

CITY OF HARTFORD, CONNECTICUT

FEDERAL SINGLE AUDIT REPORT
JUNE 30, 2018

**CITY OF HARTFORD, CONNECTICUT
FEDERAL SINGLE AUDIT REPORT
JUNE 30, 2018
TABLE OF CONTENTS**

Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	1-3
Schedule of Expenditures of Federal Awards	4-7
Notes to Schedule of Expenditures of Federal Awards	8
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 <i>Government Auditing Standards</i>	9-10
Schedule of Findings and Questioned Costs	11-12

Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

To the Honorable Mayor and Members of the Court of Common Council
City of Hartford, Connecticut

Report on Compliance for Each Major Federal Program

We have audited the City of Hartford, Connecticut's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City of Hartford, Connecticut's major federal program for the year ended June 30, 2018. The City of Hartford, Connecticut's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the City of Hartford, Connecticut's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 the major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Hartford, 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 on compliance for its major federal program. However, our audit does not provide a legal determination of the City of Hartford, Connecticut's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Hartford, Connecticut, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of the City of Hartford, Connecticut, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Hartford, Connecticut's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Hartford, 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 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 federal program will not be prevented, or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance yet important enough to merit attention by those charged with governance.

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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 Hartford, Connecticut, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City of Hartford, Connecticut's basic financial statements. We issued our report thereon dated December 26, 2018, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 26, 2018

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018**

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
United States Department of Agriculture				
<i>Passed Through the State of Connecticut Department of Education:</i>				
Child Nutrition Cluster:				
National School Lunch Program	10.555	12060-SDE64370-20560	\$ 11,675,631	
School Breakfast Program	10.553	12060-SDE64370-20508	3,203,745	
Summer Food Service Program for Children	10.559	12060-SDE64370-20540	441,489	
Summer Food Service Program for Children	10.559	12060-SDE64370-20540	67,367	
Summer Food Service Program for Children	10.559	12060-SDE64370-20548	<u>44,523</u>	
				\$ 15,432,755
<i>Passed Through the State of Connecticut Department of Public Health:</i>				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	12060-DPH48872-20892	4,601,635	
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	12060-DPH48872-20892	<u>1,258,368</u>	
				5,860,003
<i>Passed Through the State of Connecticut Department of Education:</i>				
Child and Adult Care Food Program	10.558	12060-SDE64370-20514	83,742	
Child and Adult Care Food Program	10.558	12060-SDE64370-20518	1,059,014	
Child and Adult Care Food Program	10.558	12060-SDE64370-20544	<u>44,432</u>	
				1,187,188
Fresh Fruit and Vegetable Program	10.582	12060-SDE64370-22051		337,792
<i>Passed Through the State of Connecticut Department of Public Health:</i>				
WIC Grants to States (WGS)	10.578			<u>26,200</u>
Total United States Department of Agriculture				<u>22,843,938</u>
United States Department of Housing and Urban Development				
<i>Direct:</i>				
Lead Hazard Reduction Demonstration Grant Program	14.905		\$ 31,285	1,474,173
Lower Income Housing Assistance Program-Section 8 Moderate Rehabilitation	14.856			2,036,255
Emergency Solutions Grant Program	14.231		300,836	311,087
Home Investment Partnerships Program	14.239			638,420
Housing Opportunities for Persons with AIDS	14.241		1,079,555	1,113,390
Housing Voucher Cluster: Section 8 Housing Choice Vouchers	14.871			45,301,085
CDBG Entitlement Grants Cluster: Community Development Block Grants/Entitlement Grants	14.218		<u>2,462,105</u>	<u>3,550,740</u>
Total United States Department of Housing and Urban Development			<u>3,873,781</u>	<u>54,425,150</u>
United States Department of Transportation				
<i>Passed Through the State of Connecticut Department of Transportation:</i>				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	12062-DOT57513-20559	10,002	
National Priority Safety Programs	20.616	12062-DOT57513-22600	<u>65,401</u>	
				75,403
Highway Planning and Construction Cluster:				
Highway Planning and Construction	20.205		69,890	
Highway Planning and Construction	20.205		52,707	
Highway Planning and Construction	20.205		181,624	
Highway Planning and Construction	20.205	Project No. 63-691	93,219	
Highway Planning and Construction	20.205	12062-DOT57141-22108	339,296	
Highway Planning and Construction	20.205	12062-DOT57191-22108	<u>82,057</u>	
				818,793

The accompanying notes are an integral part of this schedule

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
<i>Passed Through the Greater Hartford Transit District:</i>				
Federal Transit Formula Grants	20.507	12062-DOT57513-22091		\$ 34,971
Alcohol Open Container Requirements	20.607	12062-DOT57513-22091		<u>287,646</u>
Total United States Department of Transportation				<u>1,216,813</u>
United States Department of Health and Human Services				
<i>Passed Through the State of Connecticut Department of Social Services:</i>				
Medicaid Cluster: Medical Assistance Program	93.778	12060-DSS60461-22573		25
<i>Passed Through the State of Connecticut Department of Public Health:</i>				
Public Health Emergency Preparedness	93.069	12060-DPH48558-21096		139,937
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	12060-DPH48558-22664		27,721
Immunization Cooperative Agreements	93.268	12060-DPH48664-20911		1,443
The Affordable Care Act	93.521	12060-DPH48665-22422		23,481
Preventive Health Services_Sexually Transmitted Diseases Control Grants	93.977	12060-DPH48665-22635		24,000
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	12060-DPH48666-20900		1,540
Healthy Start Initiative	93.926	12060-DPH48831-22348		67,809
Maternal and Child Health Services Block Grant to the States	93.994	12060-DPH48832-21531		137,318
HIV Prevention Activities_Health Department Based	93.940	12060-DPH48852-22511		59,286
HIV Care Formula Grants	93.917	12060-DPH48854-30401		8,188
Epidemiologic Research Studies of Acquired Immunodeficiency Syndrome (AIDS) and Human Immunodeficiency Virus (HIV) Infection in Selected Population Groups	93.943	12060-DPH48665-22670		109,246
Child Lead Poisoning Prevention Surveillance financed in part by Prevention and Public Health (PPHF) Program	93.753	12060-DPH48766-22689		8,000
Grants to States to Support Oral Health Workforce Activities	93.236	12060-DPH48834-22740		15,000
Injury Prevention and Control Research and State and Community Based Programs	93.136	12060-DPH48882-22776		34,562
<i>Direct:</i>				
HIV Emergency Relief Project Grants	93.914		\$ 1,931,923	\$ 2,193,012
HIV Emergency Relief Project Grants	93.914		808,467	<u>894,815</u>
				3,087,827
Special Projects of National Significance	93.928			486,880
Teenage Pregnancy Prevention Program	93.297		<u>424,149</u>	975,226
HIV-Related Training and Technical Assistance	93.145			171,901
<i>Passed Through the State of Connecticut Department of Public Health:</i>				
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds	93.539	12060-DPH48664-22742		<u>116,488</u>
Total United States Department of Health and Human Services			<u>3,164,539</u>	<u>5,495,878</u>

The accompanying notes are an integral part of this schedule

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
United States Department of Justice				
<i>Direct:</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738		\$ 99,187	
Edward Byrne Memorial Justice Assistance Grant Program	16.738			101,496
<i>Passed Through the State of Connecticut Department of Emergency Services and Public Protection:</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	12060-DPS32523-26185	<u>34,212</u>	\$ 234,895
<i>Direct:</i>				
Economic High-Tech and Cyber Crime Prevention	16.752			24,484
Public Safety Partnership and Community Policing Grants	16.710			2,324,434
FBI Safe Streets Indefinite	16.111		81,990	
FBI Violent Crime Task	16.111		25,130	
HTFD Resident Office DEA Indefinite	16.111		25,585	
ATF Task Force OCDETF Reimb	16.111		57,284	
OCDETF (GORDO)	16.111		<u>26,573</u>	216,561
Equitable Sharing Program	16.922			366,362
US Marshall Service	16.000		5,363	
CTVFTF Grant	16.000		<u>38,791</u>	44,154
Total United States Department of Justice				<u>3,210,891</u>
United States Department of Education				
<i>Passed Through the State of Connecticut Department of Education:</i>				
Emergency Impact Aid for Displaced Students	84.938C	12060-22911-82010-2019-2016		2,221,307
Special Education Cluster (IDEA):				
Special Education_Grants to States	84.027	12060-SDE64370-20977-2018	4,839,841	
Special Education_Grants to States	84.027	12060-SDE64370-20977-2017	734,339	
Special Education_Preschool Grants	84.173	12060-SDE64370-20983-2018	73,178	
Special Education_Preschool Grants	84.173	12060-SDE64370-20983-2017	<u>154,401</u>	5,801,759
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2018	9,784,865	
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2017	<u>3,149,797</u>	12,934,662
Career and Technical Education -- Basic Grants to States	84.048	12060-SDE64370-20742-2018		419,843
Education for Homeless Children and Youth	84.196	12060-SDE64370-20770-2018		34,928
Adult Education - Basic Grants to States	84.002	12060-SDE64370-20784-2018	39,999	
PEP Grant Workshop Readiness	84.002A	11000-SDE64000-20784	74,883	114,882
Promise Zone Partnership (Federal)	84.402			99,500
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2018	1,098,753	
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2017	<u>1,239,608</u>	2,338,361
English Language Acquisition State Grants	84.365	12060-SDE64370-20868-2018	263,695	
English Language Acquisition State Grants	84.365	12060-SDE64370-20868-2017	<u>156,406</u>	420,101

The accompanying notes are an integral part of this schedule

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
Mathematics and Science Partnerships	84.366	12060-SDE64370-21592-2017	\$ 132,941	
Mathematics and Science Partnerships	84.366	12060-SDE64370-21592-2016	<u>35,304</u>	\$ 168,245
School Improvement Grants	84.377	12060-SDE64370-22223-2016		336,000
Title IV - Student Support	84.424	12060-SDE64370-22854-2018		139,412
Owl Enrichment Center	84.287C			<u>91,240</u>
Total United States Department of Education				<u>25,120,240</u>
United States Social Security Administration				
<i>Passed Through the State of Connecticut Department of Rehabilitation Services:</i>				
Disability Insurance/SSI Cluster:				
Social Security Disability Insurance	96.001	12060-SDR63710-20821		<u>25</u>
United States Environmental Protection Agency				
<i>Direct:</i>				
Brownfields Assessment and Cleanup Cooperative Agreements	66.818		463,711	
<i>Passed Through the State of Connecticut Economic and Community Development:</i>				
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	12060-ECD46260-35533	<u>899,686</u>	<u>1,363,397</u>
United States Department of Homeland Security				
<i>Direct:</i>				
Citizenship Education and Training	97.010			111,061
Emergency Management Performance Grants	97.042		62,509	
Emergency Management Performance Grants	97.042		<u>862,758</u>	925,267
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083			<u>1,262,114</u>
Total United States Department of Homeland Security				<u>2,298,442</u>
United States Department of Labor				
<i>Direct:</i>				
Byrne Justice Innovation	19.817			<u>116,433</u>
United States National Endowment for the Humanities				
<i>Direct:</i>				
National Leadership Grants	45.312			106,857
Promotion of the Arts_Grants to Organizations and Individuals	45.024			<u>14,000</u>
Total United States National Endowment for the Humanities				<u>120,857</u>
Total Federal Awards			\$ <u>7,038,320</u>	\$ <u>116,212,064</u>

The accompanying notes are an integral part of this schedule

**CITY OF HARTFORD, CONNECTICUT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018**

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Hartford, Connecticut, under programs of the federal government for the year ended June 30, 2018. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Because the Schedule presents only a selected portion of the operations of the City of Hartford, 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 City of Hartford, Connecticut.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. NONCASH AWARDS

Donated commodities in the amount of \$1,666,933 are included in the Department of Agriculture's National School Lunch Program, CFDA #10.555.

The amount represents the market value of commodities received. Donated vaccines in the amount of \$1,443 are included in the Department of Health and Human Services Immunization Program, CFDA #93.268.

Donated commodities in the amount of \$ 4,601,635 are included in the Department of Agriculture's WIC Program, CDFA# 10.557

**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***

To the Honorable Mayor and the Members of the Court of Common Council
City of Hartford, Connecticut

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Hartford, Connecticut, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City of Hartford, Connecticut's basic financial statements, and have issued our report thereon dated December 26, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Hartford, 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Hartford, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Hartford, 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies 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 did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2018-001, that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Hartford, 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*.

The City of Hartford, Connecticut's Response to Findings

The City of Hartford, Connecticut's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Hartford, Connecticut's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Hartford, 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 City of Hartford, Connecticut's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 26, 2018

**CITY OF HARTFORD, CONNECTICUT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2018**

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified? X yes none reported
- Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified? yes X none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? X yes no

Major programs:

CFDA #	Name of Federal Program or Cluster
14.871	Section 8 Housing Choice Vouchers

Dollar threshold used to distinguish between type A and type B programs: \$3,000,000

Auditee qualified as low-risk auditee? X yes no

II. FINANCIAL STATEMENT FINDINGS

2018-001	Revenue Collection Controls
Criteria	Republic Parking System ticket controls directly related to revenue collection are inadequate to ensure accurate and complete reporting to the Hartford Parking Authority.
Condition	The internal auditor report for Republic Parking System, which assessed controls over various processes including those related to revenue collection, noted inconsistencies between ticket tracking and inventory written policies and current location practices.
Context	Operating revenue of \$8,815,578 is reported in the discretely presented component unit of the City of Hartford's Comprehensive Annual Financial Report.
Effect	The accuracy and completeness of revenue reports submitted by Republic Parking System to the Authority are unknown.

Cause	Republic Parking System was not enforcing their policies related to ticket management.
Recommendation	<p>Republic Parking System received an acceptable score on the overall internal audit assessment, however, there were deficiencies in internal controls specifically regarding ticket revenue that have a potential of negatively impacting the Hartford Parking Authority.</p> <p>We recommend that the Authority request additional auditing be performed on the Republic Parking System and their internal controls over ticket reporting be strengthened to ensure that ticket data reported to the Authority is complete and accurate.</p>
Views of Responsible Officials and Planned Corrective Actions	Hartford Parking Authority will monitor the changes and improvements regarding the internal ticket controls on a regular basis with Republic Parking System. Hartford Parking Authority will investigate the options available to obtain an external audit to be performed on the Republic Parking System.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.