

McGladrey & Pullen

Certified Public Accountants

CITY OF STAMFORD, CONNECTICUT

FEDERAL AND STATE FINANCIAL AND COMPLIANCE REPORT

FISCAL YEAR ENDED JUNE 30, 2006

CITY OF STAMFORD, CONNECTICUT

FEDERAL AND STATE FINANCIAL AND COMPLIANCE REPORT

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM,
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
City of Stamford, Connecticut

Compliance

We have audited the compliance of the City of Stamford, Connecticut with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2006. The City of Stamford, 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 City of Stamford, Connecticut's management. Our responsibility is to express an opinion on the City of Stamford, Connecticut's compliance based on our audit.

The City of Stamford, Connecticut's basic financial statements include the operations of the URC, a component unit of the City. Our audit, described below, did not include the operations of this component unit.

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 of Stamford, 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 City of Stamford, Connecticut's compliance with those requirements.

In our opinion, the City of Stamford, Connecticut complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 06-1.

Internal Control Over Compliance

The management of the City of Stamford, Connecticut 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 City of Stamford, Connecticut's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the City of Stamford, Connecticut's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts, and grants. The reportable condition is described in the accompanying schedule of findings and questioned costs as item CF06-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that the reportable condition described above is not a material weakness.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Stamford, Connecticut as of and for the year ended June 30, 2006, and have issued our report thereon dated September 28, 2006. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City of Stamford's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information of management and the Board of Finance of the City of Stamford, 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 & Pullen, LLP

New Haven, Connecticut
September 28, 2006

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2006

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE		
Passed Through Connecticut Department of Education Food Distribution	10.550	\$ 162,933
School Breakfast Program	10.553	264,783
National School Lunch Program	10.555	1,544,916
Passed Through Connecticut Department of Agriculture Farmer's Market FY 05/06	10.557	1,353
Passed Through Connecticut Department of Health Women, Infants and Children 2004-174	10.557	106,367
WIC Food Benefits Provided 2004-174		765,010
Womwn, Infants and Children 2006-0090		279,297
WIC Food Benefits Provided 2006-0090		2,364,451
		<u>3,515,125</u>
Total U.S. Department of Agriculture		<u>5,489,110</u>
U.S. FEDERAL EMERGENCY MANAGEMENT AGENCY		
Passed Through the Connecticut Office of Emergency Management Emergency Management - 04/05	83.503	8,993
Emergency Management - 05/06		37,252
		<u>46,245</u>
Snow Storm EM 3266-CT	83.544	272,640
Total U.S. Federal Emergency Management Agency		<u>318,885</u>
U.S. DEPARTMENT OF TRANSPORTATION		
Passed Through Federal Transit Administration (FTA) Federal Transit - Capital Investment Grants Urban Transit Way Design CT-03-0112-03	20.500	4,266,723
Through CT Department of Transportation	20.600	
DUI Enforcement 06-154L		12,737
DUI Enforcement Thanksgiving, Christmas New Year 06-154L		16,024
DUI Enforcement Memorial Day and July 4 06-164L		4,868
Mill River Bicycle/Pedestrian Path TEA PEDS (78) 135-271		566,113
Buckingham Dr. Bridge 135-236		95,585
Studio Road Bridge - BRZ - 6135 (1) 135-235		213,825
		<u>909,152</u>
Total U.S. Department of Transportation		<u>5,175,875</u>

See Notes to Schedule.

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
For the Year Ended June 30, 2006

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal Expenditures
U.S. ENVIRONMENTAL PROTECTION AGENCY		
Brownfields Cleanup-114 Manhattan St.	86.818	9,677
Targeted Lead Reduction	66.716	33,364
		<u>43,041</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
CDP-Home Investment - 02/03 M02MC090204	14.239	193,885
CDP-Home Investment - 03/04 M03MC090204		307,289
		<u>501,174</u>
Community Development Block Grant	14.218	
Project B-03-MC-09-0014-03/04		325,916
Project B-04-MC-09-0014-04/05		1,032,489
		<u>1,358,405</u>
CDP - Lead-Based Paint Hazard Control		
Project CTLHB0154-00	14.900	110,281
		<u>110,281</u>
Total U.S. Department of Housing and Urban Development		<u>1,969,860</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Passed through the Connecticut Department of Public Health		
Sexually Transmitted Diseases 2005-144-1 05/06	93.116	900
		<u>900</u>
Passed through the Connecticut Department of Public Health		
Behavioral Risk Factors 2006-0135	93.991	18,512
Community Asthma Infrastructure 2005-0280	93.283	4,424
		<u>22,936</u>
Immunization Expansion Program	93.268	
Project 2005-0165 04/05		28,051
Project 2006-0165 05/06		28,052
		<u>56,103</u>
Vaccine	93.268	45,998
		<u>45,998</u>
AIDS Education Risk Reduction		
Project 2006-0265	93.940	128,585
		<u>128,585</u>
Regional Health Preparedness 2006-1192-1	93.283	66,500
Public Health Preparedness and Planning 2005-1008-01		52,271
Public Health Preparedness and Planning 2006-1008-01		79,378
		<u>198,149</u>

See Notes to Schedule.

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
 For the Year Ended June 30, 2006

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Passed through the Connecticut Department of Social Sciences		
Social Services Block Grant		
Counseling for the Elderly	93.667	
Project 135 SBG 30		12,513
Project 135 SBG 31		40,783
Day Care 135 CDC 36A1		1,002,088
Day Care 135 CDC 37		427,588
		<u>1,482,972</u>
Passed through the Southwest Connecticut Agency on Aging		
Senior Health Program		
Project 05-D12-01	93.043	
Project 06-D12-01		9,615
		31,563
		<u>41,178</u>
Passed through NACCHO		
HIV Prevention in Schools	93.940	14,675
		<u>14,675</u>
		<u>1,991,496</u>
U.S. DEPARTMENT OF HOMELAND SECURITY		
Passed through FEMA		
Assistance to Firefighters	97.044	39,144
		<u>39,144</u>
Passed through the CT Dept. of Emergency Management and Homeland Security		
Homeland Security 2004-GE-T4-4053	97.004	58,862
Homeland Security 2005-GE-T5-0016	97.067	47,715
Critical Infrastructure Reimbursement	97.001	13,194
		<u>119,771</u>
		<u>158,915</u>
U.S. DEPARTMENT OF JUSTICE		
Weed and Seed 01/02 2001-WSQX-0130	16.595	5,782
		<u>5,782</u>
Neighborhood Youth Center 03DF6920042	84.186B	17,975
		<u>17,975</u>
Passed through The Connection, Inc.		
Project Safe Neighborhoods 2004-GPCX-0579	16.609	14,606
		<u>14,606</u>
Passed through the Office of Violence Against Women		
Arrest Enforcement Program	16.590	89,441
		<u>89,441</u>

See Notes to Schedule.

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
 For the Year Ended June 30, 2006

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal Expenditures
U.S. DEPARTMENT OF JUSTICE, Continued		
Passed through the Office of COPS	16.710	
Universal Hiring 2003 UMWX0245		151,966
Technology Initiative 2003 CKWX0286		293,117
Technology GIS 2004CKWX0339		93,507
		<u>538,590</u>
Total U.S. Department of Justice		<u>666,394</u>
U.S. DEPARTMENT OF EDUCATION		
Passed through the Connecticut Department of Education		
Education of Handicapped IDEA Part B		
12060-SDE64370-20977	84.027	3,738,806
12060-SDE64370-20983	84.027	86,810
		<u>3,825,616</u>
Title I		
12060-SDE64370-20679	84.010	2,294,816
12060-SDE64370-20854	84.010	229,385
		<u>2,524,201</u>
Even Start Family Literacy Program		
12060-SDE64370-20682	84.213	194,000
Adult Education		
12060-SDE64370-20784	84.002	105,000
Title V- Innovative Educational Strategies		
12060-SDE64370-20909	84.298	3,575
Carl Perkins Vocational and Applied Tech		
12060-SDE64370-20742	84.048	188,009
Title VI - Safe and Drug Free School and Communities		
12060-SDE64370-20873	84.186	106,906
Comprehensive School Reform Demonstration Program		
12060-SDE64370-20790	84.332	7,350
Title II - Part A Teachers		
12060-SDE64370-20858	84.367	692,654

See Notes to Schedule.

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
For the Year Ended June 30, 2006

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION, Continued		
Title III - Emerging Immigrant Education Program 12060-SDE64370-20868	84.365	<u>501,717</u>
Title II - D. Enhancing Education Thru Technology 12060-SDE64370-20826	84.318	<u>17,048</u>
Total U.S. Department of Education		<u>8,166,076</u>
Total Expenditures of Federal Awards		<u>\$ 23,979,652</u>

See Notes to Schedule.

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
For the Year Ended June 30, 2006

Notes to Schedule of Expenditures of Federal Awards

Expenditures

Expenditures are recognized on the modified accrual basis of accounting.

U.S.D.A. Contributions

The United States Department of Agriculture makes available commodities for donations to schools. The amount of \$162,933 represents the market value of such commodities used during the period.

WIC Food Payments

The United States Department of Agriculture makes non-cash distributions of food vouchers for WIC. The amount of \$2,364,451 represents the market value of such vouchers used during this period.

CITY OF STAMFORD, CONNECTICUT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2006**

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
- Reportable condition(s) identified that are not considered to be material weaknesses? Yes None reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Reportable condition(s) identified that are not considered to be material weaknesses? 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 Section 510(a) of OMB Circular A-133? Yes No

Identification of Major Programs

CFDA Numbers	Program Name or Cluster
20.600	Federal Bridge Projects
20.500	Urban Transit Way
84.010	Title I
84.027/84.173	Special Education Cluster
10.558/10.555	National School Lunch Cluster
84.367	Title II Part A Teachers
93.667	Daycare

Dollar threshold used to distinguish between type A and type B programs \$720,000

Auditee qualified as low-risk auditee? Yes No

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS, Continued
For the Year Ended June 30, 2006

II. FINDINGS RELATING TO THE FINANCIAL STATEMENT AUDIT AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS

A. Reportable Conditions in Internal Control

None reported.

B. Compliance Findings

None reported.

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Finding 6-1. Federally Funded Special Education Grant Cluster - Allowable Costs/Costs Principal - 84.027/84.173

Criteria

The standards for payroll documentation must comply with Criteria in OMB Circular A-87 which states that there must be adequate documentation to support payroll charges to the grant.

Condition

There was not adequate semi-annual approval for some Education Assistants to be charged to the grant for this fiscal year.

Questioned Cost

Such expenditures total approximately \$68,000.

Context

The finding related only to 5 Education Assistants who were not approved through proper documentation for the 2005-2006 fiscal year. All other Special Education teachers tested were properly supported with appropriate documentation.

CITY OF STAMFORD, CONNECTICUT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, Continued
For the Year Ended June 30, 2006**

Effect

Improper support for grant charges.

Cause

The personnel did not have proper documentation in the 2005-2006 year to support their special Education work.

Recommendation

All payroll charges require proper documentation in accordance with OMB circular A-87.

**CITY OF STAMFORD, CONNECTICUT
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2006**

There were no findings relative to federal awards disclosed in the prior year's federal single audit.

**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**

To the Board of Finance
City of Stamford, Connecticut

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Stamford, Connecticut as of and for the year ended June 30, 2006, and have issued our report thereon dated September 28, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards," issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting: In planning and performing our audit, we considered the City of Stamford, Connecticut's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

Compliance and Other Matters: As part of obtaining reasonable assurance about whether the City of Stamford, 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 other matters involving the internal control over financial reporting which are not deemed to be reportable conditions that we have reported to management of the City of Stamford, Connecticut in a separate letter dated September 28, 2006.

This report is intended solely for the information of management and the Board of Finance of the City of Stamford, 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 & Pullen, LLP

New Haven, Connecticut
September 28, 2006

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE STATE SINGLE AUDIT AND ON THE
SCHEDULE OF AWARDS/EXPENDITURES OF STATE FINANCIAL ASSISTANCE**

To the Board of Finance
City of Stamford, Connecticut

Compliance

We have audited the compliance of the City of Stamford, Connecticut with the types of compliance requirements described in the “Office of Policy and Management Compliance Supplement” that are applicable to each of its major state programs for the year ended June 30, 2006. The major state programs are identified in the summary of audit results section of the accompanying schedule of state single audit compliance findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the City of Stamford, Connecticut's management. Our responsibility is to express an opinion on compliance based on our audit.

The City of Stamford, Connecticut's basic financial statements include the operations of the URC, a component unit of the City. Our audit, described below, did not include the operations of this component unit.

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 of Stamford, 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 City of Stamford, Connecticut's compliance with those requirements.

In our opinion, the City of Stamford, Connecticut complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended June 30, 2006.

Internal Control Over Compliance

The management of the City of Stamford, Connecticut is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the internal control over compliance with requirements that could have a direct and material effect on a major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the State Single Audit Act.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major state program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Awards/Expenditures of State Financial Assistance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Stamford, Connecticut as of and for the year ended June 30, 2006 and have issued our report thereon dated September 28, 2006. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City of Stamford's basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information of management of the City of Stamford, Connecticut, the Board of Finance, and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

McGladrey & Pullen, LLP

New Haven, Connecticut
September 28, 2006

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF AWARDS/EXPENDITURES OF STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2006

State Grantor/Pass-Through Grantor/Program Title	State Grant Program Identification Number	State Awards/ Expenditures
DEPARTMENT OF EDUCATION		
Priority School District	11000-SDE64370-17043	\$ 2,578,920
Health Services - Non-Public	11000-SDE64370-17034	444,466
School Readiness & Child Care in Priority School Districts	11000-SDE64370-17043	3,173,934
Quality Enhancement	12060-SDE64370-90242	81,180
Adult Education	12060-SDE64370-17030	1,344,715
Youth Services Bureau	11000-SDE64370-17052	59,518
Early Reading Success	11000-SDE64370-17043	1,426,494
Bilingual Education	11000-SDE64370-17042	216,556
Extended School Hours and Support Program	11000-SDE64370-17043	263,482
School Accountability - Summer School	11000-SDE64370-17043	303,917
General Improvements to School Buildings	12052-SDE64370-40316	581,682
Technology Wiring - Roger School	12052-SDE64370-40312	739,040
		<u>11,213,904</u>
OFFICE OF POLICY AND MANAGEMENT		
Payment in Lieu of Taxes on State Owned Property	11000-OPM20600-17004	2,155,041
Payment in Lieu of Taxes on Private Colleges and General Hospitals	11000-OPM20600-17012	3,031,718
Distressed Municipality	11000-OPM20600-17016	1,841,282
Property Tax Relief for Elderly and Totally Disabled Homeowners	11000-OPM20600-17018	360,721
Mashantucket Pequot Grant	11000-OPM20600-16053	1,419,977
Manufacturing Machinery and Equipment	11000-OPM20600-17031	1,031,368
Property Tax Relief for Veterans	11000-OPM20600-17024	14,086
Elderly Freeze	11000-OPM20600-17021	37,232
		<u>9,891,425</u>
DEPARTMENT OF SOCIAL SERVICES		
Day Care Program 135-CDC-37	12060-DSS60752-17022	511,891
Glenbrook Community Center Renovations 135-NF-15	11000-DSS60000-Various	256,156
Old Town Hall 135-NF-14A1	11000-DSS60000-Various	1,046,203
		<u>1,814,250</u>
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT		
Tax Abatement Program 135-TA-Various	11000-ECD46400-17008-038	305,900
Payment in Lieu of Taxes 135-PILOT-34	11000-ECD46400-17012-039	372,683
Bartlett Arboretum	13019-ECD46000-41240-094	41,493
		<u>720,076</u>

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF AWARDS/EXPENDITURES OF STATE FINANCIAL ASSISTANCE, Continued
 For the Year Ended June 30, 2006

State Grantor/Pass-Through Grantor/Program Title	State Grant Program Identification Number	State Awards/ Expenditures
STATE LIBRARY BOARD		
Historic Document Preservation 135-PC-04	10000-CSL66051-21017	17,000
DEPARTMENT OF PUBLIC SAFETY		
Telecommunications Fund/911 Enhancement	12060-DPS32740-35190	157,451
DEPARTMENT OF PUBLIC HEALTH		
Sexually Transmitted Diseases 2005-0144-1 04/05	11000-DPH48500-17013	134
Sexually Transmitted Diseases 2005-0144-1 05/06	11000-DPH48500-17013	26,402
AIDS Prevention 2006-0265	11000-DPH48500-12236	104,400
AIDS Needle Exchange 2006-0265	11000-DPH48500-12100	36,416
Behavioral Risk Factors/Preventive Health Services	11000-DPH48500-10020	2,657
Tuberculosis Treatment 2005-0144-1	11000-DPH48500-16112	64,375
Per Capital Grant	11000-DPH48500-17009	114,796
Immunization 2005-0165 04/05	11000-DPH48500-10020	15,433
Immunization 2006-0165 05/06	11000-DPH48500-12236	11,799
		<u>376,412</u>
DEPARTMENT OF TRANSPORTATION		
Town Aid Highway Fund	12001-DOT57131-17036	572,407
Local Bridge Program - Buckingham Drive Bridge 135-236	12001-DOT57161-42313	23,896
Local Bridge Program - Cold Spring Rd. Bridge		56,673
Local Bridge Program - Studio Rd. Bridge 135-235		53,456
		<u>706,432</u>
DEPARTMENT OF JUDICIAL SERVICES		
Motor Vehicle Fines	34001-JUD95162-40001	1,615
COURT SUPPORT SERVICES		
Juvenile Justice Center NC: 2120-07 04/05	11000-JUD96114-12128	277,816
STATE COMPTROLLER'S OFFICE		
Boat Registration Reimbursement	12027-OSC15910-40211	104,924
Through the Connecticut Firemen's Association Fire Training School	12037-OSC15910-00000	50,530
Total State Comptroller's Office		<u>155,454</u>

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF AWARDS/EXPENDITURES OF STATE FINANCIAL ASSISTANCE, Continued
 For the Year Ended June 30, 2006

State Grantor/Pass-Through Grantor/Program Title	State Grant Program Identification Number	State Awards/ Expenditures
CONNECTICUT DEPARTMENT OF ENVIRONMENTAL PROTECTION		
WPCA Upgrade CWF414C	13007-DEP43000-Variou	1,247,212
Czescik Marina Pump Replacement 2005-5280	12060-DEP43145-20954	403
Cove Island Wildlife Sanctuary CSAP-2005-01	12060-DEP43000-Variou	375,019
Cummings Park Seawall CSAP2005-05		220,561
Urban Forestry 2005-5302		4,652
		<u>1,847,847</u>
DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES		
Local Prevention Council	11000-MHA53000-12215	<u>7,130</u>
Total State Financial Assistance Before Exempt Programs		<u>27,186,812</u>
EXEMPT PROGRAMS		
DEPARTMENT OF EDUCATION		
Education Cost Sharing	11000-SDE64370-17041	5,927,633
Transportation of School Children	11000-SDE64370-17027	123,952
Nonpublic School Transportation	11000-SDE64370-17049	23,558
School Construction Projects-Principal	13010-SDE64370-40901	2,386,216
School Construction Projects-Interest	13009-SDE64370-40896	1,208,375
School Construction Progress-Payments	13010-SDE64370-40901	23,984,851
Magnet School Transportation	11000-SDE64370-17057	850,785
Total Exempt Programs		<u>34,505,370</u>
Total State Financial Assistance		<u>\$ 61,692,182</u>
NOTES PAYABLE TO THE STATE OF CONNECTICUT		
Clean Water Fund Notes Payable	6865-3100-888	<u>\$ 6,553,502</u>

CITY OF STAMFORD, CONNECTICUT

NOTES TO SCHEDULE OF AWARDS/EXPENDITURES OF STATE FINANCIAL ASSISTANCE

For the Year Ended June 30, 2006

Various departments and agencies of the State of Connecticut have provided financial assistance to the City of Stamford through grants and other authorizations in accordance with the General Statutes of the State of Connecticut.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Stamford, Connecticut conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant policies relating to the aforementioned grant programs.

Basis of Accounting

The financial statements for the governmental fund types contained in the City of Stamford, Connecticut's basic financial statements are prepared on the modified accrual basis of accounting. The financial statements for the business-type activities are prepared on the full accrual basis of accounting.

The Schedule of Awards/Expenditures of State Financial Assistance, contained in this report, are also prepared on the modified accrual basis of accounting while amounts relating to the business-type activities are reported on the full accrual basis of accounting and on regulations established by the State of Connecticut Office of Policy and Management. In accordance with these regulations (Section 4-236-5), 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 as awards in the awards/expenditures column of the Schedule of Awards/Expenditures of State Financial Assistance.

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

2. LOAN PROGRAMS

In accordance with the State Single Audit Act, Loan Program Participation constitutes State Financial Assistance (C.G.S. Section 4-236-5). The following is a summary of the various loan program activity for the year ended June 30, 2006:

CITY OF STAMFORD, CONNECTICUT

NOTES TO SCHEDULE OF AWARDS/EXPENDITURES OF STATE FINANCIAL ASSISTANCE, Continued
For the Year Ended June 30, 2006

Department of Environmental Protection

Clean Water Funds 6865-3100-888

	Balance			Balance
	July 1, 2005	Issued	Retired	June 30, 2006
117-C \$	1,285,946 \$	-	\$ 159,321	\$ 1,126,625
375-C	500,562	-	50,416	450,146
414-D	2,783,669	-	182,127	2,596,451
414-C	67,007,979	6,553,502	-	73,561,480

CITY OF STAMFORD, CONNECTICUT

**SCHEDULE OF STATE SINGLE AUDIT COMPLIANCE FINDINGS
AND QUESTIONED COSTS
For the Year Ended June 30, 2006**

I. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued: unqualified.

Internal control over financial reporting:

- Material weakness(es) identified? Yes X No
- Reportable condition(s) identified that are
not considered to be material weaknesses? 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
- Reportable condition(s) identified that are
not considered to be material weaknesses? Yes X None reported

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

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

CITY OF STAMFORD, CONNECTICUT

**SCHEDULE OF STATE SINGLE AUDIT COMPLIANCE FINDINGS
AND QUESTIONED COSTS, Continued
For the Year Ended June 30, 2006**

State Grantor and Program	State Grant Program Identification Number	State Awards/ Expenditures
Priority School District	11000-SDE64370-17043	\$ 2,578,920
Health Services - Non-Public	11000-SDE64000-17034	444,466
General Improvement to School Building	12050-SDE64000-40312	581,682
School Readiness	11000-SDE64000-14043	3,173,934
Adult Education	12060-SDE64370-20784	1,344,715
Early Reading Success	11000-SDE64370-17056	1,426,494
School Accountability	11000-SDE64370-17043	303,917
Technology Wiring-Roger School	12050-SDE64000-40312	739,040
Payment in Lieu of Taxes on State Owned Property	11000-OPM20600-17004	2,155,041
Payment in Lieu of Taxes on Private Colleges & Hospitals	11000-OPM20600-17012	3,031,718
Distressed Municipalities	11000-OPM20600-17016	1,841,282
Property Tax Relief for Elderly & Disabled Homeowners	11000-OPM20600-17018	360,721
Mashantucket Pequot Grant	11000-OPM20600-16053	1,419,977
Manufacturing Machinery and Equipment	11000-OPM20600-17031	1,031,368
Day Care Program	12060-DSS60752-17022	511,891
Tax Abatement Program 135-TA-Variou	11000-ECD46400-17008-038	305,900
Payment in Lieu of Taxes	11000-ECD46400-17012-039	372,683
Glenbrook Community Center Renovations	11000-DSS60000-Variou	256,156
Old Town Hall	11000-DSS60000-Variou	1,046,203
Town Aid Highway Fund	12001-DOT57131-17036	572,407
Juvenile Justice	11000-JUD96114-12128	277,816
Cove Island Wildlife Sanctuary	12060-DEP43000-Variou	375,019
Clean Water Fund WPCA Upgrade	13007-DEP43000-Variou	1,247,212

**II. SUMMARY OF FINDINGS RELATED TO FINANCIAL STATEMENTS
REQUIRED UNDER GOVERNMENT AUDITING STANDARDS**

- We issued reports, dated September 28, 2006, on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with standards applicable to financial audits contained in “Government Auditing Standards.”
- Our report on compliance indicated no reportable instances of noncompliance.
- Our report on internal control over financial reporting indicated no matters that we consider to be reportable conditions.

CITY OF STAMFORD, CONNECTICUT

**SCHEDULE OF STATE SINGLE AUDIT COMPLIANCE FINDINGS
AND QUESTIONED COSTS, Continued
For the Year Ended June 30, 2006**

III. FINDINGS AND QUESTIONED COSTS FOR STATE FINANCIAL ASSISTANCE

A. Internal Controls

None reported.

B. Compliance

None reported.

