

**TOWN OF SOMERS,  
CONNECTICUT**

**Federal and State Single  
Audit Reports**

**For The Year Ended  
June 30, 2011**



*Certified Public Accountants & Business Advisors*

**TOWN OF SOMERS, CONNECTICUT  
FEDERAL AND STATE SINGLE AUDIT REPORTS  
FOR THE YEAR ENDED JUNE 30, 2011**

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# **Internal Control and Compliance Report**

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

To the Board of Finance of the  
Town of Somers, Connecticut

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Somers, Connecticut (the "Town") as of and for the year ended June 30, 2011, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated December 30, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

Management of the Town is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Town'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's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

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

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

## COMPLIANCE AND OTHER MATTERS

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

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

CCR LLP

Glastonbury, Connecticut  
December 30, 2011

# **Federal Single Audit Section**

*Federal Internal  
Control and  
Compliance  
Report*

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON 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 Board of Finance of the  
Town of Somers, Connecticut

**COMPLIANCE**

We have audited the Town of Somers, Connecticut's (the "Town") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the Town's major federal programs for the year ended June 30, 2011. The Town's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of federal 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's management. Our responsibility is to express an opinion on the Town'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'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 of the Town's compliance with those requirements.

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

## INTERNAL CONTROL OVER COMPLIANCE

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Town's internal control over compliance with the 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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

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

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 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, each major fund, and the aggregate remaining fund information of the Town as of and for the year ended June 30, 2011, and have issued our report thereon dated December 30, 2011, which contained unqualified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for the 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 auditing standards generally accepted in the United States of America. In our opinion, the information 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 and management of the Town, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

CCR LLP

Glastonbury, Connecticut  
December 30, 2011

*Schedule of  
Expenditures  
of Federal  
Awards*

**TOWN OF SOMERS, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2011**

<b>Grantor; Pass-Through Grantor; Program Title</b>	<b>Grant Number</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<b>Passed through the Connecticut Department of Education:</b>			
Special Milk Program for Children	12060-SDE64370-20500	10.556	\$ <u>9,868</u>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
<b>Passed through the State of Connecticut Department of Transportation:</b>			
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	12062-DOT57343-22086	20.601	<u>4,171</u>
<b>U.S. DEPARTMENT OF JUSTICE</b>			
<b>Passed through the State of Connecticut Office of Policy and Management:</b>			
Edward Byrne Memorial Justice Assistance Grant Program, Recovery Act	12060-OPM20350-29002	16.804	<u>2,275</u>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
<b>Passed through the Connecticut Department of Emergency and Homeland Security:</b>			
Emergency Management Performance Grants	12060-EHS99690-21891	97.042	<u>39,712</u>
<b>U. S. DEPARTMENT OF EDUCATION</b>			
<b>Passed through the Connecticut Department of Education:</b>			
Special Education - Grants to States	12060-SDE64370-20977	84.027	306,958
Special Education - Grants to States, Recovery Act	12060-SDE64370-29011	84.391	153,825
Special Education - Preschool Grants	12060-SDE64370-20983	84.173	<u>10,345</u>
			471,128
Title I Grants to Local Educational Agencies	12060-SDE64370-20679	84.010	45,018
Safe and Drug Free Schools and Communities - State Grants	12060-SDE64370-20873	84.186	2,194
Education Jobs Grants	12060-SDE64370-22405	84.410	9,429
Improving Teacher Quality State Grants	12060-SDE64370-20858	84.367	24,129
State Fiscal Stabilization Fund - Education State Grants, Recovery Act	12060-SDE64370-29054	84.394	<u>844,382</u>
<b>Total U. S. Department of Education</b>			<u>1,396,280</u>
<b>U. S. DEPARTMENT OF ENERGY</b>			
<b>Passed through State of Connecticut Office of Policy Management:</b>			
Municipal Energy Efficiency and Conservation Block Grant, Recovery Act	12060-OPM20810-29009	81.128	<u>56,417</u>
<b>TOTAL FEDERAL AWARDS EXPENDED</b>			<u>\$ 1,508,723</u>

*The accompanying notes are an integral part of this schedule.*

**TOWN OF SOMERS, CONNECTICUT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2011**

**NOTE A - ACCOUNTING BASIS**

**BASIC FINANCIAL STATEMENTS**

The accounting policies of the Town of Somers, Connecticut conform to accounting principles generally accepted in the United States of America as applicable to governmental organizations.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

The accompanying schedule of expenditures of federal awards has been prepared on the accrual basis consistent with the preparation of the basic financial statements. Information included in the schedule of expenditures of federal awards is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

For cost reimbursement awards, revenues are recognized to the extent of expenditures. Expenditures have been recognized to the extent the related obligation was incurred within the applicable grant period and liquidated within 90 days after the end of the grant period.

For performance based awards, revenues are recognized to the extent of performance achieved during the grant period.

Certain financial assistance is not dependent on expenditure activity or the achievement of performance goals and, accordingly, is considered expended in the fiscal year of receipt. These financial assistance program receipts are reflected in the expenditures column of the schedule of expenditures of federal awards.

**NOTE B - OTHER FEDERAL ASSISTANCE**

No other federal assistance was received in the form of loan guarantees or insurance.

*Federal  
Findings and  
Questioned  
Costs*



# **State Single Audit Section**

*State Internal  
Control and  
Compliance  
Report*

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON 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 Board of Finance of the  
Town of Somers, Connecticut

**COMPLIANCE**

We have audited the Town of Somers, Connecticut's (the "Town") compliance with the types of compliance requirements described in the State of Connecticut, Office of Policy and Management *Compliance Supplement to the State Single Audit Act* that could have a direct and material effect on each of the Town's major state programs for the year ended June 30, 2011. The Town's major state programs are identified in the summary of audit results section of the accompanying schedule of state 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's management. Our responsibility is to express an opinion on the Town'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'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 of the Town's compliance with those requirements.

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

## **INTERNAL CONTROL OVER COMPLIANCE**

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to state programs. In planning and performing our audit, we considered the Town's internal control over compliance with the 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 and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

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

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 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, each major fund, and the aggregate remaining fund information of the Town as of and for the year ended June 30, 2011, and have issued our report thereon dated December 30, 2011, which contained unqualified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance is presented for the 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 auditing standards generally accepted in the United States of America. In our opinion, the information 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 and management of the Town, 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.

CCR LLP

Glastonbury, Connecticut  
December 30, 2011

*Schedule of  
Expenditures of  
State Financial  
Assistance*

**TOWN OF SOMERS, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2011**

State Grantor; Pass-Through Grantor; Program Title	State Grant Program Core - CT Number	Expenditures
<b>NONEXEMPT PROGRAMS</b>		
<b>DEPARTMENT OF EDUCATION</b>		
<b>Direct:</b>		
Open Choice	11000-SDE64000-17053	\$ 29,169
Open Choice - Sheff Settlement	11000-SDE64370-12457	16,577
Adult Education	11000-SDE64000-17030	10,372
<b>Total Department of Education</b>		<u>56,118</u>
<b>OFFICE OF POLICY AND MANAGEMENT</b>		
<b>Direct:</b>		
Property Tax Relief for Manufacturing Machinery and Equipment and Commercial Vehicles	11000-OPM20600-17031	72,769
Property Tax Relief for Elderly and Totally Disabled Homeowners	11000-OPM20600-17018	65,511
Property Tax Relief for Veterans	11000-OPM20600-17024	11,574
Property Tax Relief for Elderly Homeowner Freeze Package	11000-OPM20600-17021	2,000
Municipal Video Competition	12060-OPM20600-35362	1,433
Property Tax Relief for Disabled Exemption	11000-OPM20600-17011	570
<b>Total Office of Policy and Management</b>		<u>153,857</u>
<b>DEPARTMENT OF TRANSPORTATION</b>		
<b>Direct:</b>		
Town Aid Road Grants	13033-DOT57131-43459	187,069
Public Transportation Grant	12001-DOT57342-12175	10,223
<b>Total Department of Transportation</b>		<u>197,292</u>
<b>DEPARTMENT OF CORRECTIONS</b>		
<b>Direct:</b>		
Infrastructure and Renovation Project	12021-DOC88271-40060	5,450
<b>DEPARTMENT OF ENVIRONMENTAL PROTECTION</b>		
<b>Direct:</b>		
Potable Water Supply Grant	12052-DEP43750-43181	206,727
Small Town Economic Assistance Program	12052-DEP43153-40531	199,999
<b>Total Department of Environmental Protection</b>		<u>406,726</u>
<b>CONNECTICUT STATE LIBRARY</b>		
<b>Direct:</b>		
Historic Document Preservation	12060-CSL66094-35150	3,546
State Grants to Public Libraries	11000-CSL66051-17003	1,823
Connecticard Payments	11000-CSL66051-17010	1,470
<b>Total Connecticut State Library</b>		<u>6,839</u>
<b>DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT</b>		
<b>Direct:</b>		
Small Town Economic Assistance Program	12052-ECD46350-42411	326,281
<b>OFFICE OF THE STATE COMPTROLLER</b>		
<b>Direct:</b>		
Payment in Lieu of Taxes on State-Owned Property	11000-OSC15190-17004	1,401,594
<b>Total State Financial Assistance Before Exempt Programs</b>		<u>2,554,157</u>

*The accompanying note is an integral part of this schedule.*

**TOWN OF SOMERS, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2011**

<u>State Grantor; Pass-Through Grantor; Program Title</u>	<u>State Grant Program Core - CT Number</u>	<u>Expenditures</u>
<b>EXEMPT PROGRAMS</b>		
<b>DEPARTMENT OF EDUCATION</b>		
<b>Direct:</b>		
Educational Equalization Grant	11000-SDE64370-17041	\$ 5,095,168
Special Education - Excess Cost Grant	11000-SDE64370-17047	685,604
Commitments for School Construction - Principal	13010-SDE64370-40901	603,904
Transportation of School Children	11000-SDE64370-17027	99,483
Commitments for School Construction - Interest	13009-SDE64370-40896	30,114
<b>Total Department of Education</b>		<u>6,514,273</u>
<b>OFFICE OF THE STATE COMPTROLLER</b>		
<b>Direct:</b>		
Mashantucket Pequot Grant	12009-OSC15910-17005	<u>1,229,716</u>
<b>Total Exempt Programs</b>		<u>7,743,989</u>
<b>TOTAL STATE FINANCIAL ASSISTANCE</b>		<u><u>\$ 10,298,146</u></u>

*The accompanying note is an integral part of this schedule.*

**TOWN OF SOMERS, CONNECTICUT  
NOTE TO SCHEDULE OF EXPENDITURES  
OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2011**

Various departments and agencies of the State of Connecticut have provided financial assistance to the Town of Somers, Connecticut (the "Town") through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs of the Town.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**BASIS OF ACCOUNTING**

The accompanying schedule of expenditures of state financial assistance has been prepared on the accrual basis consistent with the preparation of the basic financial statements. Information included in the schedule of expenditures of state financial assistance is presented in accordance with regulations established by the State of Connecticut, Office of Policy and Management.

For cost reimbursement awards, revenues are recognized to the extent of expenditures. Expenditures have been recognized to the extent the related obligation was incurred within the applicable grant period and liquidated within 90 days after the end of the grant period.

For performance based awards, revenues are recognized to the extent of performance achieved during the grant period.

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 financial assistance is not dependent on expenditure activity or the achievement of performance goals and, accordingly, is considered expended in the fiscal year of receipt. These financial assistance program receipts are reflected in the expenditures column of the schedule of expenditures of state financial assistance.

*Schedule of  
State Findings  
and Questioned  
Costs*

**TOWN OF SOMERS, CONNECTICUT  
SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2011**

**I. SUMMARY OF AUDIT RESULTS**

**FINANCIAL STATEMENTS**

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

○ Material weakness(es) identified? \_\_\_\_\_ Yes    ✓ No  
None

○ Significant deficiency(ies) identified? \_\_\_\_\_ Yes    ✓ Reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes    ✓ No

**STATE FINANCIAL ASSISTANCE**

Internal control over major programs:

○ Material weakness(es) identified? \_\_\_\_\_ Yes    ✓ No  
None

○ Significant deficiency(ies) identified? \_\_\_\_\_ Yes    ✓ Reported

Type of auditors' 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    ✓ No

The following schedule reflects the major programs included in the audit:

State Grantor/ Program	State Grant Program Core-CT Number	Expenditures
<b>Office of the State Comptroller:</b>		
Payment in Lieu of Taxes on State Owned Property	11000-OSC15910-17004	\$1,401,594
<b>Office of Policy and Management:</b>		
Payment in Lieu of Taxes for Manufacturing Machinery and Equipment and Commercial Vehicles	11000-OPM20600-17031	72,769
<b>Department of Economic and Community Development:</b>		
Small Town Economic Assistance Program (STEAP)	12052-ECD46350-42411	326,281
<b>Department of Environmental Protection:</b>		
Small Town Economic Assistance Program (STEAP)	12052-DEP43153-40531	199,999
Potable Water Supply Grant	12052-DEP43750-43181	206,727

Dollar threshold used to distinguish between Type A and Type B programs: \$200,000

**TOWN OF SOMERS, CONNECTICUT**  
**SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS *(Continued)***  
**FOR THE YEAR ENDED JUNE 30, 2011**

**II. FINANCIAL STATEMENT FINDINGS**

No matters were reported.

**III. STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS**

No matters were reported.