

**SOUTHERN WINDSOR COUNTY REGIONAL PLANNING COMMISSION**

**FEDERAL COMPLIANCE**

**JUNE 30, 2009**

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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**

October 14, 2009

To the Commissioners  
Southern Windsor County Regional Planning Commission  
Ascutney, VT

We have audited the financial statements of the governmental activities and each major fund of the Southern Windsor County Regional Planning Commission, as of and for the year ended June 30, 2009, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated October 14, 2009. 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 Commission's 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 Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

A *control deficiency* 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 misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the Commission's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Commission's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Commission's internal control.

Our consideration of 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 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 Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, others within the entity, 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.

Respectfully submitted,

*Fothergill Segale & Valley, CPAs*

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## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

October 14, 2009

To the Commissioners  
Southern Windsor County Regional Planning Commission  
Ascutney, VT

### Compliance

We have audited the compliance of the Southern Windsor County Regional Planning Commission with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The Commission's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Commission's management. Our responsibility is to express an opinion on the Commission'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 Commission'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 Commission's compliance with those requirements.

In our opinion, the Commission complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

## **Internal Control Over Compliance**

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

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance 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 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 governmental activities and each major fund of the Commission, as of and for the year ended June 30, 2009, and have issued our report thereon dated October 14, 2009. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the Commission's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of management, others within the entity, 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.

Respectfully submitted,

*Fothergill Segale & Valley, CPAs*

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SOUTHERN WINDSOR COUNTY REGIONAL PLANNING COMMISSION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2009

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Total Federal Program or Award Amount	Accounts Receivable (Deferred Revenue)		Cash Receipts	Expenditures	Accounts Receivable (Deferred Revenue) 6/30/09
				6/30/08	6/30/08			
<b>U.S. Department of Transportation</b>								
Passed through State of Vermont:								
Vtrans - Transportation Planning	20.205	STR SPRPL1(45)	\$ 117,033	\$ 9,074	\$ 40,677	\$ 31,603	\$ 0	\$ 0
Vtrans - Transportation Planning	20.205	STR SPRPL1(46)	118,494	0	89,034	98,902	9,868	9,868
Vtrans - Safe Routes to School	20.205	07GR020	18,000	0	168	168	0	0
VEM - Hazard Mitigation	20.703	02140-31287-003-HMEP08	5,600	0	1,775	1,775	0	0
VEM - Hazard Mitigation	20.703	02140-31288-003-HMEP09	4,500	0	801	966	165	165
Total U.S. Department of Transportation				9,074	132,455	133,414	10,033	10,033
<b>U.S. Environmental Protection Agency</b>								
Direct								
Brownfields Revolving Loan Fund	66.811	BF-98148401-0	993,385	1,596	288,898	290,921	3,619	3,619
Brownfields Reuse Project	66.818	BF-97176501-0	100,000	275	61,403	62,201	1,073	1,073
Brownfields Assessment Grant	66.818	BF-97144501-0	400,000	0	32,286	29,989	(2,297)	(2,297)
Passed through State of Vermont:								
Water Quality Management Planning	66.454	66-981-36608-0	3,636	0	2,855	2,855	0	0
Water Quality Management Planning	66.454	WQ2007-604-04	3,636	879	879	0	0	0
Total U.S. Environmental Protection Agency				2,750	386,321	385,966	2,395	2,395
<b>U.S. Department of Homeland Security</b>								
Passed through State of Vermont:								
Emergency Management Performance	97.042	02140-31011-009-EMPG07S	20,000	992	2,577	1,585	0	0
Emergency Management Performance	97.042	2140-31018-006-EMPG08	17,620	0	17,615	17,620	5	5
Total U.S. Department of Homeland Security				992	20,192	19,205	5	5
TOTAL FEDERAL AWARDS				\$ 12,816	\$ 538,968	\$ 538,585	\$ 12,433	\$ 12,433

See Notes to Schedule.

SOUTHERN WINDSOR COUNTY REGIONAL PLANNING COMMISSION

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2009

**NOTE 1 – GENERAL**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Southern Windsor County Regional Planning Commission.

**NOTE 2 – BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 of the Southern Windsor County Regional Planning Commission's financial statements.

**NOTE 3 – SUB-RECIPIENTS**

Of the federal expenditures presented in the Schedule, the Commission provided federal awards to sub-recipients as follows:

<u>Sub-recipient</u>	<u>CFDA#</u>	<u>Amount</u>
Precision Valley Development Corp.	66.811	\$ 200,000
Town of Windsor	66.811	47,895
Town of Cavendish	66.811	<u>9,259</u>
Total expenditures		<u>\$ 257,154</u>

SOUTHERN WINDSOR COUNTY REGIONAL PLANNING COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2009

- I. Summary of Auditor's Results
  - A. Independent auditor's report on financial statements

Our report on Southern Windsor County Regional Planning Commission's financial statements as of and for the year ended June 30, 2009 dated October 14, 2009 was unqualified.
  - B. Compliance – financial statement level

Our report on compliance and internal control dated October 14, 2009 stated that the results of our testing disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.
  - C. Compliance – federal program level

Our report on compliance with the requirements applicable to each major program dated October 14, 2009 was unqualified.
  - D. The audit disclosed no findings required to be reported under OMB Circular A-133.510(a) for the year ended June 30, 2009.
  - E. Major program(s)

EPA Brownfields Revolving Loan Fund      CFDA# 66.811
  - F. The dollar threshold for distinguishing between Type A and Type B programs was \$300,000.
  - G. Southern Windsor County Regional Planning Commission did not qualify as a low risk auditee due to not being subject to a Single Audit in the two prior years.
- II. There were no findings relating to the financial statements required to be reported by General Accepted Government Auditing Standards (GAGAS).
- III. There were no findings and questioned costs as defined under OMB Circular A-133.510(a).