

TOWN OF BLOOMFIELD, CONNECTICUT

STATE SINGLE AUDIT REPORT

YEAR ENDED JUNE 30, 2022



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAconnect.com

TOWN OF BLOOMFIELD, CONNECTICUT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2022

INDEPENDENT AUDITORS' 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	1
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE	4
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE	6
INDEPENDENT AUDITORS' 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	7
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	9



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY THE STATE SINGLE AUDIT ACT

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Town of Bloomfield, Connecticut's compliance with the types of compliance requirements identified as subject to audit in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of the Town of Bloomfield, Connecticut's major state programs for the year ended June 30, 2022. The Town of Bloomfield, Connecticut's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town of Bloomfield, 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, 2022.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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). Our responsibilities under those standards and the State Single Audit Act are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town of Bloomfield, Connecticut and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the Town of Bloomfield, Connecticut's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Town of Bloomfield, Connecticut's state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town of Bloomfield, Connecticut's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the State Single Audit will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town of Bloomfield, Connecticut's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the State Single Audit Act, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Town of Bloomfield, Connecticut's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Town of Bloomfield, Connecticut's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Town of Bloomfield, Connecticut's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 Town of Bloomfield, Connecticut, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Bloomfield, Connecticut's basic financial statements. We have issued our report thereon dated October 27, 2023, 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 basic 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

West Hartford, Connecticut
October 27, 2023

TOWN OF BLOOMFIELD, CONNECTICUT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022

State Grantor/Pass-Through Grantor/Program Title	State Grant Program Core-CT Number	Passed Through to Subrecipients	Expenditures
Department of Education			
Technical High Schools OE	11000-SDE64332-12602		\$ 280
Sheff Settlement	11000-SDE64370-12457		50,000
Talent Development	11000-SDE64370-12552		3,719
Sheff Transportation	11000-SDE64370-12610		5,833
Family Resource Centers	11000-SDE64370-16110		101,650
Child Nutrition State Match	11000-SDE64370-16211		9,173
Health Foods Initiative	11000-SDE64370-16212		27,865
Vocational Agriculture	11000-SDE64370-17017		539,378
Adult Education	11000-SDE64370-17030		24,734
Hlth & Welfare-Priv Schl Pupil	11000-SDE64370-17034		29,042
Alliance District	11000-SDE64370-17041-82164		1,454,120
School Breakfast Program	11000-SDE64370-17046		18,542
Magnet Schools	11000-SDE64370-17057	\$ 4,793,400	
Magnet Schools	11000-SDE64370-17057	16,071	
Magnet Schools	11000-SDE64370-17057	7,000	
			4,816,471
After School Programs	11000-SDE64370-17084		161,878
Total Department of Education		-	7,242,685
Department of Social Services			
Medicaid	11000-DSS60000-16020		39,316
Total Department of Social Services		-	39,316
Connecticut State Library			
Connecticard Payments	11000-CSL66051-17010		5,651
Historic Document Preservation	12060-CSL66094-35150		7,500
Total Connecticut State Library		-	13,151
Department of Children and Families			
Youth Service Bureaus	11000-DCF91141-17052		15,737
Youth Service Bureau Enhanceme	11000-DCF91141-17107		10,866
Board & Care Foster	11000-DCF91178-16135		48,769
Total Department of Children and Families		-	75,372
Department of Transportation			
Bus Operations	12001-DOT57931-12175		22,729
Town Aid Road Grants-Municipal	12052-DOT57131-43455		170,801
Town Aid Road-STO	13033-DOT57131-43459		170,801
Total Department of Transportation		-	364,331
Office of Early Childhood			
Early Care and Education	11000-OEC64841-16274	446,196	446,196
Child Care Quality Enhancement	11000-OEC64845-16158	8,535	8,535
School Readiness in Priority School Districts	11000-OEC64845-16274-83014	592,926	635,289
Total Office of Early Childhood		1,047,657	1,090,020

See accompanying Notes to Schedule of Expenditures of State Financial Assistance.

TOWN OF BLOOMFIELD, CONNECTICUT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022

State Grantor/Pass-Through Grantor/Program Title	Exempt Programs State Grant Program Core-CT Number	Passed Through to Subrecipients	Expenditures
Office of Policy and Management			
Reimbrs Prop Tx-Disabil Exmptn	11000-OPM20600-17011		\$ 1,152
Distressed Municipalities	11000-OPM20600-17016		2,088
Prop Tax Relief For Veterans	11000-OPM20600-17024		5,835
Tiered PILOT	11000-OPM20600-17111		372,296
MUNICIPAL PURPOSES & PROJECTS	12052-OPM20600-43587		2,750,529
Distressed Municipalities	12052-OPM20600-43750		6,808
MRSA- Tiered PILOT	12060-OPM20600-35691		132,301
Total Office of Policy and Management		-	<u>3,271,009</u>
Total State Financial Assistance Before Exempt Programs		1,047,657	12,095,884
Department of Education			
Education Cost Sharing	11000-SDE64370-17041-82010		5,389,861
Excess Cost - Student Based	11000-SDE64370-17047		287,392
Excess Cost - Student Based	11000-SDE64370-17047		<u>382,575</u>
Total Department of Education		-	<u>669,967</u>
			6,059,828
Office of Policy and Management			
Municipal Stabilization Grant	11000-OPM20600-17104		291,027
Mashantucket Pequot and Mohegan Fund Grant	12009-OPM20600-17005-13045		94,314
Total Office of Policy and Management		-	<u>385,341</u>
Total Exempt Programs		-	<u>6,445,169</u>
Total State Financial Assistance		<u>\$ 1,047,657</u>	<u>\$ 18,541,053</u>

See accompanying Notes to Schedule of Expenditures of State Financial Assistance.

TOWN OF BLOOMFIELD, CONNECTICUT
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule of expenditures of state financial assistance (the Schedule) includes the state grant activity of the Town of Bloomfield, Connecticut, under programs of the State of Connecticut for the year ended June 30, 2022. 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. Because the Schedule presents only a selected portion of the operations of the Town of Bloomfield, Connecticut, it is not intended to, and does not, present the financial position, changes in fund balance, changes in net position or cash flows of the Town of Bloomfield, Connecticut.

Basis of Accounting

The accounting policies of the Town of Bloomfield, Connecticut, conform to accounting principles generally accepted in the United States of America as applicable to governmental organizations. The information in the Schedule is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

Expenditures reported on the Schedule are presented 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.



**INDEPENDENT AUDITORS' 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***

Town Council
Town of Bloomfield, Connecticut

We have audited, 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 the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Bloomfield, Connecticut, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Town of Bloomfield's basic financial statements, and have issued our report thereon dated October 27, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Bloomfield, Connecticut'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Bloomfield, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Bloomfield, Connecticut'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 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 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, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs, as item 2022-001 that we consider to be a significant deficiency.

Town Council
Town of Bloomfield, Connecticut

Report on Compliance and Other Matters

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

Town of Bloomfield, Connecticut's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Town of Bloomfield's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Town of Bloomfield, Connecticut's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Town of Bloomfield, Connecticut'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 Town of Bloomfield, Connecticut's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

West Hartford, Connecticut
October 27, 2023

TOWN OF BLOOMFIELD, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued:	Unmodified			
2. Internal control over financial reporting:				
• Material weakness(es) identified?	<input type="checkbox"/>	yes	<input checked="" type="checkbox"/>	no
• Significant deficiency(ies) identified?	<input checked="" type="checkbox"/>	yes	none reported	
3. Noncompliance material to financial statements noted?	<input type="checkbox"/>	yes	<input checked="" type="checkbox"/>	no

State Financial Assistance

1. Internal control over major programs:				
• Material weakness(es) identified?	<input type="checkbox"/>	yes	<input checked="" type="checkbox"/>	no
• Significant deficiency(ies) identified?	<input type="checkbox"/>	yes	<input checked="" type="checkbox"/>	none reported
2. Type of auditors' report issued on compliance for major programs:	Unmodified			
3. 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?	<input type="checkbox"/>	yes	<input checked="" type="checkbox"/>	no

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

<u>State Grantor and Program</u>	<u>State Core-CT Number</u>	<u>Expenditures</u>
Department of Education:		
Alliance District	11000-SDE64370-17041-82164	\$ 1,454,120
Magnet Schools	11000-SDE64370-17057	4,816,471
Office of Early Childhood		
School Readiness in Priority School Districts	11000-OEC64845-16274-83014	635,289
Office of Policy and Management:		
Tiered PILOT	11000-OPM20600-17111	372,296
MRSA Tiered PILOT	12060-OPM20600-35691	132,301
Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 241,918</u>	

TOWN OF BLOOMFIELD, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2022

Section II – Financial Statement Findings

Finding No. 2022-001

Financial Statement Close

Significant Deficiency in Internal Control over Financial Reporting

Condition

Internal controls should be in place to provide reasonable assurance that the financial statements are prepared in accordance with U.S. GAAP in a timely manner.

Criteria

The Town and Board of Education had significant delays with the year-end financial close process for the year ended June 30, 2022. Timely, complete year end close is necessary for the Town to ensure that the financial statements are material correct and prepared in a timely manner in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Effect

The lack of controls in place over financial reporting increases the risk of misstatements, fraud, or errors occurring and not being detected and corrected in a timely manner.

Cause

The Town's finance department went through significant personnel changes during the year, which necessitated the Town reviewing and adjusting the general ledger long after year end.

Repeat Finding

The finding is a repeat finding of #2021-001 from the prior year.

Recommendation

We recommend that the Town review its formal policies to ensure that they cover the year end closing process and ensure that the Town can adjust and close out the general ledger timely, despite personnel changes.

Views of Responsible Officials and Planned Corrective Actions

The Town and Board of Education are aware of Finding 2022-001 and agree that the finding as stated is correct. The Town and Board of Education intend to follow past procedures to complete and close out the general ledger in a timely manner for the fiscal year 2023 audit preparation. The Town has also enlisted help from two outside consultants. They helped us with this year-end close and will continue onboard to help us with FY 2023.

Section III – Findings and Questioned Costs – State Financial Assistance

Our audit did not disclose any matters required to be reported in accordance with the State Single Audit Act.