

METROPOLITAN AREA PLANNING COUNCIL

REPORTS ON FEDERAL AWARD PROGRAMS

FISCAL YEAR ENDED JUNE 30, 2012

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**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 Executive Committee
Metropolitan Area Planning Council

We have audited the financial statements of the business-type activities and each major fund of the Metropolitan Area Planning Council, as of and for the fiscal year ended June 30, 2012, which collectively comprise the Metropolitan Area Planning Council's basic financial statements and have issued our report thereon dated February 27, 2013. 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 Metropolitan Area Planning Council's (MAPC) internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the MAPC's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the MAPC's internal control over financial reporting.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Metropolitan Area Planning Council's basic 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 basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management of the Metropolitan Area Planning Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Powers + Juliani, LLC

February 27, 2013



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REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Executive Committee
Metropolitan Area Planning Council

Compliance

We have audited the compliance of the Metropolitan Area Planning Council, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of the Metropolitan Area Planning Council's major federal programs for the fiscal year ended June 30, 2012. The Council's major federal programs are identified in the summary of auditors' 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 Council's management. Our responsibility is to express an opinion on the Council's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred.

An audit includes examining, on a test basis, evidence about the Council'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 Council's compliance with those requirements.

In our opinion, the Metropolitan Area Planning Council complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2012.

Internal Control Over Compliance

Management of the Metropolitan Area Planning Council is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Council'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, 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 Council's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis.

A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the business-type activities and each major fund of the Metropolitan Area Planning Council, as of and for the year ended June 30, 2012, and have issued our report thereon dated February 27, 2013 which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of management of the Metropolitan Area Planning Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



February 27, 2013

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal Project Number	Expenditures
U.S. DEPARTMENT OF COMMERCE:			
<u>Direct Program:</u>			
Economic Development - Support for Planning Organizations	11.302	Not Applicable	\$ <u>151,177</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
<u>Direct Program:</u>			
Sustainable Communities Regional Planning Grant	14.703	MARIP 001810	<u>1,019,418</u>
U.S. DEPARTMENT OF TRANSPORTATION:			
<u>Passed through State Highway Department:</u>			
Highway Planning and Construction	20.205	INTF11A0066105N002	547,965
Highway Planning and Construction	20.205	INTF00X02011P0067437	378,592
Highway Planning and Construction	20.205	CT DOT MAPC SOCO CPRPLN 2010 00	43,097
Highway Planning and Construction	20.205	INTF00X02011H0066858	75,652
Highway Planning and Construction	20.205	INTF00X02011H00668456	277,737
Highway Planning and Construction	20.205	INTF00X02012H0072982	122,189
Highway Planning and Construction	20.205	INTF00X02011A0066104	629,793
Highway Planning and Construction	20.205	INTF00X02012H0069965	1,936,369
Highway Planning and Construction	20.205	INTF00X02011P0067436	301,680
Highway Planning and Construction	20.205	INTFX02011P0067438	276,737
Highway Planning and Construction	20.205	INTF00X02012H0070172	847,003
Highway Planning and Construction	20.205	INTF00X02012H0070174	100,569
Highway Planning and Construction	20.205	MAPCSIPGRN FEIR201000	50,094
Highway Planning and Construction	20.205	CT DOT MAPC SOCO CTPS 2010 00	124,012
Highway Planning and Construction	20.205	INTF00X02011J0068581	118,691
Highway Planning and Construction	20.205	INTF00X02012H0070181	60,309
Highway Planning and Construction	20.205	INTF00X02012M0070626	56,339
<u>Passed through State Executive Office of Transportation:</u>			
Highway Planning and Construction	20.205	INTF00X02010A0062576	<u>228,952</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>6,175,780</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY			
<u>Direct Program:</u>			
ARRA - Brownfields Assessment and Cleanup Cooperative Agreement	66.818	USEPA BF 96113201-0	<u>402,100</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<u>Passed through the State Health Department:</u>			
Public Health Emergency Preparedness	93.069	INTF6208PP1902414105	20,323
Public Health Emergency Preparedness	93.069	INTF6208PP1902414059	79,310
Public Health Emergency Preparedness	93.069	INTF6208PP1902414059	217,870
Community Transformation Grants Small Communities Program	93.737	INTF4120M04100217006	<u>314,191</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>631,694</u>
U.S. DEPARTMENT OF HOMELAND SECURITY:			
<u>Passed through the State Executive Office of Public Safety:</u>			
Homeland Security Grant Program	97.067	80004692	<u>8,803,493</u>
TOTAL			<u>\$ 17,183,662</u>

See notes to schedule of expenditures of federal awards.

Note 1 - Definition of Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Metropolitan Area Planning Council. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other governmental agencies is included on the schedule.

Note 2 - Significant Accounting Policies

The accounting and reporting policies of the Metropolitan Area Planning Council are set forth below:

(a) Basis of Presentation - The accompanying Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting. Accordingly, grant revenues are recognized when earned and expenditures when incurred.

Note 3 - Program Clusters

In accordance with Subpart A §.105 of OMB Circular No. A-133, Audits of States, Local Governments and Non Profit Organizations, certain programs have been clustered in determining major programs. The following represents the clustered programs:

<u>Name of Cluster/Program</u>	<u>CFDA Number</u>
Highway Planning and Construction Cluster	
Highway Planning and Construction	20.205
Recreational Trails Program	20.219
Appalachian Development Highway System	23.003
Homeland Security Cluster	
Homeland Security Grant Program	97.067
State Domestic Preparedness Equipment Support Program	97.004

The MAPC does not participate in the Recreational Trails Program, the Appalachian Development Highway System Program or the State Domestic Preparedness Equipment Support Program.

A. Summary of Auditors' Results

1. The auditors' report expresses an unqualified opinion on the financial statements of the Metropolitan Area Planning Council.
2. No reportable conditions relating to the audit of the financial statements are reported in the 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*.
3. No instances of noncompliance material to the financial statements of the Metropolitan Area Planning Council were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs is reported in the Report on Compliance with Requirements that could have a Direct and Material Effect on each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for the Metropolitan Area Planning Council expresses an unqualified opinion.
6. There were no audit findings relative to the major federal award programs for the Metropolitan Area Planning Council.
7. The programs tested as major grants include:

<u>Program Title</u>	<u>CFDA Number</u>
Sustainable Communities Regional Planning Grant	14.703
Highway Planning and Construction	20.205
ARRA – Brownfields Assessment and Cleanup Cooperative Grant	66.818

8. The threshold for distinguishing Types A and B programs was \$515,510.
9. The Metropolitan Area Planning Council was determined to be a low-risk auditee.

B. Findings - Financial Statements Audit

None

C. Findings and Questioned Costs - Major Federal Award Program Audit

None

D. Prior Year Audit Findings and Questioned Costs

None