

TOWN OF WINDSOR, CONNECTICUT

FEDERAL AND STATE FINANCIAL
AND COMPLIANCE REPORTS
Fiscal Year Ended June 30, 2011

TOWN OF WINDSOR, CONNECTICUT

FEDERAL AND STATE FINANCIAL AND COMPLIANCE REPORTS

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

To the Members of the Town Council
Town of Windsor, Connecticut

Compliance: We have audited the Town of Windsor, Connecticut's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Town of Windsor, Connecticut's major federal programs for the year ended June 30, 2011. The Town of Windsor, Connecticut's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Town of Windsor, Connecticut's management. Our responsibility is to express an opinion on the Town of Windsor, Connecticut's compliance based on our audit.

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 of Windsor, Connecticut's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Town of Windsor, Connecticut's compliance with those requirements.

In our opinion, the Town of Windsor, Connecticut complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance: Management of the Town of Windsor, Connecticut is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Town of Windsor, Connecticut's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Windsor, Connecticut'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.

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

Schedule of Expenditures of Federal Awards: We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Windsor, Connecticut as of and for the year ended June 30, 2011, and have issued our report thereon dated December 5, 2011. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Town of Windsor, Connecticut's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Town Council and management of the Town of Windsor, Connecticut, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

McGladrey & Pullen, LLP

New Haven, Connecticut
December 5, 2011

TOWN OF WINDSOR, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2011

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture/ Passed through the State of Connecticut Department of Education			
Child Nutrition Cluster:			
School Breakfast	10.553	12060-SDE64370-20508	\$ 119,292
National School Lunch Program	10.555	12060-SDE64370-20560	614,091
Total Child Nutrition Cluster			<u>733,383</u>
Total U.S. Department of Agriculture			<u>733,383</u>
U.S. Department of Education/ Passed through the State of Connecticut Department of Education			
Title I Cluster:			
Title I - Grants	84.010A	12060-SDE64370-20679	367,467
Title I , ARRA	84.389A	12060-SDE64370-29010	250,255
Total Title I Cluster			<u>617,722</u>
Special Education Cluster:			
Special Education - Grants to States	84.027A	12060-SDE64370-20977	936,510
Special Education - Grants to States (IDEA Part B), ARRA	84.391A	12060-SDE64370-29011	540,148
Handicapped Preschool Incentive Grant	84.173A	12060-SDE64370-20983	35,137
Total Special Education Cluster			<u>1,511,795</u>
Immigrant and Youth Education Program	84.365A	12060-SDE64370-20868	66,397
Vocational Education - Carl Perkins	84.048A	12060-SDE64370-20742	49,137
Title IV - Safe and Drug Free Schools Act	84.186A	12060-SDE64370-20873	943
English Language Acquisition	84.365A	12060-SDE64370-20868	14,904
ARRA - Title II - Part D - Technology	84.386	12060-SDE64370-29063	116,622
Title II - Part A - Improving Teacher Quality	84.367A	12060-SDE64370-20858	83,174

See Notes to Schedule
N/A - Not Applicable

(Continued)

TOWN OF WINDSOR, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
 For the Year Ended June 30, 2011

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education/ Passed through the State of Connecticut Department of Education, Continued State Fiscal Stabilization Fund Cluster:			
State Fiscal Stabilization Fund - Education State Services, ARRA	84.394	12060-SDE64370-29054	1,647,447
Total State Fiscal Stabilization Fund Cluster			<u>1,647,447</u>
Total U.S. Department of Education			<u>4,108,141</u>
U.S. Department of Housing and Urban Development/ Passed through State Department of Economic and Community Development CDBG-State-Administered Small Cities Program Cluster:			
Community Development Block Grant, ARRA	14.255	12060-ECD46350-29044	201,756
Small Cities Block Grant	14.228	12060-ECD46350-20730	349,911
Total CDBG-State-Administered Small Cities Program Cluster			<u>551,667</u>
U.S. Department of Public Health/ Passed through the State Department of Public Health			
Public Health Emergency Response	93.069	12060-DPH48557-22350	45,434
Public Health Emergency Response	93.069	12060-DPH48557-22333	60,025
Preventative Health Services Block Grant	93.991	12060-DPH48558-21530	5,726
Total U.S. Department of Public Health			<u>111,185</u>
U.S. Department of Health and Human Services/ Passed through the State Department of Social Services Servicers			
Social Services Block Grant Protective Services for Adults	93.667	12060-DSS60803-20713	3,945
U.S. Department of Justice/ Passed through the State Department of Office Policy and Management			
Juvenile Accountability	16.523	12060-OPM20350-21672	5,800
Edward Byrne Memorial Justice Assistance Grant	16.579	12060-OPM20350-21676	10,000
Total U.S. Department of Justice			<u>15,800</u>

See Notes to Schedule
 N/A - Not Applicable

(Continued)

TOWN OF WINDSOR, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
 For the Year Ended June 30, 2011

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Transportation/ Passed through State Department of Transportation			
Highway Planning and Construction Cluster:			
Highway Planning and Construction	20.205	12062-DOT57931-22108	17,700
Highway Planning and Construction - ARRA	20.205	12062-DOT57141-29015	42,993
Total Highway Planning and Construction Cluster			<u>60,693</u>
Highway Safety Cluster:			
Federal Highway Safety Grants	20.600	12062-DOT57343-20559	9,803
Alcohol Traffic Safety Grants	20.601	12062-DOT57343-22091	28,297
Total Highway Safety Cluster			<u>38,100</u>
Total U.S. Department of Transportation			<u>98,793</u>
U.S. Department of Homeland Security/ Passed through State Department of Emergency Management and Homeland Security			
Emergency Management Performance Grant	97.042	12060-EHS99660-21881	2,697
FEMA-Public Assistance Grants	97.036	12060-EHS99660-21891	84,991
Total U.S. Department of Homeland Security			<u>87,688</u>
Total expenditures of federal awards			<u>\$ 5,710,602</u>

See Notes to Schedule

N/A - Not Applicable

TOWN OF WINDSOR, CONNECTICUT

**NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2011**

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Town of Windsor, Connecticut and is presented on the modified accrual basis of accounting for grants which are accounted for in the governmental funds and on the accrual basis of accounting for grants which are accounted for in the proprietary fund types. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

TOWN OF WINDSOR, CONNECTICUT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2011**

A. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes 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: unqualified

- 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	Program Name
84.027/84.173/84.391	Special Education Cluster
84.010/84.389	Title I Cluster
14.255/14.228	CDBG Entitlement Grants Cluster
84.394/84.397	State Fiscal Stabilization Fund 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 WINDSOR, CONNECTICUT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2011

II. FINANCIAL STATEMENT FINDINGS

A. Significant Deficiencies in Internal Control

IC11-1. Criteria:

All funds and their activity should be recorded on the Town's MUNIS System.

Condition:

The Board of Education's dental insurance and retiree medical insurance activity is not recorded on the MUNIS System. It is recorded in a separate Quickbooks System. As a result, there were significant adjustments made to the final trial balance at year-end to capture this activity.

Context:

The activity is being monitored and adjusted monthly in Quickbooks and recorded at year-end in MUNIS.

Cause:

The activity was kept on a separate system.

Effect:

The financial statements that were initially presented were not complete in accordance with GAAP.

Recommendation:

We recommend that the activity relating to the Board of Education Internal Service Fund is maintained on the MUNIS System.

Corrective Action Plan:

The Board of Education will maintain its internal service funds on the MUNIS System.

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

No matters were reported.

**TOWN OF WINDSOR, CONNECTICUT
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2011**

No findings noted in prior fiscal year.

**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 Members of the Town Council
Town of Windsor, Connecticut

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 Windsor, Connecticut as of and for the year ended June 30, 2011, which collectively comprise the Town of Windsor, Connecticut's basic financial statements, and have issued our report thereon dated December 5, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards," issued by the Comptroller General of the United States.

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs, that we consider to be a significant deficiency in internal control over financial reporting as item IC11-1. 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.

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

The Town of Windsor, Connecticut's response to the finding identified in our audit is described in the Schedule of Findings and Questioned Costs. We did not audit Town of Windsor's response and accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Town Council, the management of the Town of Windsor, Connecticut and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

McGladrey & Pullen, LLP

New Haven, Connecticut
December 5, 2011

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

To the Members of the Town Council
Town of Windsor, Connecticut

Compliance: We have audited the Town of Windsor, Connecticut's compliance with the types of compliance requirements described in the *Office of Policy and Management Compliance Supplement* that could have a direct and material effect on each of the Town of Windsor, Connecticut's major state programs for the year ended June 30, 2011. The major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the Town of Windsor, Connecticut's management. Our responsibility is to express an opinion on the Town of Windsor, Connecticut's compliance based on our audit.

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 of Windsor, Connecticut's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Town of Windsor, Connecticut's compliance with those requirements.

In our opinion, the Town of Windsor, Connecticut complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2011.

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

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

Schedule of Expenditures of State Financial Assistance: We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Windsor, Connecticut as of and for the year ended June 30, 2011, and have issued our report thereon dated December 5, 2011. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Town of Windsor, Connecticut's basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the management and the Town Council of the Town of Windsor, Connecticut, the Office of Policy and Management, and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

McGladrey & Pullen, LLP

New Haven, Connecticut
December 5, 2011

TOWN OF WINDSOR, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2011

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures
State Department of Education:		
School Readiness and Child Care in Severe Needs Schools	11000-SDE64370-12113	\$ 107,000
Child and Adult Care	12060-SDE64370-20544	1,783
Child Care Food Program	12060-SDE64370-20518	24,678
Health and Welfare	11000-SDE64370-17034	41,750
Youth Service Bureaus	11000-SDE64370-17052	20,013
Open Choice Program	11000-SDE64370-17053	15,000
School Breakfast	11000-SDE64370-17046	13,325
Family Resource Center	11000-SDE64370-16110	91,976
Child Nutrition Program - School Lunch State Match	11000-SDE64370-16211	24,262
Adult Education	11000-SDE64370-17030	152,118
Magnet School Transportation	11000-SDE64370-17057	42,000
School Improvement Grant	12060-SDE64370-22223	8,803
Health Foods Initiative	11000-SDE64370-16212	50,147
Youth Service Bureau Enhancement	11000-SDE64370-16201	6,250
		<u>599,105</u>
Social Services:		
Social Services Block Grant	12060-DSS60783-20701	13,379
Community Services	11000-DSS60783-17083	3,800
		<u>17,179</u>
Connecticut State Library:		
Grants to Public Libraries	11000-CSL66051-17003	2,546
Connecticard	11000-CSL66051-17010	3,917
Historic Documents Preservation	12060-CSL66094-35150	6,000
		<u>12,463</u>
State Office of Policy and Management:		
Property Tax Relief for Manufacturing Machinery and Equipment	11000-OPM20600-17031	1,043,076
Property Tax Relief for Elderly Homeowners	11000-OPM20600-17018	200,982
Property Tax Relief for Veterans	11000-OPM20600-17024	24,427
Local Capital Improvement Program	12050-OPM20600-40254	190,255
Reimburse Property Tax-Disabled Exemption	11000-OPM20600-17011	2,645
Municipal Video Competition	12060-OPM20600-35362	6,017
		<u>1,467,402</u>
Board of Education and Services for the Blind:		
Education of Handicapped Blind Children	11000-ESB65020-12060	<u>27,798</u>
Department of Public Safety:		
Telecommunications Fund/911 Enhancement	12060-DPS32741-35190	<u>2,885</u>

See Notes to Schedule

(Continued)

TOWN OF WINDSOR, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, Continued
 For the Year Ended June 30, 2011

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures
State Department of Transportation:		
Bus Operations	12001-DOT57931-12175	37,361
Town Aid Road Grants - Municipal	12052-DOT57131-43455	54,402
Town Aid Road - STO	13033-DOT57131-43459	149,607
		<u>241,370</u>
Department of Environmental Protection:		
Recreational Trails Program	12060-DEP44321-20296	39,554
Boating Account	12060-DEP44434-34907	12,643
		<u>52,197</u>
State Comptroller:		
Payment in Lieu of Taxes (PILOT) on State Owned Property	11000-OSC15910-17004	75,777
Department of Mental Health and Addiction Services:		
Drug Assets Forfeiture Funds	12060-DPS32155-35142	2,912
Veterans:		
Veteran Headstones	11000-DVA21134-16049	2,300
		<u>2,300</u>
Total State Financial Assistance Before Exempt Programs		<u>2,501,387</u>
EXEMPT PROGRAMS		
Department of Education:		
Education Cost Sharing	11000-SDE64370-17041	9,867,433
Transportation of School Children	11000-SDE64370-17027	191,182
Special Education-Excess Cost	11000-SDE64370-17047	1,458,687
Nonpublic School Transportation	11000-SDE64370-17049	43,197
School Construction Projects - Interest	13009-SDE64370-40896	35,654
School Construction Projects - Principal	13010-SDE64370-40901	595,416
		<u>12,191,569</u>
Office of Policy and Management:		
Mashantucket Pequot Fund	12009-OSC15910-17005	106,244
		<u>106,244</u>
Total Exempt Programs		<u>12,297,813</u>
Total State Financial Assistance		<u>\$ 14,799,200</u>

See Notes to Schedule

TOWN OF WINDSOR, CONNECTICUT

NOTE TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE For the Year Ended June 30, 2011

Various departments and agencies of the State of Connecticut have provided financial assistance to the Town of Windsor, Connecticut through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. The financial assistance programs fund several programs including education, public works, social services, property tax relief and public safety.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of Accounting

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

- Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities for the current period.
- Expenditures are generally recorded when a liability is incurred except for debt service expenditures, as well as expenditures related to compensated absences, pension obligations, landfill post-closure monitoring, claims and judgments, and other post-employment benefits which are recorded only when payment is due (matured).

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

TOWN OF WINDSOR, CONNECTICUT

SCHEDULE OF STATE SINGLE AUDIT COMPLIANCE FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2011

I. SUMMARY OF INDEPENDENT AUDITOR'S AUDIT RESULTS

Financial Statements

Type of auditor's report issued: **unqualified.**

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes 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: **unqualified.**

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

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

State Grantor and Program	State CORE-CT Number	Expenditures
OPM-Property Tax Relief for Manufacturing, Machinery & Equipment	11000-OPM20600-17031	\$ 1,043,076
DOT - Town Aid Road Grants	12052-DOT57131-43455	54,402
DOT - Town Aid Road	13033-DOT57131-43459	149,607
OPM - Local Capital Improvement Program	12050-OPM20600-40254	190,255
• Dollar threshold used to distinguish between type A and type B programs		<u>\$ 200,000</u>