

**CITY OF NORWICH, CONNECTICUT  
FEDERAL SINGLE AUDIT REPORT  
YEAR ENDED JUNE 30, 2024**



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAconnect.com](https://CLAconnect.com)

**CITY OF NORWICH, CONNECTICUT  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2024**

<b>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</b>	<b>1</b>
<b>SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</b>	<b>5</b>
<b>NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</b>	<b>9</b>
<b>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></b>	<b>10</b>
<b>SCHEDULE OF FINDINGS AND QUESTIONED COSTS</b>	<b>12</b>



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH  
MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and City Council  
City of Norwich, Connecticut

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Norwich, Connecticut's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City of Norwich, Connecticut's major federal programs for the year ended June 30, 2024. The City of Norwich, Connecticut's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Norwich, 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 federal programs for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal 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 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Norwich, 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 federal program. Our audit does not provide a legal determination of the City of Norwich, 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 City of Norwich, Connecticut's federal 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 City of Norwich, 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 Uniform Guidance 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 City of Norwich, Connecticut's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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 City of Norwich, 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 City of Norwich, 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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Norwich, 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.

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

### **Report on Internal Control Over Compliance**

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

*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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-001, and 2024-002 to be significant deficiencies.

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.

*Government Auditing Standards* requires the auditor to perform limited procedures on the City of Norwich, Connecticut's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The City of Norwich, Connecticut's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Honorable Mayor and City Council  
City of Norwich, Connecticut

**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, each major fund, and the aggregate remaining fund information of the City of Norwich, Connecticut, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Norwich, Connecticut’s basic financial statements, and have issued our report thereon dated December 9, 2024, 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 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 federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
December 9, 2024

**CITY OF NORWICH, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>United States Department of Agriculture</b>				
<i>Passed Through the State of Connecticut Department of Education:</i>				
Child Nutrition Cluster:				
National School Lunch Program	10.555	Noncash	\$	\$ 102,625
National School Lunch Program	10.555	12060-SDE64370-20560		<u>2,466,529</u>
Total National School Lunch Program				2,569,154
School Breakfast Program	10.553	12060-SDE64370-20508		1,040,105
Summer Food Service Program for Children	10.559	12060-SDE64370-20540		25,729
Summer Food Service Program for Children	10.559	12060-SDE64370-20548		<u>2,277</u>
Total Summer Food Service Program for Children				28,006
Fresh Fruit and Vegetable Program	10.582	12060-SDE64370-22051		<u>165,728</u>
Total Child Nutrition Cluster				3,802,993
Child and Adult Care Food Program	10.558	12060-SDE64370-20518		247,938
Child and Adult Care Food Program	10.558	12060-SDE64370-20544		<u>17,367</u>
Total Child and Adult Care Food Program				265,305
State Administrative Expenses for Child Nutrition	10.560	12060-SDE64370-23126		85,595
P-EBT Local Admin	10.649	12060-SDE64370-29802	<u>-</u>	<u>7,183</u>
Total United States Department of Agriculture			<u>-</u>	<u>4,161,076</u>
<b>United States Department of Transportation</b>				
<i>Passed Through the State of Connecticut Department of Transportation:</i>				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	12062-DOT57513-20559		22,161
National Priority Safety Programs	20.616	12062-DOT57513-22600		<u>4,058</u>
Total Highway Safety Cluster				26,219
Highway Planning and Construction	20.205	12062-DOT57151-22108		3,546,882
Highway Planning and Construction	20.205	12062-DOT57191-22108		<u>30,166</u>
Total Highway Planning and Construction				3,577,048
<i>Direct:</i>				
Natural Gas Distribution Infrastructure Safety and Modernization Grant	20.708		<u>-</u>	<u>84,312</u>
Total United States Department of Transportation			<u>-</u>	<u>3,687,579</u>
<b>United States Department of Education</b>				
<i>Passed Through the State of Connecticut Department of Education:</i>				
Special Education Cluster (IDEA):				
Special Education - Grants to States	84.027	12060-SDE64370-20977-2024		711,014
Special Education - Grants to States	84.027	12060-SDE64370-20977-2023		<u>989,317</u>
Total Special Education - Grants to States				1,700,331
Special Education - Preschool Grants	84.173	12060-SDE64370-20983-2024		5,079
Special Education - Preschool Grants	84.173	12060-SDE64370-20983-2023		<u>37,600</u>
Total Special Education - Preschool Grants				42,679
Total Special Education Cluster (IDEA)				1,743,010
COVID-19 - Education Stabilization Fund:				
COVID-19 - American Rescue Plan - ESSER	84.425U	12060-SDE64370-29636-2022		5,121,770
COVID-19 - American Rescue Plan - ESSER	84.425U	12060-SDE64370-29636-2022		<u>15,001</u>
Total COVID-19 - American Rescue Plan - ESSER				5,136,771
COVID-19 ESSERF K-12 Fund	84425d	12060-SDE64370-29571-2022		2,531
COVID-19 ESSERF K-12 Fund	84425d	12060-SDE64370-29571-2022		<u>4,488</u>
Total COVID-19 ESSERF K-12 Fund				7,019
Total COVID-19 - Education Stabilization Fund				5,143,790

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF NORWICH, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2024	\$	\$ 1,428,799
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2023		1,547,377
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2024		<u>260,667</u>
Total Title I Grants to Local Educational Agencies				3,236,843
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2024		55,935
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2023		<u>154,413</u>
Total Improving Teacher Quality State Grants				210,348
Twenty-First Century Community Learning Centers	84.287	12060-SDE64370-20863-2024		268,950
Twenty-First Century Community Learning Centers	84.287	12060-SDE64370-20863-2023		<u>14,824</u>
Total Twenty-First Century Community Learning Centers				283,774
Title IV - Student Support	84.424	12060-SDE64370-22854-2024		69,364
Title IV - Student Support	84.424	12060-SDE64370-22854-2023		<u>80,740</u>
Total Title IV - Student Support				150,104
English Language Acquisition State Grants	84.365	12060-SDE64370-20868-2023		12,000
English Language Acquisition State Grants	84.365	12060-SDE64370-20868-2024		82,794
English Language Acquisition State Grants	84.365	12060-SDE64370-20868-2023		<u>27,927</u>
Total English Language Acquisition State Grants				122,721
Education for Homeless Children and Youth	84.196	12060-SDE64370-20770-2023		25,044
Education for Homeless Children and Youth	84.196	12060-SDE64370-20770-2022		<u>3,005</u>
Total Education for Homeless Children and Youth				28,049
Adult Education - Basic Grants to States	84.002	12060-SDE64370-20784-2024		158,912
Elementary & Secondary School	84.425W	12060-SDE64370-29650-2022		<u>53,238</u>
Total United States Department of Education			<u>-</u>	<u>11,130,789</u>
<b>United States Department of Justice</b>				
<i>Direct:</i>				
2020 COPS Hiring Program	16.738			44,841
Edward Byrne Memorial Justice Assistance Grant Program	16.738			9,750
Equitable Sharing Program	16.922			7,776
Public Safety Partnership and Community Policing Grants	16.710			429,161
<i>Passed Through CYSA:</i>				
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540		<u>-</u>	<u>10,907</u>
Total United States Department of Justice			<u>-</u>	<u>502,435</u>
<b>United States Department of Housing and Urban Development</b>				
<i>Direct:</i>				
CDBG - Entitlement/Special Purpose Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218			1,074,010
Lead Hazard Reduction Demonstration Grant Program	14.905		<u>-</u>	<u>598,710</u>
Total United States Department of Housing and Urban Development			<u>-</u>	<u>1,672,720</u>
<b>United States Department of Health and Human Services</b>				
<i>Passed Through the State of Connecticut Mental Health and Addiction Services:</i>				
CPR: CT Promotes Recovery from Opioid Addiction	93.788	12060-MHA53300-22921		75,344
Block Grants for Prevention and Treatment of Substance Abuse	93.959	11000-MHA53000-12215		6,979

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF NORWICH, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<i>Passed Through SERAC:</i>				
Drug-Free Communities Support Program Grants	93.276		\$	\$ 132,654
<i>Direct:</i>				
Special Programs for the Aging - Title III, Part B Grants for Supportive Services and Senior Centers	93.044		_____	_____ 10,923
Total United States Department of Health and Human Services			_____ -	_____ 225,900
<b>United States Department of Homeland Security</b>				
<i>Passed Through the State of Connecticut Department of Emergency Services and Public Protection:</i>				
Emergency Management Performance Grants	97.042	12060-DPS32160-21881		15,977
Emergency Management Performance Grants	97.042	12060-DPS32161-21881		16,743
Total Emergency Management Performance Grants			_____	_____ 32,720
<i>Passed Through the State of Connecticut Department of Emergency Services and Public Protection:</i>				
Homeland Security Grant Program	97.067	12060-DPS32981-21877		60,000
<i>Direct:</i>				
Assistance to Firefighters Grant	97.044			45,018
<i>Passed Through the United Way:</i>				
Emergency Food and Shelter National Board Program	97.024		_____ -	_____ 9,997
Total United States Department of Homeland Security			_____ -	_____ 147,735
<b>United States Department of the Treasury</b>				
<i>Direct:</i>				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		1,290,554	7,065,073
<i>Passed Through the State of Connecticut Office of Budget and Management:</i>				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	12060-OPM20600-29669		2,305,990
<i>Passed Through the State of Connecticut Department of Education:</i>				
COVID 19 - SLFRF - Learner Engagement LEAP	21.027	12060-SDE64370-28089		164,129
COVID 19 - SLFRF - School Mental Health Services	21.027	12060-SDE64370-28096		40,123
COVID 19 - SLFRF - Faith Acts PSDs	21.027	12060-SDE64370-29733		238,051
<i>Passed Through the State of Connecticut Department of Emergency Services and Public Protection:</i>				
COVID 19 - SLFRF - Violent Crimes Task Force	21.027	12060-DPS32521-28125		86,271
COVID 19 - SLFRF - Violent Crimes Task Force	21.027	12060-DPS32523-28125		4,197
<i>Passed Through the State of Connecticut Office of Early Childhood:</i>				
COVID 19 - SLFRF - School Readiness	21.027	12060-OEC64845-28227		172,177
<i>Passed Through the State of Connecticut Department of Rehabilitation Services:</i>				
COVID 19 - SLFRF - Senior Centers	21.027	12060-SDR63901-28009		6,560
Total COVID 19 - Coronavirus State and Local Fiscal Recovery Funds			_____	_____ 10,082,571
Total United States Department of the Treasury			_____ 1,290,554	_____ 10,082,571
<b>United States Department of Labor</b>				
<i>Passed Through Eastern Connecticut Workforce Investment Board/EastConn:</i>				
<i>WIOA Cluster:</i>				
WIA/WIOA Youth Activities	17.259		_____	_____ 97,701
Total United States Department of Labor			_____ -	_____ 97,701

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF NORWICH, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>United States Environmental Protection Agency</b>				
<i>Passed Through the State of Connecticut Department of Energy and Environmental Protection:</i>				
Clean Water State Revolving Fund Cluster:				
Capitalization Grants for Clean Water State Revolving Funds	66.458	12060-DEP43720-23190	\$	\$ 11,811,077
Capitalization Grants for Clean Water State Revolving Funds	66.458	21014-DEP43720-40001		2,041,887
Capitalization Grants for Clean Water State Revolving Funds	66.458	21014-DEP43720-43700		7,099,025
Capitalization Grants for Clean Water State Revolving Funds	66.458	21015-DEP43720-42318		<u>3,618,764</u>
Total Capitalization Grants for Clean Water State Revolving Funds				24,570,753
<i>Passed Through the State of Connecticut Department of Public Health:</i>				
Clean Water State Revolving Fund Cluster:				
Capitalization Grants for Drinking Water State Revolving Funds	66.468	21018-DPH48770-42319-29101		1,394,621
<i>Direct:</i>				
Congressionally Mandated Projects	66.202			2,668
Total United States Environmental Protection Agency			<u>-</u>	<u>25,968,042</u>
<b>United States Election Assistance Commission</b>				
<i>Passed Through the Connecticut Secretary of State:</i>				
Help America Vote Act Requirements Payments	90.401			<u>465</u>
Total United States Election Assistance Commission			<u>-</u>	<u>465</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 1,290,554</u>	<u>\$ 57,677,013</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF NORWICH, CONNECTICUT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Norwich, Connecticut, under programs of the federal government for the year ended June 30, 2024. 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 Norwich, 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 Norwich, Connecticut.

**Basis of Accounting**

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 for all awards. Under these principles certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 2 INDIRECT COST RECOVERY**

The City of Norwich, Connecticut, has elected not to use the 10% de minimis indirect cost rate provided under Section 200.414 of the Uniform Guidance.



**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**

Honorable Mayor and City Council  
City of Norwich, 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, each major fund, and the aggregate remaining fund information of the City of Norwich, Connecticut, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Norwich, Connecticut's basic financial statements, and have issued our report thereon dated December 9, 2024.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the City of Norwich, Connecticut's internal control over financial reporting (internal control) as a basis for designing 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 Norwich, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Norwich, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Honorable Mayor and City Council  
City of Norwich, Connecticut

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the City of Norwich, 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 financial statements. 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*.

***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 entity’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 entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
December 9, 2024

**CITY OF NORWICH, CONNECTICUT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2024**

---

**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? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified?   x   yes      \_\_\_\_\_ none reported
2. Type of auditors’ report issued on compliance for federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?   x   yes      \_\_\_\_\_ no

**Identification of Major Federal Programs**

**Assistance Listing Number(s)**

**Name of Federal Program or Cluster**

66.458

Capitalization Grants for Clean Water State Revolving Funds

84.027/84.173

Special Education Cluster (IDEA)

21.027

COVID 19 – Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 1,730,310

Auditee qualified as low-risk auditee?

  x   yes      \_\_\_\_\_ no

**CITY OF NORWICH, CONNECTICUT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

---

***Section II – Financial Statement Findings***

---

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

---

***Section III – Findings and Questioned Costs – Major Federal Programs***

---

**2024 – 001**

Federal Agency: United States Department of Education

Federal Program Name: Special Education Cluster (IDEA)

Assistance Listing Number: 84.027/84.173

Federal Award Identification Number and Year: Various

Pass-Through Agency: State of Connecticut Department of Education

Pass-Through Number(s): 12060-SDE64370-20977

Award Period: July 1, 2023 – June 30, 2025

Type of Finding: Significant Deficiency in Internal Control over Compliance

**Criteria or specific requirement:** 2 CFR Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (UG) requires compliance with the provisions of procurement, suspension, and debarment.

**Condition:** The City of Norwich did not have adequate internal controls designed to ensure noncompetitive procurement methods are in accordance with 2 CFR section 200.320.

**Questioned costs:** None noted

**Context:** It was noted that while the City was justified in utilizing vendors that were procured under a non-competitive method, there was no documentation for 2 of the 2 vendors tested of the single source justification prior to entering awarding a contract to the vendors.

**Cause:** The City of Norwich did not retain single source justification documentation.

**Effect:** There were no instances of noncompliance with the provisions of procurement, suspension, and debarment; however, the lack of internal controls over these compliance requirements provides an opportunity for noncompliance.

**Repeat Finding:** No

**Recommendation:** We recommend the City of Norwich design controls to ensure documentation for single source justifications are in place in accordance with 2 CFR section 200.320.

**Views of responsible officials:** There is no disagreement with the audit finding.

**CITY OF NORWICH, CONNECTICUT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

---

***Section III – Findings and Questioned Costs – Major Federal Programs (Continued)***

---

**2024 – 002**

Federal Agency: United States Department of Education

Federal Program Name: Special Education Cluster (IDEA)

Assistance Listing Number: 84.027/84.173

Federal Award Identification Number and Year: Various

Pass-Through Agency: State of Connecticut Department of Education

Pass-Through Number(s): 12060-SDE64370-20977

Award Period: July 1, 2023 – June 30, 2025

Federal Agency: United States Department of the Treasury

Federal Program Name: COVID 19 – Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Federal Award Identification Number and Year: Various

Direct Award: \$7,065,073

Pass-Through Agency Award: State of Connecticut Office of Policy and Management: \$2,305,990

Pass-Through Number(s): 12060-OPM20600-29669

Award Period: March 3, 2021 – December 31, 2024

Type of Finding: Significant Deficiency in Internal Control over Compliance

**Criteria or specific requirement:** 2 CFR Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (UG) requires compliance with the provisions of procurement, suspension, and debarment.

**Condition:** The City of Norwich did not have adequate internal controls designed to ensure vendors were not suspended or debarred in accordance with 2 CFR section 200.213.

**Questioned costs:** N/A

**Context:** It was noted that the vendors tested were not on the suspended or debarred vendor list maintained by the General Services Administration. However, there was no documentation for 8 out of the 9 vendors tested that the City reviewed the vendors' status prior to awarding the contract.

**Cause:** The Board of Education did not retain documentation of their review that the vendor were not suspended or debarred.

CITY OF NORWICH, CONNECTICUT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2024

---

*Section III – Findings and Questioned Costs – Major Federal Programs (Continued)*

---

**2024 – 002 (Continued)**

**Effect:** We noted no instances of noncompliance with the provisions of procurement, suspension, and debarment; however, the lack of internal controls over these compliance requirements provides an opportunity for noncompliance.

**Repeat Finding:** No

**Recommendation:** We recommend the City of Norwich design controls to ensure an adequate review process is in place to review potential contractors to determine they are not suspended or debarred in accordance with 2 CFR section 200.213.

**Views of responsible officials:** There is no disagreement with the audit finding.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See [CLAGlobal.com/disclaimer](http://CLAGlobal.com/disclaimer). Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.