community development and general government.

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

The accounting policies of the Town of Greenwich, 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 expenditures reported on the Schedule of Expenditures of State Financial Assistance are reported on the modified accrual basis of accounting. 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 of Expenditures of State Financial Assistance.

**Note 2. Noncash Awards**

**Vaccines:** The United States Department of Public Health makes non-cash distributions of vaccines. The amount of \$8,874 represents the fair value of such vaccines used during the period.

**Note 3. 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, 2015:

**Department of Energy and Environmental Protection:**

*Clean Water Funds 21014-OTT1400-4001:*

	Issue Date	Interest Rate	Original Amount	Balance Beginning	Issued	Retired	Balance Ending
430C	10/31/2000	2%	\$ 708,676	\$ 215,438	\$ -	\$ (38,665)	\$ 176,773
364C	12/31/2004	2%	8,671,620	4,732,782	-	(409,180)	4,323,602
				<u>\$ 4,948,220</u>	<u>\$ -</u>	<u>\$ (447,845)</u>	<u>\$ 4,500,375</u>

**Town of Greenwich, Connecticut**

**Schedule of State Single Audit Compliance Findings and Questioned Costs  
Year Ended June 30, 2015**

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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?   X   Yes    \_\_\_\_\_ 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 the major programs included in the State Single Audit:

State Grantor and Program	State Core-CT Number	Expenditures
<b>Office of Policy and Management</b>		
Local Capital Improvement Program	12050-OPM20600-40254	\$ 3,441,548
Payment in Lieu of Taxes (PILOT) on Private Colleges and General Hospitals	11000-OPM15910-17006	897,965
<b>Total Office of Policy and Management</b>		<u><u>\$ 4,339,513</u></u>
<b>Department of Education</b>		
School Security Competitive Grant Program	12052-DPS32183-43546	<u>\$ 270,669</u>
<b>Department of Transportation</b>		
Local Road and Bridge Program	13033-DOT57191-43456	\$ 276,946
Town Aid Road Grant	12001-DOT57000-43455-34005	1,030,101
<b>Total Department of Transportation</b>		<u><u>\$ 1,307,047</u></u>
Dollar threshold used to distinguish between Type A and Type B Programs		<u><u>\$ 200,000</u></u>

**Town of Greenwich, Connecticut**

**Schedule of State Single Audit Compliance Findings and Questioned Costs (Continued)  
Year Ended June 30, 2015**

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II. Financial Statement Findings

- We issued reports dated December 14, 2015, on internal control over financial reporting and compliance and other matters based on the audit of the basic financial statements performed in accordance with *Government Auditing Standards*.
- Our report on compliance indicated no reportable instances of non-compliance.
- Our report on internal control over financial reporting disclosed one matter that we consider to be a significant deficiency.

III. State Financial Assistance Findings and Questioned Costs

No matters were reported.

**Town of Greenwich, Connecticut**

**Summary of Prior Year Audit Findings  
For the Year Ended June 30, 2015**

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There were no prior year findings for state awards.