

CITY OF NEW HAVEN, CONNECTICUT

FEDERAL AND STATE
FINANCIAL AND COMPLIANCE REPORT
For the Year Ended June 30, 2013

CITY OF NEW HAVEN, CONNECTICUT

FEDERAL AND STATE FINANCIAL AND COMPLIANCE REPORT

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**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

To the Honorable Mayor and Members of
the Board of Aldermen
New Haven, Connecticut

Report on Compliance for Each Major Federal Program

We have audited the City of New Haven, Connecticut's (the "City") 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 City's major federal programs for the year ended June 30, 2013. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of 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 City of New Haven, Connecticut, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City of New Haven, Connecticut's basic financial statements. We issued our report thereon dated December 30, 2013, 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.



New Haven, Connecticut
December 30, 2013

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2013

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
U.S. Department of Agriculture/ Passed through the State of Connecticut			
Department of Education:			
Child Nutrition Cluster:			
National School Lunch Program - 2012	10.555	12060-SDE64370-20560	\$ 2,720,519
National School Lunch Program - 2013	10.555	12060-SDE64370-20560	2,488,413
USDA Commodities-Noncash	10.555	-	530,991
School Breakfast Program - 2012	10.553	12060-SDE64370-20508	1,569,208
School Breakfast Program - 2013	10.553	12060-SDE64370-20508	1,973,771
Total Child Nutrition Cluster			<u>9,282,902</u>
Child Care Food Program - 2012	10.558	12060-SDE64370-20518	97,724
Child Care Food Program - 2013	10.558	12060-SDE64370-20518	165,642
Total Child Care Food			<u>263,366</u>
Child and Adult Care - Cash in Lieu-2012	10.550	12060-SDE64370-20544	5,144
Child and Adult Care - Cash in Lieu-2013	10.550	12060-SDE64370-20544	8,597
Total Child and Adult Care			<u>13,741</u>
Total U.S. Department of Agriculture			<u>9,560,009</u>
U.S. Department of Housing and Urban Development/ Directly Funded:			
Community Development Block Grant	14.218	-	3,716,240
CDBG Program Income	14.218	-	63,979
Total Community Development Block Grant			<u>3,780,219</u>
Section 108 Income LCI	14.219	-	22
Section 108 Grant Economic Development	14.219	-	1,778
Section 108 Income Economic Development	14.219	-	11
Total Section 108			<u>1,811</u>
UDAG Program Income	14.221	-	156,393
Emergency Shelter Program	14.231	-	314,550
HOME Investment Program	14.239	-	1,359,796
HOME Program Income	14.239	-	510,409
Total HOME Investment Grant			<u>1,870,205</u>
Housing Opportunities for Persons with AIDS	14.241	-	1,020,275
Lead Based Paint Hazard Control Program	14.900	-	295,869
Total - Direct			<u>7,439,322</u>

See Notes to Schedule of Expenditures of Federal Awards.

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
For the Year Ended June 30, 2013

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
U.S. Department of Housing and Urban Development/ Passed through the State of Connecticut			
Office of Economic and Community Development:			
Neighborhood Stabilization - Program and Administration - ARRA	14.256	12060-ECD46400-22324	32,107
Neighborhood Stabilization - Title III	14.256	12060-ECD46400-22466	<u>1,090,468</u>
Total Neighborhood Stabilization			<u>1,122,575</u>
Community Challenge Planning Grant (HUD) - 2012	14.704	12060-ECD46400-22455	<u>307,234</u>
Total - Pass Through			<u>1,429,809</u>
Total U.S. Department of Housing and Urban Development			<u>8,869,131</u>
U.S. Department of Justice/ Directly Funded:			
Federal Surplus Property Program	16.578	-	<u>60,306</u>
JAG10/Enhancing Police Strategies to Prevent Crime	16.738	-	76,348
JAG 2011	16.738	-	107,122
P.A.S.T.	16.738	-	79,091
JAG 2012	16.738		<u>194,693</u>
Total Justice Assistance Grant - Cluster(direct)			<u>457,254</u>
Law Enforcement Tech Grant	16.710	-	57,646
Cops Hiring Recovery 2009 - ARRA	16.710	-	<u>312,458</u>
Total Public Safety Partnership and Policing Grants			<u>370,104</u>
Prison Re-entry	16.753	-	<u>156,047</u>
Total Direct			<u>1,043,711</u>
Passed through the State of Connecticut			
Office of Public Safety:			
Local Law Enforcement Block Grant	16.592	11000-DPS32523-17089	<u>1,050</u>
Passed through the State of Connecticut			
Office of Policy and Management:			
Jag Recovery 2009 - ARRA	16.738	12060-OPM20350-29002	70,995
2012 Summer Violence Reduction Initiative	16.738	12060-OPM20350-21921	<u>45,000</u>
Total Justice Assistance Grant Cluster			<u>115,995</u>
Total U.S. Department of Justice			<u>1,160,756</u>

See Notes to Schedule of Expenditures of Federal Awards.

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
For the Year Ended June 30, 2013

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
U.S. Department of Transportation/ Passed through the State of Connecticut Department of Transportation, Continued:			
Highway Planning and Construction Cluster:			
Tiger II - Downtown Crossing	20.205	12062-DOT57161-22108	1,246,293
Boat house Long Wharf	20.205	12062-DOT57191-22108	199,201
East Rock Rd Bridge 04418	20.205	12062-DOT57191-22108	131,847
East Rock Bridge 04419 2013	20.205	12062-DOT57191-22108	225,632
Quinnipiac Ave. Reconst. Phase I ARRA	20.205	12062-DOT57161-29105	332,326
Quinnipiac Ave. Reconst. Phase II ARRA	20.205	12062-DOT57161-29105	80,701
Traffic Signal Equip ARRA	20.205	12062-DOT57161-29015	435,663
Congress Ave Pavement Rehab ARRA	20.205	12062-DOT57161-29015	11,626
Central Control Signal System	20.205	12062-DOT57191-22108	104,154
Pavement Rehab on Dixwell, Davenport & Grand Ave.	20.205	12062-DOT57161-22108	1,733,568
Rt. 34 Construction	20.205	12062-DOT57191-22108	597,510
Safe Routes to School	20.205	12062-DOT57161-22108	495,994
Local Bridges	20.205	12062-DOT57161-22110	994
Total Highway Planning and Construction Cluster			<u>5,595,509</u>
Airport Improvement Program	20.106	13033-DOT57757-41389	<u>439,350</u>
Expanded DUI Enforcement	20.607	12062-DOT57513-22091	85,089
Click it or Ticket	20.607	12062-DOT57513-22087	<u>5,218</u>
Total Alcohol Open Container Requirements			<u>90,307</u>
Total U.S. Department of Transportation			<u>6,125,166</u>
U.S. Department of Environmental Protection Passed through the State of Connecticut Department of Environmental Protection:			
56 River Cleanup	66.XXX	BF-97171901-2	188,053
34 Lloyd St. Cleanup	66.XXX	BF-97171801-2	133,648
10 Wall Str. Brownfields	66.XXX	-	142,055
Brown field Revolving Loan	66.XXX	-	25,461
Total Cleanup Grants			<u>489,217</u>
Total U.S. Department of Environmental Protection			<u>489,217</u>
U .S. Department of Energy/ Directly Funded:			
Energy Efficiency Block - ARRA	81.128	-	<u>92,212</u>
U .S. Department of Education/ Directly Funded:			
Magnet School Assistance C/O	84.165	-	1,170,387
NH Magnet Schools Program	84.165	-	<u>2,244,716</u>
Total Magnet School Assistance			<u>3,415,103</u>
Volunteer School Choices	84.361	-	<u>402,894</u>

See Notes to Schedule of Expenditures of Federal Awards.

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
For the Year Ended June 30, 2013

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
U .S. Department of Education/ Directly Funded, Continued:			
Impact Aid Title I	84.040	-	34,526
Impact Aid Title I	84.040	-	9,053
Total Impact Aid Title I			<u>43,579</u>
Foreign Language Assistance 2012	84.293A	-	101,579
Teachers Incentive	84.374A	-	237,402
Total - Direct			<u>4,200,557</u>
Passed through the State of Connecticut/ Department of Education:			
Title I Part A, Cluster:			
Title I - Improving Basic Programs - 2012 & 2013	84.010A	12060-SDE64370-20679	8,048,585
Title I - Improving Basic Programs - 2012	84.010	12060-SDE64370-20679	1,995,741
Title I - Part A 1003(A) School Improve 2013	84.010	12060-SDE64370-20679	24,904
Title I - Part A 1003(A) School Improve 2012	84.389A	12060-SDE64370-20679	51,308
Total Title I Part A, Cluster			<u>10,120,538</u>
School Improvement Grants Cluster:			
ARRA - School Improvement - Central Office	84.388	12060-SDE64370-29064	167,863
ARRA - School Improvement - Brennan 09	84.388	12060-SDE64370-29064	428,106
ARRA - School Improvement - Hill Central 09	84.388	12060-SDE64370-29064	445,403
ARRA - School Improvement - Hill House 09	84.388	12060-SDE64370-29064	650,858
ARRA - School Improvement - W Cross 09	84.388	12060-SDE64370-29064	591,187
ARRA - School Improvement - Carryover	84.388	12060-SDE64370-29064	540,422
School Improvement (SCG) Clemente	84.377	12060-SDE64370-22223	119,702
School Improvement (SCG) Clemente	84.377	12060-SDE64370-22223	682,376
Total School Improvement Grants Cluster			<u>3,625,917</u>
Education of Homeless Children and Youth C/O	84.196	12060-SDE64370-20770	40,000
Adult Education - Improvement	84.002	12060-SDE64370-20784	108,578
Title II, Part A, Teachers Training 2013	84.367	12060-SDE64370-20858	1,917,743
Title II, Part A, Teachers Training 2012	84.367	12060-SDE64370-20858	321,959
Total Title II, Part A Teachers Training			<u>2,239,702</u>
Special Education Cluster:			
IDEA Part B, Section 619 Preschool Incentive	84.173	12060-SDE64370-20983	98,803
IDEA Part B, Section 619 Preschool	84.173	12060-SDE64370-20983	6,655
IDEA Part B, Section 611 Handicapped Carryover	84.027	12060-SDE64370-20977	590,017
IDEA Part B, Section 611 Entitlement 2012	84.027	12060-SDE64370-20977	4,668,566
IDEA Part B, Section 611 Entitlement - Non Public - 2012	84.027	12060-SDE64370-20977	233,480
Total Special Education Cluster			<u>5,597,521</u>

See Notes to Schedule of Expenditures of Federal Awards.

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
For the Year Ended June 30, 2013

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
U .S. Department of Education, Continued/ Passed through the State of Connecticut			
Department of Education, Continued:			
21st Century Cohort VIII 2012	84.287	12060-SDE64370-20863	136,441
21st Century Cohort VIII 2012 sde 07	84.287	12060-SDE64370-20863	140,965
21st Century Cohort VIII 2011	84.287	12060-SDE64370-20863	7,079
21st Century Cohort VIII 2011 SDE07	84.287	12060-SDE64370-20863	4,671
21st Century Cohort VIII 2011SDE08	84.287	12060-SDE64370-20863	5,377
21st Century Cohort VIII 2012 sde 08	84.287	12060-SDE64370-20863	137,571
21st Century Cohort VII 2012 sde 11	84.287	12060-SDE64370-20863	100,000
21st Century Cohort VII 2011 sde 11	84.287	12060-SDE64370-20863	6,148
21st Century Cohort XI Davis/Riverside SDE6	84.287	12060-SDE64370-20863	179,955
21st Century Cohort XI Wexler/Hhouse SDE 9	84.287	12060-SDE64370-20863	134,275
Total 21st Century Cohort			<u>852,482</u>
Title III Part A English Language Acquisition - 2013	84.365	12060-SDE64370-20868	310,827
Title III Part A English Language Acquisition - 2012	84.365	12060-SDE64370-20868	68,253
Total Title III Part A English Language Acquisition			<u>379,080</u>
Career and Technical Education Act - Basic Grants to States	84.048	12060-SDE64370-20742	435,175
Investing & Pers Finance (Sound SCH)	N/A	12060-SDE64370-35358	19,725
Investing & Pers Finance (Coop HS)	N/A	12060-SDE64370-35358	18,721
Total Investing & Pers Finance			<u>38,446</u>
Pregnancy Assistance Fund Program - 2013	93.500	12060-SDE64370-22439	193,488
Pregnancy Assistance Fund Program - 2012	93.500	12060-SDE64370-22439	96,892
Total Pregnancy Assistance Program			<u>290,380</u>
Total Passed through the State of Connecticut Department of Education			<u>23,727,819</u>
Total U.S. Department of Education			<u>27,928,376</u>
U.S. Department of Health and Human Services/ Directly Funded:			
Ryan White Formula and Supplement	93.914	-	6,531,266
Head Start Program	93.600	-	6,864,115
Total - Direct			<u>13,395,381</u>
Passed through the State of Connecticut			
Department of Social Services:			
Social Services Block Grant (SAGA) 10/1/11 - 9/30/12	93.667	12060-DSS60783-20701	43,544
Social Services Block Grant (SAGA) 10/1/12 - 9/30/13	93.667	12060-DSS60783-20701	71,223
Total Social Services Block Grant			<u>114,767</u>

See Notes to Schedule of Expenditures of Federal Awards.

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
For the Year Ended June 30, 2013

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
U.S. Department of Health and Human Services/ Passed through the State of Connecticut			
Department of Public Health:			
School Based Health Clinics	93.994	12060-DPH48832-21531	137,500
PHP Emergency Preparedness (Bioterrorism) 7/1/2012- 06/30/2013	93.069	12060-DPH48558-22333	58,446
PHP Medical Reserve Corps 7/1/12-6/30/13	93.089	12060-DPH48557-22372	15,000
Total PHP Cluster			73,446
Vaccines - Noncash 7/1/2012-6/30/2013	93.268	-	10,235
Immunization Program 1/1/2012-12/31/2012	93.268	12060-DPH48664-20911	83,210
			93,445
Obesity Unintentional Injury	93.991	12060-DPH48558-21530	26,563
AIDS Prevention Education Services 1/1/2012-12/31/2012	93.940	12060-DPH48852-22511	36,213
AIDS Prevention Education Services 1/1/2013-12/31/2013	93.940	12060-DPH48852-22511	13,245
Total AIDS Prevention Education Services			49,458
Total			380,412
Total U.S. Department of Health and Human Services			13,890,560
U.S. Department of Homeland Security Passed through the State of Connecticut			
Department of Public Safety:			
Emergency Management Performance Grant	97.042	12060-DPS32960-21881	121,627
Boat Equipment	97.056	12060-DPS32160-22327	84,472
Dive Equipment	97.056	12060-DPS32160-22327	24,988
Dock Project	97.056	12060-DPS32160-22327	121,158
CBRNE BOAT - Port Security	97.056	12060-DPS32160-22327	79,109
Total Port Security Grant program			309,727
FEMA (Sept. 2011 Storm)	97.036	12060-DPS32990-21891	1,289,243
Storm Sandy Fund	97.036	CT-DR-4087	2,334,352
Blizzard 2013 Nemo	97.036	CT-DR-4106	1,247,458
Blizzard 2013 Nemo	97.036	CT-DR-4106	775,000
Longwharf Pier Capital Special Funds	97.036	12060-DPS32990-21891	168,039
Storm Sandy Fund	97.036	12060-DPS32990-21891	1,151
Total Disaster Grants - Public Assistance			5,815,243
Total U.S. Department of Homeland Security			6,246,597

See Notes to Schedule of Expenditures of Federal Awards.

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
 For the Year Ended June 30, 2013

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Number	Federal Expenditures
U.S. Economic Development Administration			
Directly Funded:			
River Street MDP Phase II	11.300	EDA #01-01-08122	<u>706,732</u>
Institute of Museum and Library Science			
Grants to states	45.310	11000-CSL66051-17003	<u>1,374</u>
Total Expenditures of Federal Awards			<u><u>\$ 75,070,130</u></u>

See Notes to Schedule of Expenditures of Federal Awards.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2013

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the City of New Haven, Connecticut (the "City") under programs of the federal government for the year ended June 30, 2013. 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 City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

Component Units

The schedule does not include any expenditures of federal awards of the City's discretely presented component units.

Note 2. Summary of Significant Accounting Principles

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of New Haven, 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.

Note 3. Non-Cash Awards

The City of New Haven's National School Lunch Program receives noncash federal awards in the form of food commodities from the Department of Agriculture. The City also receives noncash federal awards through the U.S. Department of Health and Human Services in the form of vaccines.

Noncash awards are reported in the schedule at the fair market value of the items received and disbursed. The market value of the items issued is included in the Schedule of Expenditures of Federal Awards as follows:

Food Commodities	<u>\$ 530,991</u>
Vaccines	<u>\$ 10,235</u>

Note 4. Subrecipients

Of the expenditures presented in the Schedule of Expenditures of Federal Awards and State Financial Assistance, the City provided the following federal awards to subrecipients:

<u>Name of Program/Project</u>	<u>CFDA Number</u>	<u>Amount Provided to Subrecipient</u>
Airport Improvement	20.106	<u>439,350</u>

CITY OF NEW HAVEN, CONNECTICUT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2012**

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 No
- Significant deficiency(ies) identified? Yes None reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Type of auditor's report issued on compliance for major programs: unmodified

- Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? Yes No

Identification of Major Programs

CFDA Numbers	Name of Federal Program of Cluster
14.900	Lead Based Paint Hazard Control Grant
14.231	Emergency Shelter Program
14.241	Housing Opportunity for Persons with Aids
84.165	Magnet School Assistance
16.738	Edward Byrne Memorial Justice Assistance Grant
10.553/10.555	Child Nutrition Cluster
14.218	Community Development Block Grant
93.600	Head Start Program
84.048	Career and Technical Education –Basic Grants to States
16.710	Public Safety Partnership and Community Policing Grants – ARRA
84.377/84.388	School Improvement Grant Cluster - ARRA
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between type A and type B programs \$2,252,103

Auditee qualified as low-risk auditee? Yes No

II. FINANCIAL STATEMENT FINDINGS

No matters were reported.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

**CITY OF NEW HAVEN, CONNECTICUT
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2013**

There were no findings relative to Federal awards in the prior year's Federal Single Audit.



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

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of
the Board of Aldermen
New Haven, Connecticut

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of New Haven, Connecticut (the "City") as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 30, 2013.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

The image shows a handwritten signature in cursive script that reads "McGladrey LLP". The signature is written in black ink and is positioned above the typed text.

New Haven, Connecticut
December 30, 2013



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

To the Honorable Mayor and Members of
the Board of Aldermen
New Haven, Connecticut

Report on Compliance for Each Major State Program

We have audited the City of New Haven, Connecticut's (the "City") compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of the City's major state programs for the year ended June 30, 2013. The City'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 City's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major State Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

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

compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of New Haven, Connecticut, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City of New Haven, Connecticut's basic financial statements. We issued our report thereon dated December 30, 2013, 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.



New Haven, Connecticut
December 30, 2013

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2013

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures
Office of Policy and Management:		
Local Capital Improvement Program	12050-OPM20600-40254	\$ 4,466,806
Reimbursement of Property Taxes - Disability Exemption	11000-OPM20600-17011	11,322
Property Tax Relief for Veterans	11000-OPM20600-17024	54,179
Property Tax Relief for Elderly	11000-OPM20600-17018	439,355
PILOT Exempt Property of Manufacturing Facilities -Distressed	11000-OPM20600-17016	38,554
Property Tax Elderly Homeowner's - Freeze Program	11000-OPM20600-17021	8,000
PILOT State-Owned Property	11000-OPM20600-17004	4,737,591
PILOT State Colleges and Hospitals	11000-OPM20600-17006	35,287,804
Project Longevity	11000-OPM20350-17098	30,465
Total Office of Policy and Management		<u>45,074,076</u>
Department of Public Safety:		
State Forfeiture Revolving Fund	12060-DPS32155-35142	<u>35,602</u>
Telecommunications Fund (E-911 Cities) 08/09	12060-DPS32740-35190	357,665
Telecommunications Fund (CMED) FY11	12060-DPS32740-35190	<u>192,603</u>
Total		<u>550,268</u>
Fire Training School	11000-DPS32251-16034	<u>45,956</u>
Total Department of Public Safety		<u>631,826</u>
Department of Economic and Community Development:		
Tax Abatement Program	11000-ECD46400-17008	<u>101,429</u>
424 Grand Ave. Remediation	2001093021	40,723
Gateway Project/Macy's	13019-ECD46440-41240	253,863
100 RIVER ST COLONY HARDWARE	13019-ECD46440-41240	87,149
Downtown Crossing Project	13019-ECD46440-41240	459,315
DECD Arts Catalyze Placement	11000-ECD46820-16196	<u>52,859</u>
Total		<u>893,909</u>
Total Department of Economic and Community Development		<u>995,338</u>
Department of Environmental Protection:		
Community Gardens	12060-DEP43153-35328	<u>4,732</u>
Department of Public Health:		
Per Capita Funding	11000-DPH48500-17009	153,336
School Based Health Clinics 2011	11000-DPH48500-17019	1,352,474
Tuberculosis Control	11000-DPH48500-16112	63,742
Lead Poisoning Prevention 7/1/11-6/30/12 (2012-1501)	11000-DPH48500-12126	182,971
Aids - Prevention Education Services	11000-DPH-48800-12236	17,557
Aids - Prevention Education Services	11000-DPH48852-12236	51,214
Total - Direct	11000-DPH48500-17013	18,055
Syringe Exchange Programs	11000-DPH48500-12100	<u>121,786</u>
Total Department of Public Health		<u>1,961,135</u>

See Notes to Schedule of State Financial Assistance

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, Continued
For the Year Ended June 30, 2013

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures
Department of Transportation:		
East Rock Rd Bridge	12062-DOT57191-22108	32,962
Boat House Long Wharf	12062-DOT57191-22108	49,800
Farmington Canal Phase 4	12062-DOT57191-22108	267,493
Tiger II - Downtown Crossing	12062-DOT57161-22108	311,573
Total		<u>661,828</u>
Gateway Traffic Control	13033-DOT57191-42925	<u>34,780</u>
Town Aid Road Grant-STO	Total - Pass Through	<u>624,343</u>
Total Department of Transportation		<u>1,320,951</u>
Department of Social Services:		
End Chronic Homeless	11000-DSS60783-16149	<u>211</u>
Food Stamp Education	12060-DSS60799-20735	<u>33,933</u>
Nurturing Families Network	11000-DSS60406-12042	<u>212,579</u>
Healthy Start	11000-DSS60521-16105	<u>382,476</u>
Total Department of Social Services		<u>629,199</u>
Department of Education:		
Child Nutrition Program Lunch State Match	11000-SDE64370-16211	<u>132,767</u>
Child Daycare-Infant and Toddler	11000-SDE64220-12520	<u>1,171,351</u>
Head Start Services	11000-SDE64370-16101	<u>193,813</u>
Head Start Enhancement	Total Direct 11000-SDE64370-16106	<u>129,709</u>
Head Start Early Childhood Link	11000-SDE64370-16202	<u>90,843</u>
Vocational Education Agriculture	11000-SDE64370-17017	<u>732,248</u>
Family Resource Centers Program - Wexler	11000-SDE64370-16110	101,578
Family Resource Centers Program - Brennan	11000-SDE64370-16110	86,506
Family Resource Centers Program - Hill	11000-SDE64370-16110	93,471
Family Resource Centers Program - Fair Haven	11000-SDE64370-16110	56,781
Family Resource Centers Program - Ross/Wood	11000-SDE64370-16110	60,519
Total		<u>398,855</u>
Adult Education Cooperating Eligibility Entity	11000-SDE64370-17030	186,761
Adult Education Provider	11000-SDE64370-17030	4,800,000
Adult Ed Transition PILOT	11000-SDE64370-17030	<u>94,176</u>
Total		<u>5,080,937</u>

See Notes to Schedule of State Financial Assistance

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2013

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures
Department of Education, Continued:		
Nonpublic Health Services	11000-SDE64370-17034	56,891
Open Choice	11000-SDE64370-17053	955,252
Open Choice Supplemental Program	11000-SDE64370-17053	94,748
		<u>1,050,000</u>
School Accountability Summer School	11000-SDE64370-17043	397,692
Bilingual Education	11000-SDE64370-17042	221,551
Priority School Districts	11000-SDE64370-17043	6,165,985
Extended School Hours	11000-SDE64370-17043	331,321
School Readiness - Priority School District	11000-SDE64370-17043	7,603,669
Young Parents Program	11000-SDE64370-17044	48,457
Interdistrict Cooperative - Sound Marine	11000-SDE64370-17045	179,600
Interdistrict Cooperative - Sound	11000-SDE64370-17045	101,757
Total		<u>281,357</u>
Youth Service Bureau	11000-SDE64370-17052	122,970
Youth Service Bureau Enhancement	11000-SDE64370-16201	9,777
School Breakfast Program	11000-SDE64370-17046	129,000
School Breakfast Program Public State Match	11000-SDE64370-17046	61,973
		<u>190,973</u>
Quality Enhancement	12060-SDE64370-17097	108,583
Magnet School Operating (SDE000079)	11000-SDE64370-17057	984,440
Magnet School Operating (SDE000080)	11000-SDE64370-17057	2,440,830
Magnet School Operating (SDE000081)	11000-SDE64370-17057	2,875,060
Magnet School Operating (SDE000082)	11000-SDE64370-17057	3,106,250
Magnet School Operating (SDE000083)	11000-SDE64370-17057	890,290
Magnet School Operating (SDE000088)	11000-SDE64370-17057	2,442,230
Magnet School Operating (SDE000093)	11000-SDE64370-17057	2,303,980
Magnet School Operating (SDE000106)	11000-SDE64370-17057	1,018,140
Magnet School Operating (SDE000107)	11000-SDE64370-17057	2,539,700
Magnet School Operating (SDE000111)	11000-SDE64370-17057	1,697,475
Magnet School Operating (SDE000114)	11000-SDE64370-17057	1,316,350

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, Continued
 For the Year Ended June 30, 2013

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures
Department of Education, Continued:		
Magnet School Operating (SDE000127)	11000-SDE64370-17057	2,447,405
Magnet School Operating (SDE000128)	11000-SDE64370-17057	2,622,360
Magnet School Operating (SDE000143)	11000-SDE64370-17057	1,724,155
Magnet School Operating (SDE000144)	11000-SDE64370-17057	1,961,090
Magnet School Operating (SDE000146)	11000-SDE64370-17057	2,609,085
Magnet School Operating (SDE000147)	11000-SDE64370-17057	2,021,850
Magnet School Transportation	11000-SDE64370-17057	3,649,122
Total		<u>38,649,812</u>
Healthy Foods Initiative	11000-SDE64370-16212	<u>288,418</u>
After School Program Hill/Central/Ross	11000-SDE64370-17084	<u>101,948</u>
Commission Network Turnaround	11000-SDE-64370-12547	<u>704,562</u>
Wrap Around Services	11000-SDE-64370-12544	<u>86,500</u>
School Health Coordinator Pilot	11000-SDE-64370-12546	<u>94,800</u>
Low Performing Schools	12052-SDE-64370-43539	<u>551,852</u>
Parent Academy	11000-SDE-64370-12545	<u>73,095</u>
Accountability Training & Tech Assist	11000-SDE-64370-12453	<u>94,787</u>
ECS - Alliance District Funding	11000-SDE-64370-17041	<u>3,663,874</u>
Charter Schools - 268 Common Ground	11000-SDE-64370-17041	1,672,800
Charter Schools - 279 Amistad	11000-SDE-64370-17041	8,986,200
Charter Schools - 289 Elm City	11000-SDE-64370-17041	6,089,400
		<u>16,748,400</u>
Total Department of Education		<u>85,577,797</u>
Division of Consumer Protection:		
Payment to Town OTB	34004-DCP39930-40001	<u>815,611</u>
Bingo Payments	34003-DCP39940-42350	<u>313</u>
Total Division of Consumer Protection		<u>815,924</u>
Judicial Branch:		
Distribution to Towns	34001-JUD95162-40001	69,245
Youth Violence Prevention Grant	11000-JUD96114-12555	207,423
Total Judicial Branch		<u>276,668</u>
Department of Rehabilitation Services:		
Education Aid Blind/Visually Impaired Children	11000-SDR63830-12060	<u>121,664</u>
See Notes to Schedule of State Financial Assistance		(Continued)

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, Continued
For the Year Ended June 30, 2013

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures
Department of Labor:		
Construction Workforce Initiative - 2011	11000-OWC22000-12108	1,321
Construction Workforce Initiative - 2012	11000-OWC22000-12108	32,565
Construction Workforce Initiative II 2013	11000-OWC22000-12108	20,079
CT Green Jobs Funnel	GJF 23420 00826 12 7004	172,802
Total Department of Labor		<u>226,767</u>
State Library:		
Connecticard	11000-CSL66051-17010	3,319
Historical Documents Preservation	12060-CSL66094-35150	9,500
		<u>12,819</u>
Department of Agriculture:		
Connecticut Agriculture Bureau	34003-DAG42660-42337	<u>34,833</u>
Total Expenditures of State Financial Assistance Before Exempt Programs		<u>137,683,729</u>
Exempt Programs:		
Office of Policy and Management:		
Mashantucket Pequot Grant	12009-OPM20600-17005	6,880,445
Municipal Revenue Sharing	12060-OPM20600-35458	1,086,540
Municipal Video Competition	12060-OPM20660-35362	56,047
Total Office of Policy and Management		<u>8,023,032</u>
Department of Education:		
Transportation for School Children - Non-Public	11000-SDE64000-17049	199,485
Transportation for School Children - Public	11000-SDE64000-17027	2,090,875
Education Cost Sharing	11000-SDE64000-17041	142,378,798
Special ED-AG. Placements and Excess Costs	11000-SDE64000-17047	1,301,897
Special ED-AG. Placements and Excess Costs	11000-SDE64000-17047	794,626
Special ED-AG. Placements and Excess Costs	11000-SDE64000-17047	84,133
Special ED-Excess Costs 2013	11000-SDE64000-17047	1,365,588
Total Department of Education		<u>148,215,402</u>
Department of Construction Services:		
School Construction Progress Payments 13	13010-DCS28246-40901	1,668,593
School Construction Progress Payments 2013	13010-DCS28246-40901	17,086,045
School Construction - Principal 2013	13010-DCS28246-40901	4,565,877
School Construction Reg Interest-82004-2013-170063	13009-DCS28246-40896	1,619,397
Total Department of Construction Services		<u>24,939,912</u>
Total Exempt Programs		<u>181,178,346</u>
Total Expenditures of State Financial Assistance		<u>\$ 318,862,075</u>

See Notes to Schedule of State Financial Assistance

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE For the Year Ended June 30, 2013

Various departments and agencies of the State of Connecticut have provided financial assistance to the City of New Haven, 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, economic and community development, environmental protection, library, health, public safety, social services, developmental services, emergency management and homeland security and transportation.

Note 1. Summary of Significant Accounting Policies

The accounting policies of the City of New Haven, 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 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.

Note 2. Component Units

The schedule does not include any expenditure of State awards of the City's discretely presented component units.

CITY OF NEW HAVEN, CONNECTICUT

**SCHEDULE OF STATE SINGLE AUDIT COMPLIANCE FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2013**

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: unmodified.

Internal control over financial reporting:

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

State Financial Assistance

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None reported

Type of auditor's report issued on compliance for major programs: unmodified.

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

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

State Grantor and Program	State CORE-CT Number	Expenditures
Office of Policy and Management:		
Payment in Lieu of Taxes (PILOT) on Colleges and General Hospitals	11000-OPM20600-17006	\$ 35,287,804
Department of Transportation:		
Town Aid Road Grant-STO	13033-DOT57131-43459	624,343
Department of Public Safety:		
Telecommunications Fund	12060-DPS32740-35190	550,268

CITY OF NEW HAVEN, CONNECTICUT

**SCHEDULE OF STATE SINGLE AUDIT COMPLIANCE FINDINGS AND
QUESTIONED COSTS, Continued
For the Year Ended June 30, 2013**

State Grantor and Program	Number	Expenditures
Department of Education:		
Adult Education	11000-SDE64370-17030	5,080,937
Priority School Districts	11000-SDE64370-17043	6,165,985
Charter Schools	11000-SDE64370-16119	16,748,400
ECS - Alliance District Funding	11000-SDE64370-17041	3,663,874
Open Choice	11000-SDE64370-17053	1,050,000
Healthy Foods Initiative	11000-SDE64370-16212	288,418
Department of Public Health:		
School Based Health Clinics 2011	11000-DPH48500-17019	1,352,474
Dollar threshold used to distinguish between Type A and Type B programs		<u>\$ 2,753,675</u>

II. FINANCIAL STATEMENT FINDINGS

No matters were reported.

III. STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

No matters were reported.