

McGladrey & Pullen

Certified Public Accountants

TOWN OF WINDSOR, CONNECTICUT

FEDERAL AND STATE FINANCIAL AND COMPLIANCE REPORTS
FISCAL YEAR ENDED JUNE 30, 2009

TOWN OF WINDSOR, CONNECTICUT

FEDERAL AND STATE FINANCIAL AND COMPLIANCE REPORTS

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM, 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 compliance of the Town of Windsor, Connecticut with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 "Compliance Supplement" that are applicable to its major federal programs for the year ended June 30, 2009. The Town of Windsor, Connecticut's major federal programs are identified in the summary of independent 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 its major federal programs are 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 requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance: The 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 federal programs. In planning and performing our audit, we considered the Town of Windsor, Connecticut's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but, not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Windsor, Connecticut's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Town of Windsor, Connecticut's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Town of Windsor, Connecticut's internal control.

A material weakness is a significant deficiency or a combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by an entity's internal control.

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

Schedule of Expenditures of Federal Awards: We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Windsor, Connecticut as of and for the year ended June 30, 2009, and have issued our report thereon dated December 24, 2009. 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 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 24, 2009

TOWN OF WINDSOR, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2009

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			
Nutrition Cluster:			
School Breakfast	10.553	12060-SDE64370-20508	\$ 82,294
National School Lunch	10.555	12060-SDE64370-20560	555,435
Total U.S. Department of Agriculture			<u>637,729</u>
U.S. Department of Education/ Passed through the State of Connecticut Department of Education			
Title I	84.010	12060-SDE64370-20679	<u>436,235</u>
Special Education Cluster			
IDEA - Part B	84.027	12060-SDE64370-20977	<u>857,984</u>
Handicapped Preschool Incentive Grant	84.173	12060-SDE64370-20983	<u>31,741</u>
Total Special Education Cluster			<u>889,725</u>
Immigrant and Youth Education Program	84.365	12060-SDE64370-20868	<u>2,500</u>
Vocational Education - Perkins Act	84.048	12060-SDE64370-20742	<u>45,065</u>
Title IV - Safe and Drug Free Schools Act	84.186	12060-SDE64370-20873	<u>8,090</u>
Title III Language	84.365	12060-SDE64370-20868	<u>15,237</u>
Title V - Innovative Education Strategies	84.298	12060-SDE64370-20909	<u>4,493</u>
Title II - Part D - Technology	84.318	12060-SDE64370-20826	<u>2,476</u>
Title II - Part A - Teachers	84.367	12060-SDE64370-20858	<u>83,254</u>
Total U.S. Department of Education			<u>1,487,075</u>

(continued)

TOWN OF WINDSOR, CONNECTICUT

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

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 Housing and Urban Development			
Passed through State Department of Economic and Community Development			
Small Cities Block Grant	14.228	12060-ECD46350-20730	<u>249,494</u>
U.S. Department of Public Health			
Passed through the State Department of Public Health			
Bioterrorism Preparedness	93.283	12060-DPH48557-21096	80,290
Preventative Health Services Block Grant	93.991	12060-DPH48550-21530	<u>1,638</u>
Total U.S. Department of Public Health			<u><u>81,928</u></u>
Emergency Homeland Security			
Direct Program:			
Emergency Management Performance Grant	97.036	N/A	<u>3,822</u>
U.S. Department of Transportation			
Passed through State Department of Transportation			
Highway Planning and Construction	20.205	12060-DOT57141-22108	377,931
Highway Planning and Construction	20.205	12060-DOT57931-22108	16,920
Federal Highway Safety Grants	20.603	12060-DOT57513-20559	19,861
Alcohol Traffic Safety Grants	20.601	12062-DOT57343-22086	7,775
Occupant Protection	20.602	12062-DOT57513-22087	18,445
Alcohol Open Container	20.607	12062-DOT57533-22091	8,856
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	12062-DOT57931-35304	<u>37,361</u>
Total U.S. Department of Transportation			<u><u>487,149</u></u>
U.S. Federal Election Assistance Commission/ Passed through the State Secretary Department			
Help America Vote	90.401	12060-SOS12500-21465	<u>9,064</u>
Total expenditures of federal awards			<u><u>\$ 2,956,261</u></u>

See Notes to Schedule.

TOWN OF WINDSOR, CONNECTICUT

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2009

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. 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, 2009

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 that are not considered to be material weaknesses? 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 that are not considered to be material weaknesses? _____ 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	Name of Federal Program or Cluster
84.027/84.173	Special Education Cluster
84.010	Title I
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between type A and type B programs

_____ \$300,000 _____

Auditee qualified as low-risk auditee?

 X Yes _____ No

I. FINANCIAL STATEMENT FINDINGS

A. Significant Deficiencies in Internal Control

IC09-1. Criteria:

Student activity funds do not have adequate internal controls over financial reporting.

Condition:

For certain transactions, invoices are not approved and there are no receipts maintained.

Context:

Certain receipts did not have supporting documentation. Certain disbursements were not properly approved.

Cause:

Lack of adequate controls over the student activity transactions.

Effect:

To safeguard and properly record the assets, all receipts and disbursements must be maintained and properly approved.

Recommendation:

All disbursements should be approved by two individuals, the department head and the Principal, to ensure propriety of the expenditure. For collections, there should be receipt vouchers to support the amounts collected. These procedures should provide for more accurate reporting of student activity transactions and proper documentation. In addition, historical records for deposits and bank transactions should be maintained in accordance with record retention guidelines.

TOWN OF WINDSOR, CONNECTICUT

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

Management Response:

The Town will establish policies and procedures to ensure adequate internal controls over student activity funds.

IC09-2 **Criteria:**

For several CDBG loans, the payments made throughout the year were not properly recorded in the customer files.

Condition:

The Town did not reconcile customer files on a monthly basis.

Context:

CDBG is responsible for the subsidiary ledger which should be reconciled to the customer files on a periodic basis.

Cause:

Adequate reconciliations were not performed during the year to compile the accounting records in a timely manner.

Effect:

To properly record the notes receivables and to ensure accurate financial reporting, each account must be properly reconciled and accounted for in accordance with generally accepted accounting principles.

Recommendation:

All loan subsidiary ledgers must be reconciled to the customer files on a monthly basis to prevent significant differences at year-end.

TOWN OF WINDSOR, CONNECTICUT

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

IC09-3 Criteria:

Trial balances must be reviewed and appropriate adjusting journal entries made on a monthly basis to ensure accurate reporting.

Condition:

There were adjustments made to the final trial balance such as:

- ◆ Recording of Board of Education pharmacy insurance activity.

Context:

The Town did not make appropriate adjustments at year-end.

Cause:

Lack of policies and procedures to make these adjustments for the Board of Education pharmacy insurance activity.

Effect:

The interim financial statements were misstated.

Recommendation:

We recommend that the Town review its month-end and year-end closing procedures.

Management Response:

The Town will establish policies and procedures to ensure appropriate adjustments are made to the final trial balance.

B. Compliance Findings

None reported.

TOWN OF WINDSOR, CONNECTICUT

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

II. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

A. Deficiencies in Internal Control

None reported.

B. Compliance Findings

None reported.

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

- IC08-1. Repeated as finding IC09-1.
- IC08-2. Corrected during 2009 fiscal year.
- IC08-3. Corrected during 2009 fiscal year.
- IC08-4. Repeated as finding IC09-2.
- IC08-5. Repeated as finding IC09-3.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE 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, 2009, which collectively comprise the Town of Windsor, Connecticut's basic financial statements, and have issued our report thereon dated December 24, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards," issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting: In planning and performing our audit, we considered the 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 did not express an opinion on the effectiveness of the Town of Windsor's internal control over financial reporting.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent and detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Town of Windsor, Connecticut's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Town of Windsor, Connecticut's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting (Items IC09-1 and IC09-3).

A material weakness is a significant deficiency, or combination of deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Town of Windsor, Connecticut's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

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 grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the Town of Windsor, Connecticut in a separate letter dated December 24, 2009.

The Town of Windsor, Connecticut's response to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit the Town of Windsor, Connecticut's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Town Council and 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 24, 2009

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM, 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 compliance of the Town of Windsor, Connecticut with the types of compliance requirements described in the "Office of Policy and Management Compliance Supplement" that are applicable to each of its major state programs for the year ended June 30, 2009. The major state programs are identified in the summary of independent auditor's results section of the accompanying schedule of state single audit compliance 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 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 requirements referred to above that are applicable to each of its major state programs for the year ended June 30, 2009.

Internal Control Over Compliance:

The management of the 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 internal control over compliance with requirements that could have a direct and material effect on a major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Windsor, Connecticut's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Town of Windsor, Connecticut's ability to administer a state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a state program that is more than inconsequential will not be prevented or detected by the Town of Windsor, Connecticut's internal control.

A material weakness is a significant deficiency or a combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a state program will not be prevented or detected by the Town of Windsor, Connecticut's internal control.

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

Schedule of Expenditures of State Financial Assistance:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Windsor, Connecticut as of and for the year ended June 30, 2009, and have issued our report thereon dated December 24, 2009. 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 24, 2009

TOWN OF WINDSOR, CONNECTICUT

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

State Grantor/Pass-Through Grantor/Program Title	State CORE-CT Number	Expenditures
State Department of Education:		
School Readiness and Child Care in Severe Needs Schools	11000-SDE64370-12113	\$ 102,777
Child and Adult Care	12060-SDE64370-20544	1,908
Child Care Food Program	12060-SDE64370-20518	22,990
Health and Welfare	11000-SDE64370-17034	40,559
Youth Service Bureaus	11000-SDE64370-17052	20,002
Interdistrict Cooperative	11000-SDE64370-17045	219,838
Immigrant and Youth Education Program	12060-SDE20868-82076	2,500
Open Choice Program	11000-SDE64370-17053	25,000
Early Reading Success	11000-SDE64370-17056	97,527
School Breakfast	11000-SDE64370-17046	6,980
Family Resource Center	11000-SDE64370-16110	95,670
Child Nutrition Program - School Lunch State Match	11000-SDE64370-16072	79,598
Adult Education	11000-SDE64370-17030	63,637
Magnet School Transportation	11000-SDE64370-17057	27,300
School Improvement Grant	12060-SDE64370-22223	29,363
School Accountability	11000-SDE64480-12453	3,000
Youth Service Bureau Enhancement	11000-SDE64370-16201	6,250
Preschool Quality Initiative	11000-SDE64370-12454	33,452
School Improvement	12060-SDE64370-22223	65,500
		<u>943,851</u>
Social Services:		
Social Services Block Grant	12060-DSS60783-20701	22,220
Community Services	11000-DSS60783-17083	677
		<u>22,897</u>
Connecticut State Library:		
Construction Grants to Public Libraries	12052-CSL66051-40379	50,000
Grants to Public Libraries	11000-CSL66051-17003	2,948
Connecticard	11000-CSL66051-17010	4,147
Historic Documents Preservation	12060-CSL66094-35150	12,000
		<u>69,095</u>
State Office of Policy and Management:		
Property Tax Relief for Manufacturing Machinery and Equipment	11000-OPM20600-17031	1,419,986
Property Tax Relief for Elderly Homeowners - Freeze Program	11000-OPM20600-17021	2,000
Property Tax Relief for Elderly Homeowners	11000-OPM20600-17018	192,269
Property Tax Relief for Veterans	11000-OPM20600-17024	28,478
Local Capital Improvement Program	12050-OPM20600-40254	97,921
Heating Assistance for Schools	11000-OPM20600-17096	48,822
Reimburse Property Tax-Disabled Exemption	11000-OPM20600-17011	713
		<u>1,790,189</u>

(continued)

TOWN OF WINDSOR, CONNECTICUT

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

State Grantor/Pass-Through Grantor/Program Title	State CORE-CT Number	Expenditures
Board of Education and Services for the Blind:		
Education of Handicapped Blind Children	11000-ESB65020-12060	32,047
State Department of Public Health:		
Local and District Departments of Health	11000-DPH48500-17009	34,002
Cholesterol Reduction	11000-DPH48558-10020	548
		<u>34,550</u>
Department of Public Safety		
Telecommunications Fund/911 Enhancement	12060-DPS32740-35190	1,272
State Department of Transportation:		
Town Aid Road	12001-DOT57131-17036	203,003
Department of Environmental Protection:		
Clean Diesel Grant Program	12060-DEP43520-22319	11,232
New Diesel Buses	11000-DEP43520-12391	33,750
		<u>44,982</u>
State Comptroller:		
Boat Grant	12027-OSC15910-40211	15,623
Mashantucket Pequot Fund	12009-OSC15910-17005	289,559
Payment in Lieu of Taxes (PILOT) on State Owned Property	11000-OSC15910-17004	77,808
		<u>382,990</u>
Department of Mental Health and Addition Services		
Drug Assets Forfeiture Funds	12060-DPS32155-35142	3,469
Veterans		
Veteran Headstones	11000-DVA21134-16049	3,500
TOTAL STATE FINANCIAL ASSISTANCE BEFORE EXEMPT PROGRAMS		<u>3,531,845</u>
EXEMPT PROGRAMS		
Education Cost Sharing	11000-SDE64370-17041	11,482,040
Transportation of School Children	11000-SDE64370-17027	429,353
Special Education-Excess Cost	11000-SDE64370-17047	1,496,847
Nonpublic School Transportation	11000-SDE64370-17049	58,374
School Construction Projects - Interest	13009-SDE64370-40896	63,466
School Construction Projects - Principal	13010-SDE64370-40901	339,733
Total Exempt Programs		<u>13,869,813</u>
TOTAL STATE FINANCIAL ASSISTANCE		<u>\$ 17,401,658</u>

See Notes to Schedule.

TOWN OF WINDSOR, CONNECTICUT

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

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.

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

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

TOWN OF WINDSOR, CONNECTICUT

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

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 that are not considered to be material weaknesses? 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 that are not considered to be material weaknesses? 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 Compliance Audit:

State Grantor and Program	State CORE-CT Number	Expenditures
DOE-School Readiness and Child Care in Severe Needs Schools	11000-SDE64370-12113	\$ 102,777
DOE-Interdistrict Cooperative	11000-SDE64370-17045	219,838
OPM-Property Tax Relief for Manufacturing, Machinery & Equipment	11000-OPM20600-17031	1,419,986
OPM-Property Tax Relief for Elderly Homeowners	11000-OPM20600-17018	192,269
OPM-Mashantucket Pequot Fund	12009-OSC15910-17005	289,559
DOT-Town Aid Road	12001-DOT57131-17036	203,003

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

II. FINANCIAL STATEMENT FINDINGS

- ◆ We issued reports, dated December 24, 2009, on internal control over financial reporting and other matters based on an audit of the financial statements performed in accordance with the standards applicable to financial audits contained in "Government Auditing Standards."
- ◆ Our report on compliance indicated no reportable instances of noncompliance.
- ◆ Our report on internal control over financial reporting included certain matters that we considered to be significant deficiencies. These significant deficiencies are described in the accompanying Schedule of Findings and Questioned Costs as Items IC09-1 and IC09-3.

III. FINDINGS AND QUESTIONED COSTS FOR STATE FINANCIAL ASSISTANCE

A. Deficiencies in Internal Control

None reported.

B. Compliance Findings

None reported.

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

SCF08-1. Corrected during 2009 fiscal year.

