

**CITY OF BRIDGEPORT, CONNECTICUT**  
**STATE SINGLE AUDIT REPORT**  
**JUNE 30, 2021**



WEALTH ADVISORY | OUTSOURCING  
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**CITY OF BRIDGEPORT, CONNECTICUT  
STATE SINGLE AUDIT REPORT  
JUNE 30, 2021  
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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY THE STATE SINGLE AUDIT ACT**

Members of the City Council  
City of Bridgeport, Connecticut

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

We have audited the City of Bridgeport, Connecticut's compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of the City of Bridgeport, Connecticut's major state programs for the year ended June 30, 2021. The City of Bridgeport, Connecticut's major state programs are 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 the requirements of laws, regulations, contracts and grants applicable to its state programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the City of Bridgeport, Connecticut's major state programs 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 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 Bridgeport, 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 each major state program. However, our audit does not provide a legal determination of the City of Bridgeport, Connecticut's compliance.

***Opinion on Each Major State Program***

In our opinion, the City of Bridgeport, Connecticut, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2021.

**Report on Internal Control over Compliance**

Management of the City of Bridgeport, 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 Bridgeport, Connecticut's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Bridgeport, Connecticut's internal control over compliance.

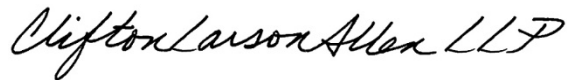
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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 State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bridgeport, Connecticut, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Bridgeport, Connecticut's basic financial statements. We issued our report thereon dated February 8, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
February 8, 2022

**CITY OF BRIDGEPORT, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2021**

<b>State Grantor/Pass-Through Grantor/ Program Title</b>	<b>State Grant Program Core-CT Number</b>	<b>Expenditures</b>
<b>Department of Education</b>		
Commissioner's Network	11000-SDE64370-12547	\$ 719,062
Talent Development	11000-SDE64370-12552	35,703
Technical High Schools OE	11000-SDE64328-12602	5,538
Family Resource Centers	11000-SDE64370-16110	304,590
Child Nutrition State Match	11000-SDE64370-16211	140,180
Health Foods Initiative	11000-SDE64370-16212	285,379
Vocational Agriculture	11000-SDE64370-17017	1,927,048
Adult Education	11000-SDE64370-17030	2,008,052
Health & Welfare-Private School Pupil	11000-SDE64370-17034	185,223
Alliance District	11000-SDE64370-17041-82164	23,219,034
Bilingual Education	11000-SDE64370-17042	233,127
Priority School Districts	11000-SDE64370-17043-82052	4,931,027
School Breakfast Program	11000-SDE64370-17046	95,046
Open Choice Program	11000-SDE64370-17053	99,188
Magnet Schools	11000-SDE64370-17057	7,117,188
After School Programs	11000-SDE64370-17084	508,980
Extended School Hours	11000-SDE64370-17108	354,989
School Accountability	11000-SDE64370-17109	408,696
Low Performing Schools SB1502	12052-SDE64370-43728	<u>1,049,953</u>
Total Department of Education		<u>43,628,003</u>
<b>Department of Social Services</b>		
Medicaid	11000-DSS60000-16020	<u>269,751</u>
Total Department of Social Services		<u>269,751</u>
<b>Department of Administrative Services</b>		
Alliance DIS General Improvements	12052-DAS27635-43651	<u>797,125</u>
Total Department of Administrative Services		<u>797,125</u>
<b>Department of Children and Families</b>		
Youth Service Bureaus	11000-DCF91141-17052	115,952
Youth Service Bureau Enhancement	11000-DCF91141-17107	<u>17,175</u>
Total Department of Children and Families		<u>133,127</u>

The accompanying notes are an integral part of this schedule

**CITY OF BRIDGEPORT, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2021**

<b>State Grantor/Pass-Through Grantor/ Program Title</b>	<b>State Grant Program Core-CT Number</b>	<b>Expenditures</b>
<b>Department of Energy and Environmental Protection</b>		
Clean Water Revenue Bonds - Loan	21015-DEP43720-42318	\$ 1,328,273
Clean Water Revenue Bonds - Grant	21014-DEP43720-40001	1,319,773
Urban Action Grant - Oxbrook Flood Control	13019-DEP43153-41239	40,475
Total Department of Energy and Environmental Protection		<u>2,688,521</u>
<b>Department of Transportation</b>		
Town Aid Road-STO	13033-DOT57131-43459	688,187
Town Aid Road Grants-Municipal	12052-DOT57131-43455	688,187
Rail Operations	12001-DOT57951-12168	5,729
Total Department of Transportation		<u>1,382,103</u>
<b>Department of Public Health</b>		
Local & District Departments Of Health	11000-DPH48558-17009	93,888
X-Ray Screen & Tuberculosis Care	12004-DPH48666-16112	40,320
Venereal Disease Control	12004-DPH48665-17013	18,464
Total Department of Public Health		<u>152,672</u>
<b>Department of Emergency Services and Public Protection</b>		
Drug Asset Forfeiture Revenue Account DPS	12060-DPS32155-35142	37,852
Enhanced 911 Telecomm Fund	12060-DPS32741-35190	57,898
Total Department of Emergency Services and Public Protection		<u>95,750</u>
<b>Judicial Branch</b>		
Youth Violence Initiative	11000-JUD96114-12555	402,820
Total Judicial Branch		<u>402,820</u>
<b>Office of Early Childhood</b>		
Child Care Quality Enhancement	11000-OEC64845-16158	92,815
Early Care and Education	11000-OEC64845-16274	10,418,274
Smart Start	11000-OEC64845-16279	306,800
Total Office of Early Childhood		<u>10,817,889</u>
<b>Office of Policy and Management</b>		
Project Longevity	11000-OPM20350-12573	168,361
Reimbursement Towns -Tax Loss On State Property	11000-OPM20600-17004	2,319,865
Reimbursement Towns - Private Tax-Exempt Property	11000-OPM20600-17006	7,464,762

The accompanying notes are an integral part of this schedule

**CITY OF BRIDGEPORT, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2021**

<b>State Grantor/Pass-Through Grantor/ Program Title</b>	<b>State Grant Program Core-CT Number</b>	<b>Expenditures</b>
Reimbursement Property Tax-Disability Exemption	11000-OPM20600-17011	\$ 18,082
Property Tax Relief Elderly Homeowner Freeze Program	11000-OPM20600-17021	2,000
Property Tax Relief For Veterans	11000-OPM20600-17024	26,995
Local Capital Improvement	12050-OPM20600-40254	1,825,884
Municipal Purposes and Projects	12052-OPM20600-43587	1,031,564
Distressed Municipalities	12052-OPM20600-43750	<u>837,876</u>
Total Office of Policy and Management		<u>13,695,389</u>
<b>Total State Financial Assistance Before Exempt Programs</b>		<u>74,063,150</u>
<b>Exempt Programs</b>		
<b>Department of Education</b>		
Education Cost Sharing	11000-SDE64370-17041-82010	165,024,777
Excess Cost - Student Based	11000-SDE64370-17047	\$ 5,945,351
Excess Cost - Student Based	11000-SDE64370-17047	68,808
Excess Cost - Student Based	11000-SDE64370-17047	<u>163,035</u>
		<u>6,177,194</u>
Total Department of Education		<u>171,201,971</u>
<b>Office of Policy and Management</b>		
Municipal Revenue Sharing	11000-OPM20600-17102	3,236,058
Municipal Transition	11000-OPM20600-17103	5,374,041
Municipal Stabilization Grant	11000-OPM20600-17104	2,823,501
Grants To Towns	12009-OPM20600-17005	<u>5,606,925</u>
Total Office of Policy and Management		<u>17,040,525</u>
Total Exempt Programs		<u>188,242,496</u>
<b>Total State Financial Assistance</b>		<u>\$ 262,305,646</u>

The accompanying notes are an integral part of this schedule



**CITY OF BRIDGEPORT, CONNECTICUT  
 NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
 FOR THE YEAR ENDED JUNE 30, 2021**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The accompanying schedule of expenditures of state financial assistance (the Schedule) includes the state grant activity of the City of Bridgeport, Connecticut, under programs of the State of Connecticut for the year ended June 30, 2021. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. Because the Schedule presents only a selected portion of the operations of the City of Bridgeport, 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 Bridgeport, Connecticut.

**Basis of Accounting**

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

Expenditures reported on the Schedule are presented on the modified accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity and, accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule.

**NOTE 2 - LOAN PROGRAMS**

In accordance with Section 4-236-23(a)(4)(F) of the Regulations to the State Single Audit Act, the notes to the schedule of expenditures of state financial assistance shall include loans and loan activities. The following is a summary of the various loan program activity for the year ended June 30, 2021:

Department of Energy and Environmental Protection:

Clean Water and Drinking Water Funds:

	<u>Balance</u> <u>Beginning</u>		<u>Issued</u>		<u>Retired</u>		<u>Balance</u> <u>Ending</u>
Permanent Financing	\$ 24,075,940	\$	-	\$	2,294,079	\$	21,781,861



**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***

Members of the City Council  
City of Bridgeport, 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 Bridgeport, Connecticut, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Bridgeport, Connecticut's basic financial statements, and have issued our report thereon dated February 8, 2022.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Bridgeport, 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 Bridgeport, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Bridgeport, 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. We did identify certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as items 2021-001 that we consider to be material weakness.

**Compliance and Other Matters**

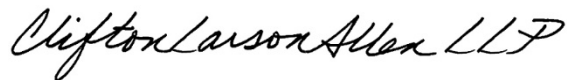
As part of obtaining reasonable assurance about whether the City of Bridgeport, Connecticut’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have 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*.

**City of Bridgeport, Connecticut’s Response to Findings**

City of Bridgeport, Connecticut’s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Bridgeport, 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 Bridgeport, 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 Bridgeport, Connecticut’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
February 8, 2022

**CITY OF BRIDGEPORT, CONNECTICUT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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**I. SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?   X   yes        no
- Significant deficiency(ies) identified?        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
- 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 Section 4-236-24 of the Regulations to the State Single Audit Act?        yes   X   no

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

State Grantor and Program	State Core-CT Number	Expenditures
Department of Education:		
Alliance District	11000-SDE64370-17041-82164	\$ 23,219,034
Vocational Agriculture	11000-SDE64370-17017	1,927,048
Department of Energy and Environmental Protection:		
Clean Water Revenue Bonds – Grant	21014-DEP43720-40001	1,319,773
Clean Water Revenue Bonds – Loan	21015-DEP43720-42318	1,328,273
Office of Policy and Management:		
Payment in Lieu of Taxes (PILOT) on Private Colleges and General Hospitals	11000-OPM20600-17006	7,464,762
Local Capital Improvement	12050-OPM2060-40254	1,825,884

Dollar threshold used to distinguish between type A and type B programs: \$ 1,481,263

**II. FINANCIAL STATEMENT FINDINGS**

**2020-001**                      School Construction Grants Receivable

**Criteria**                      Generally accepted accounting principles (GAAP) requires that revenue be recognized when it is both measurable and available.

<b>Condition</b>	A material audit adjustment was required for the capital projects fund to defer revenue that was not available within the period of availability.
<b>Context</b>	A material audit adjustment was proposed based on the results of audit procedures performed.
<b>Effect</b>	The financial statements would not be materially correct without the audit adjustment.
<b>Cause</b>	In previous years, the City had School Construction projects which were partially funded with a grant from the State of Connecticut. The State paid the City on a monthly basis during the project but held back a small percentage of the grant until they could complete a final project audit. Upon completion of these projects, the City recorded a receivable for the percentage of the grant held back. Due to staffing shortages at the State, they have not yet audited these projects and budget cuts at the State has not allowed them to contract with CPA firms to perform these audits.
<b>Recommendation</b>	We recommend that the City continue to record grant revenue only when measurable and available.
<b>Views of Responsible Officials</b>	The City believes the recording of the receivable and related revenue recognition was appropriate at the time the reimbursement request was submitted given the facts at the time. The understanding was that the funds would be received from the State of Connecticut promptly upon conclusion and audit by the State of the projects. The State of Connecticut has continued to delay concluding on the projects despite the requests and actions by the City.

### III. STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

No matters were reported.

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