

TOWN OF EAST LYME, CONNECTICUT

FEDERAL AND STATE FINANCIAL
AND COMPLIANCE REPORTS
Year Ended June 30, 2012

TOWN OF EAST LYME, CONNECTICUT

FEDERAL AND STATE FINANCIAL AND COMPLIANCE REPORT

TABLE OF CONTENTS

**REPORT REQUIRED BY THE FEDERAL SINGLE AUDIT ACT AND
OMB CIRCULAR A-133**

Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Program and on Internal Control over Compliance in Accordance with OMB Circular A-133 and on the Schedule of Expenditures of Federal Awards	1-2
Schedule of Expenditures of Federal Awards	3
Notes to Schedule of Expenditures of Federal Awards.....	4
Schedule of Findings and Questioned Costs	5
Summary of Prior Year Audit Findings	6

REPORT REQUIRED BY GOVERNMENT AUDITING STANDARDS

Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards.....	7-8
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REPORT REQUIRED BY THE STATE SINGLE AUDIT ACT

Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each 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.....	9-10
Schedule of Expenditures of State Financial Assistance	11-12
Notes to Schedule of Expenditures of State Financial Assistance	13
Schedule of State Single Audit Compliance Findings and Questioned Costs	14
Summary of Prior Audit Findings.....	15



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 OMB CIRCULAR A-133 AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

To the Board of Finance
Town of East Lyme, Connecticut

Compliance: We have audited the Town of East Lyme, 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 East Lyme, Connecticut's major federal programs for the year ended June 30, 2012. The Town of East Lyme, 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 East Lyme, Connecticut's management. Our responsibility is to express an opinion on the Town of East Lyme, 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 East Lyme, 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 East Lyme, Connecticut's compliance with those requirements.

In our opinion, the Town of East Lyme, Connecticut complied, in all material respects, with the 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, 2012.

Internal Control Over Compliance: Management of the Town of East Lyme, 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 East Lyme, Connecticut's internal control over compliance with 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 the 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 East Lyme, 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 East Lyme, Connecticut as of and for the year ended June 30, 2012, and have issued our report thereon dated February 13, 2013, which contained unqualified opinions on those financial statements. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the Town of East Lyme, Connecticut's 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 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with the 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 financial statements as a whole.

This report is intended solely for the information and use of management and the Board of Finance of the Town of East Lyme, 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.



New Haven, Connecticut
February 13, 2013

TOWN OF EAST LYME, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Grantor's Number/ Project Number	Expenditures
U. S. DEPARTMENT OF AGRICULTURE:			
Passed through State Department of Education:			
Child Nutrition Cluster:			
Food Distribution - Non-cash	10.555	N/A	\$ 31,911
School Breakfast Program	10.555	12060-SDE64370-20508	8,115
National School Lunch Program	10.555	12060-SDE64370-20560	129,745
Total Child Nutrition Cluster			<u>169,771</u>
Total U.S. Department of Agriculture			<u>169,771</u>
U. S. DEPARTMENT OF EDUCATION:			
Passed through State Department of Education:			
Title I - Improving Basic Programs	84.010	12060-SDE64370-20679	93,141
Special Education - Cluster:			
Special Education - Grants to States (IDEA, Part B)- Preschool	84.173	12060-SDE64370-20983	12,200
Special Education - Grants to States (IDEA, Part B) Sec 611	84.027	12060-SDE64370-20977	420,767
Total Special Education - Cluster			<u>432,967</u>
Title II Part A - Teachers	84.367	12060-SDE64370-20858	54,958
Education Jobs Fund	84.410	12060-SDE64370-22405	322,941
Total U.S. Department of Education			<u>904,007</u>
U.S. DEPARTMENT OF HOMELAND SECURITY:			
Passed through State Department of Emergency Management and Homeland Security:			
FEMA Public Assistance	97.036	12060-EHS99690-21891	126,834
Emergency Management Performance Grant	97.042	12060-EHS99620-21881	9,511
Nuclear Emergency Safety Fund	97.052	12060-EHS99682-30464	1,455
Nuclear Safety Fund Dominion	97.052	12060-EHS99682-30465	16,731
Total U.S. Department of Homeland Security			<u>154,531</u>
U.S. DEPARTMENT OF TRANSPORTATION:			
Passed through the State Department of Transportation:			
Federal Highway Safety Grants	20.205	12062-DOT57343-20559	799
Alcohol Open Container	20.601	12062-DOT57343-22091	10,875
Total U.S. Department of Transportation			<u>11,674</u>
ENVIRONMENTAL PROTECTION AGENCY:			
Passed through the State Department of Public Health:			
Capitalization Grants for Drinking Water State Revolving Funds	66.468	12060-DPH48770-29029	26,185
Total Expenditures of Federal Awards			<u>\$ 1,266,168</u>

N/A = Not Available.
See Notes to Schedule.

TOWN OF EAST LYME, CONNECTICUT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended June 30, 2012

Various agencies of the Federal Government have made financial assistance available to the Town of East Lyme, Connecticut. These grants fund several programs including housing, education, human and social services, transportation, public safety and general government activities.

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Town of East Lyme, Connecticut and is presented on the modified accrual basis of accounting for grants which are accounted for in the governmental fund types 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 2. Noncash Awards

U.S.D.A. Contributions

The United States Department of Agriculture makes available commodities for donations to schools. The amount of \$31,911 represents the market value of such commodities used during the period. This amount is included in the Child Nutrition Cluster.

TOWN OF EAST LYME, CONNECTICUT

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

I. 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 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: unqualified

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

Identification of Major Programs

CFDA Numbers	Name of Federal Program or Cluster
84.027/84.173	Special Education Cluster
97.036	FEMA Public Assistance
84.010	Education Jobs Fund

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

\$300,000

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.

**TOWN OF EAST LYME, CONNECTICUT
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2012**

There were no findings in the prior year for the Federal Single Audit.



**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 Board of Finance
Town of East Lyme, 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 East Lyme, Connecticut as of and for the year ended June 30, 2012, which collectively comprise the Town of East Lyme, Connecticut's basic financial statements, and have issued our report thereon dated February 13, 2013. 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 East Lyme, Connecticut is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Town of East Lyme, Connecticut's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of East Lyme, Connecticut's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of East Lyme, 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 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 previously.

Compliance and Other Matters: As part of obtaining reasonable assurance about whether the Town of East Lyme, 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*.

We noted certain matters that we reported to management of the Town of East Lyme, Connecticut in a separate letter dated February 13, 2013.

This report is intended solely for the information and use of management and the Board of Finance, the management of the Town of East Lyme, 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 these specified parties.

McGladrey LLP

New Haven, Connecticut
February 13, 2013



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 Board of Finance
Town of East Lyme, Connecticut

Compliance: We have audited the Town of East Lyme, 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 East Lyme, Connecticut's major state programs for the year ended June 30, 2012. The Town of East Lyme, Connecticut's 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 East Lyme, Connecticut's management. Our responsibility is to express an opinion on the Town of East Lyme, 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 East Lyme, 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 East Lyme, Connecticut's compliance with those requirements.

In our opinion, the Town of East Lyme, 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, 2012.

Internal Control Over Compliance: Management of the Town of East Lyme, Connecticut is responsible for establishing and maintaining effective 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 East Lyme, 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 East Lyme, 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 as 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 East Lyme, Connecticut as of and for the year ended June 30, 2012, and have issued our report thereon dated February 13, 2013, which contained unqualified opinions on those financial statements. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the Town of East Lyme, Connecticut's 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 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with the 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 financial statements as a whole.

This report is intended solely for the information and use of the Board of Finance, management of the Town of East Lyme, Connecticut, the Office of Policy and Management and state awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

McGladrey LLP

New Haven, Connecticut
February 13, 2013

TOWN OF EAST LYME, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2012

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures
OFFICE OF POLICY AND MANAGEMENT:		
Reimbursement Property Tax Disability Exemption	11000-OPM20600-17011	\$ 1,051
Property Tax Relief for Elderly and Totally Disabled Homeowners	11000-OPM20600-17018	110,243
Property Tax Relief for Elderly Homeowners Freeze Program	11000-OPM20600-17021	2,000
Property Tax Relief for Veterans	11000-OPM20600-17024	22,870
Property Tax Relief State Owned Property	11000-OPM20600-17004	750,938
LOCIP	12060-OPM20600-40254	53,403
Payment in Lieu of Taxes (PILOT) on Private Colleges	11000-OPM20600-17006	43,847
		<u>984,352</u>
DEPARTMENT OF EDUCATION:		
Child Nutrition Program	11000-SDE64370-16072	7,664
Youth Service Bureau Enhancement	11000-SDE64370-16201	6,250
Youth Service Bureau	11000-SDE64370-17052	20,977
Adult Education	11000-SDE64370-17030	14,898
Magnet School	11000-SDE64370-17057	46,239
		<u>96,028</u>
DEPARTMENT OF TRANSPORTATION:		
Town Aid Road Grants - Transportation Fund	12052-DOT57131-43455	<u>160,418</u>
JUDICIAL BRANCH:		
Non-Budgeted Operating Appropriation	34001-JUD95162-40001	<u>9,016</u>
DEPARTMENT OF PUBLIC SAFETY:		
Enhanced 911 Telecomm Fund	12060-DPS32740-35190	<u>2,250</u>
CONNECTICUT STATE LIBRARY:		
Historic Documents Preservation Grants	12060-CSL66094-35150	<u>3,500</u>
DEPARTMENT OF PUBLIC HEALTH:		
Drinking Water Revenue Bonds	13033-DPH48770-42319	<u>20,160</u>
MILITARY DEPARTMENT:		
RPOM-ATS Utilities	12060-MIL36238-22070	<u>14,483</u>
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT:		
STEAP Grant	12052-ECD46000-42411	<u>111,373</u>
TOTAL STATE ASSISTANCE BEFORE EXEMPT PROGRAMS		<u>1,401,580</u>

(Continued)

TOWN OF EAST LYME, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, Continued
 For the Year Ended June 30, 2012

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures
EXEMPT PROGRAMS:		
Department of Education:		
Education Cost-sharing	11000-SDE64370-17041	7,146,111
Transportation of School Children	11000-SDE64370-17027	58,074
Excess Cost - Student Based	11000-SDE64370-17047	912,201
Total Department of Education		<u>8,116,386</u>
Office of Policy and Management:		
Municipal Revenue Sharing	12060-OPM20600-35458	13,351
Mashantucket Pequot/Mohegan Fund	12009-OPM20600-17005	334,320
Municipal Video Grant	12060-OPM20600-35362	541
Total Office of Policy and Management		<u>348,212</u>
TOTAL EXEMPT PROGRAMS		<u>8,464,598</u>
TOTAL STATE FINANCIAL ASSISTANCE		<u>\$ 9,866,178</u>

See Notes to Schedule.

TOWN OF EAST LYME, CONNECTICUT

**NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2012**

The accompanying schedule of expenditures of state financial assistance includes state grant activity of the Town of East Lyme, Connecticut under programs of the State of Connecticut for the fiscal year ended June 30, 2012. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs including education, public safety, social services, public health, road construction, school construction, community development and general government.

Note 1. Summary of Significant Accounting Policies

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

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

Basis of Accounting

The expenditures reported on the Schedule of State Financial Assistance are reported on the modified accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity, and accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule of Expenditures of State Financial Assistance.

Note 2. Loan Programs

In accordance with Section 4-236(a)(4)(F) of the Regulations to the State Single Audit Act, the notes to the Schedule of Expenditures of State Financial Assistance shall include loans and loan activities. The following is a summary of the various loan program activity for the year ended June 30, 2012:

Department of Environmental Protection

Clean Water Funds	Balance July 1, 2011	Issued	Retired	Balance June 30, 2012
<u>6865-3100-888</u>				
175-C	\$ 95,355	\$ -	\$ 95,355	\$ -
176-C	1,125,530	-	450,036	675,494
177-C	82,319	-	29,935	52,384
2010-8003	-	401,454	-	401,454
Total	<u>\$ 1,303,204</u>	<u>\$ 401,454</u>	<u>\$ 575,326</u>	<u>\$ 1,129,332</u>

TOWN OF EAST LYME, CONNECTICUT

**SCHEDULE OF STATE SINGLE AUDIT COMPLIANCE FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2012**

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? _____ 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: 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:

<u>State Grantor and Program</u>	<u>State Core-CT Number</u>	<u>Expenditures</u>
OFFICE OF POLICY AND MANAGEMENT		
Property Tax Relief State Owned Property	11000-OPM20600-17004	\$ 750,938
DEPARTMENT TRANSPORTATION		
Town Aid Road	12052-DOT57131-43455	160,418
• Dollar threshold used to distinguish between type A and Type B programs:		<u>\$ 200,000</u>

II. FINANCIAL STATEMENT FINDINGS

No matters were reported.

III. STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

No matters were reported.

**TOWN OF EAST LYME, CONNECTICUT
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2012**

There were no findings in the prior year for the State Single Audit.