

**TOWN OF ANDOVER, CONNECTICUT**

**FEDERAL AND STATE  
SINGLE AUDITS**

**FOR THE YEAR ENDED JUNE 30, 2024**

**TOWN OF ANDOVER, CONNECTICUT**  
**FEDERAL AND STATE SINGLE AUDITS**  
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**FOR THE YEAR ENDED JUNE 30, 2024**

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**INTERNAL CONTROL AND COMPLIANCE REPORT**

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**INDEPENDENT AUDITOR'S 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 Board of Finance  
Town of Andover, 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, each major fund, and the aggregate remaining fund information of the Town of Andover, Connecticut, (the Town) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated May 23, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town'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 Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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 were not identified. However, as described in the accompanying schedules of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying schedules of findings and questioned costs as item 2024-001 to be a material weakness.

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. We consider the deficiency described in the accompanying schedules of findings and questioned costs as item 2024-002 to be a significant deficiency.

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

As part of obtaining reasonable assurance about whether the Town'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*.

## **Town's Responses to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Town's responses to the findings identified in our audit and described in the accompanying schedules of findings and questioned costs. The Town's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

## **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 Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants  
Glastonbury, Connecticut  
May 23, 2025

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**FEDERAL SINGLE AUDIT SECTION**

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

To the Board of Finance  
Town of Andover, Connecticut

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

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

We have audited the Town of Andover, Connecticut's, (the Town) 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 Town's major federal programs for the year ended June 30, 2024. The Town's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of federal findings and questioned costs.

In our opinion, the Town of Andover, 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 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; 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town 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 Town'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 Town's federal programs.

## ***Auditor's 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 Town'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 generally accepted auditing standards, *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 Town's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Town'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 Town'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 Town'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.

### **Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of federal findings and questioned costs as item 2024-003. Our opinion on each major program is not modified with respect to this matter.

*Government Auditing Standards* requires the auditor to perform limited procedures on the Town's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of federal findings and questioned costs. The Town'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**

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 Auditor's 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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, each major fund, and the aggregate remaining fund information of the Town, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements. We issued our report thereon dated May 23, 2025, which contained unmodified opinions on those financial statements. Our audit was performed 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.

*Mahoney Sabol + Company, LLP*

Certified Public Accountants  
Glastonbury, Connecticut  
May 23, 2025

**TOWN OF ANDOVER, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

<u>Federal Grantor; Pass-Through Grantor; Program Title; Description</u>	<u>Pass-Through Entity Identification Number</u>	<u>Assistance Listing Number</u>	<u>Passed Through to Subrecipients</u>	<u>Expenditures</u>
<b>UNITED STATES DEPARTMENT OF TRANSPORTATION</b>				
<b>Passed through the Connecticut Department of Transportation:</b>				
<b>Transit Program Services Cluster:</b>				
Enhanced Mobility of Seniors and Individuals with Disabilities	24DOT0034AA	20.513	\$ -	\$ 120,016
<b>Total Transit Program Services Cluster</b>			-	120,016
<b>Total United States Department of Transportation</b>			-	120,016
<b>UNITED STATES DEPARTMENT OF THE TREASURY</b>				
<b>Passed through the Connecticut Office of Policy and Management:</b>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	12060-OPM20600-29669	21.027	-	939,369
<b>Passed through the Connecticut Office of Early Childhood:</b>				
COVID-19 CSLFRF - School Readiness Competitive Enrollment-Based - 2023	12060-OEC64845-28227	21.027	-	18,248
<b>Passed through the Connecticut Department of Education:</b>				
COVID-19 CSLFRF - American Rescue Plan (ARP) School Mental Health Worker - 2023	12060-SDE64370-28095	21.027	-	43,750
COVID-19 CSLFRF - ARP Summer Enrichment Program - 2023	12060-SDE64370-28106	21.027	-	42,000
COVID-19 CSLFRF - ARP Right to Read - 2023	12060-SDE64370-29732	21.027	-	12,492
			-	1,055,859
<b>Total United States Department of Treasury</b>			-	1,055,859
<b>UNITED STATES DEPARTMENT OF EDUCATION</b>				
<b>Direct:</b>				
Rural Education Achievement Program	-	84.358	-	36,308
<b>Passed through the Connecticut Department of Education:</b>				
<b>Special Education Cluster:</b>				
Special Education Grants to States - 2023	12060-SDE64370-20977	84.027	-	22,892
Special Education Grants to States - SEDS Implementation Stipend - 2023	12060-SDE64370-20977	84.027	-	8,500
Special Education Grants to States - Extended Support Para-Educator - 2024	12060-SDE64370-20977	84.027	-	681
			-	32,073
Special Education Preschool Grants - 2024	12060-SDE64370-20983	84.173	-	500
Special Education Preschool Grants - 2023	12060-SDE64370-20983	84.173	-	3,560
			-	4,060
<b>Total Special Education Cluster</b>			-	36,133
Title I Grants to Local Educational Agencies - 2023	12060-SDE64370-20679	84.010	-	1,650
Supporting Effective Instruction State Grants - 2023	12060-SDE64370-20858	84.367	-	3,207
Student Support and Academic Enrichment Program - 2023	12060-SDE64370-22854	84.424	-	10,000
<b>Education Stabilization Fund:</b>				
Elementary & Secondary School Emergency Relief Fund (ESSER):				
COVID-19 ESSER II - State Set Aside - 2021	12060-SDE64370-29571-82079	84.425D	-	333
COVID-19 ARP ESSER - Small Town Right to Read - 2021	12060-SDE64370-29636-82078	84.425U	-	37,943
COVID-19 ARP ESSER - Innovation After School - 2021	12060-SDE64370-29636-82079	84.425U	-	193,511
COVID-19 ARP ESSER - State Set Aside - 2021	12060-SDE64370-29636-82079	84.425U	-	84,247
			-	316,034
<b>Total United States Department of Education</b>			-	403,332
<b>TOTAL FEDERAL AWARDS</b>			\$ -	\$ 1,579,207

*The accompanying notes are an integral part of this schedule.*

**TOWN OF ANDOVER, CONNECTICUT**  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2024

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

**Basis of Presentation**

The accounting policies of the Town of Andover, Connecticut, (the Town) conform to accounting principles generally accepted in the United States of America as applicable to governmental organizations. The information in the schedule of expenditures of federal awards 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 of expenditures of federal awards presents only a selected portion of the operations of the Town, it is not intended to, and does not, present the financial position, changes in fund balances, changes in net position or cash flows of the Town.

**Basis of Accounting**

The accompanying schedule of expenditures of federal awards has been prepared on the accrual basis consistent with the preparation of the basic financial statements. 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 expenditure column of the schedule of expenditures of federal awards.

**NOTE 2 - INDIRECT COST RATE**

The Town has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance. The Town has no federal awards for which an indirect cost rate is applicable.

**NOTE 3 - OTHER FEDERAL ASSISTANCE**

No other federal assistance was received in the forms of loans, loan guarantees, property, commodities or insurance.

**TOWN OF ANDOVER, CONNECTICUT**  
**SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

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**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

**FINANCIAL STATEMENTS**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ✓ Yes        No

Significant deficiency(ies) identified? ✓ Yes        None reported

Noncompliance material to financial statements noted?        Yes ✓ No

**FEDERAL AWARDS**

Internal control over major programs:

Material weakness(es) identified?        Yes ✓ No

Significant deficiency(ies) identified?        Yes ✓ None reported

Type of auditor's 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)? ✓ Yes        No

Identification of major programs:

Assistance Listing Number	Name of Federal Program
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?        Yes ✓ No

**SECTION II - FINANCIAL STATEMENT FINDINGS**

**Finding 2024-001:** *Material Weakness in Internal Control over Financial Reporting - Reconciliation of the Town's and the School District's General Ledgers*

**Criteria:** Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Condition:** The Town's general ledger is not currently integrated with the School District's general ledger. Journal entries are required to record and reconcile the activity of the School District with the Town. The Town's year-end closing entries to record the School District's balances and activities were incomplete.

**Context:** Material audit adjustments were proposed to record and reconcile the activity of the School District within the Town's general ledger.

**TOWN OF ANDOVER, CONNECTICUT**  
SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS *(Continued)*  
FOR THE YEAR ENDED JUNE 30, 2024

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**SECTION II - FINANCIAL STATEMENT FINDINGS *(Continued)***

**Finding 2024-001:** *Material Weakness in Internal Control over Financial Reporting - Reconciliation of the Town's and the School District's General Ledgers (Continued)*

**Effect:** Inaccurate financial reporting.

**Cause:** Lack of reconciliation controls.

**Repeat finding:** Yes

**Auditor Recommendation:** We recommend that the Town no longer record balances and activities that are already accounted for by the School District. The Town should limit its accounting to transactions that involve direct financial activity between the Town and the School District. These may include appropriations, transfers, reimbursements, or shared service costs. In addition, we recommend that the School District continue to provide the Town with monthly financial reports to ensure that the Town remains informed about the School District's fiscal status.

**Views of Responsible Officials:** Management agrees with the finding and intends to take corrective action to address the deficiency.

**Finding 2024-002:** *Significant Deficiency in Internal Control over Financial Reporting - Bank and Interfund Reconciliations*

**Criteria:** Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Condition:** During the audit, it was identified that the School District's bank and interfund reconciliations were incomplete and not fully reconciled to the general ledger.

**Context:** Audit adjustments were proposed to agree cash and interfund trial balance accounts to supporting reconciliations.

**Effect:** Inaccurate financial reporting.

**Cause:** Ineffective reconciliation controls.

**Repeat finding:** Yes

**Auditor Recommendation:** We recommend that the School District perform detailed monthly reconciliations to ensure that the School District's financial information is complete and accurate. Monthly reconciliations should be updated to incorporate adjusting entries recorded after the completion of the reconciliations.

**Views of Responsible Officials:** Management agrees with the finding and intends to take corrective action to address the deficiency.

**TOWN OF ANDOVER, CONNECTICUT**  
SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS *(Continued)*  
FOR THE YEAR ENDED JUNE 30, 2024

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**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**Finding 2024-003:** *Noncompliance - Major Federal Award Program*

**Grantor:** U.S. Department of Treasury

**Federal Program Name:** Coronavirus State and Local Fiscal Recovery Funds

**Assistance Listing Number:** 21.027

**Pass-through Entity:** Connecticut Office of Policy & Management

**Criteria:** Management is responsible for compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement*.

**Condition:** The Town did not timely or accurately file the required annual compliance report.

**Context:** Not applicable.

**Effect:** The Town was not in compliance with the grant requirements.

**Cause:** Oversight of reporting requirements.

**Repeat finding:** No

**Auditor Recommendation:** We recommend that the Town implement procedures to ensure reporting is properly completed and filed timely in accordance with grant requirements.

**Views of Responsible Officials:** Management of the Town agrees with the finding and intends to take corrective action to address the finding.

**SUMMARY SCHEDULE OF THE STATUS OF PRIOR AUDIT FINDINGS**

Prior year finding 2023-001, *Material Weakness in Internal Control over Financial Reporting - School District General Ledger Maintenance*, is no longer considered to be a material weakness in internal control over financial reporting.

Prior year finding 2023-002, *Material Weakness in Internal Control over Financial Reporting - Bank and Interfund Reconciliations*, is no longer considered to be a material weakness in internal control over financial reporting. However, the finding has been repeated as a significant deficiency in internal control over financial reporting in the current year as finding 2024-002.

Prior year finding 2023-003, *Material Weakness in Internal Control over Financial Reporting - Reconciliation of the Town's and the School District's General Ledgers*, has been repeated as a material weakness in internal control over financial reporting in the current year as finding 2024-001.

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**STATE SINGLE AUDIT SECTION**

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM,  
ON INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULE OF EXPENDITURES  
OF STATE FINANCIAL ASSISTANCE REQUIRED BY THE STATE SINGLE AUDIT ACT**

To the Board of Finance  
Town of Andover, Connecticut

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

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

We have audited the Town of Andover, Connecticut's, (the Town) compliance with the types of compliance requirements identified as subject to audit in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of the Town's major state programs for the year ended June 30, 2024. The Town's major state programs are identified in the summary of auditor's results section of the accompanying schedule of state findings and questioned costs.

In our opinion, the Town of Andover, 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, 2024.

***Basis for Opinion on Each Major State Program***

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 the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Our responsibilities under those standards and the State Single Audit Act are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town 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 state program. Our audit does not provide a legal determination of the Town'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 Town's state programs.

### ***Auditor's 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 Town'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 generally accepted auditing standards, *Government Auditing Standards*, and the State Single Audit Act 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 Town's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the State Single Audit Act, 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 Town'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 Town'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 State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of the Town'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.

### **Report on 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 Auditor's 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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, each major fund, and the aggregate remaining fund information of the Town, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements. We issued our report thereon, dated May 23, 2025, which contained unmodified opinions on those financial statements. Our audit was performed 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.

*Mahoney Sabol + Company, LLP*

Certified Public Accountants  
Glastonbury, Connecticut  
May 23, 2025

**TOWN OF ANDOVER, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2024**

State Grantor; Pass-Through Grantor; Program Title	State Grant Program Core-CT Number	Passed Through to Subrecipients	Expenditures
<b>NONEXEMPT PROGRAMS:</b>			
<b>CONNECTICUT STATE LIBRARY</b>			
<b>Direct:</b>			
Historic Documents Preservation Grants	12060-CSL66094-35150	\$ -	\$ 6,000
Public Incentive Grant	11000-CSL66051-10020	-	1,442
Connecticard Payments	11000-CSL66051-17010	-	115
<b>Total Connecticut State Library</b>		<u>-</u>	<u>7,557</u>
<b>DEPARTMENT OF TRANSPORTATION</b>			
<b>Direct:</b>			
Town Aid Road Grants Transportation Fund	12001-DOT57131-17036-34005	-	185,959
Community Connectivity Grant Program	13033-DOT57551-43667	-	16,126
Bus Operations	12001-DOT57931-12175	-	10,906
Community Connectivity & Alternative Mobility Grant	13033-DOT57551-43778	-	348
<b>Total Department of Transportation</b>		<u>-</u>	<u>213,339</u>
<b>JUDICIAL BRANCH</b>			
<b>Direct:</b>			
Court Fees	34001-JUD95162-40001	-	570
<b>OFFICE OF POLICY AND MANAGEMENT</b>			
<b>Direct:</b>			
Local Capital Improvement Program	12050-OPM20600-40254		49,597
Tiered Payment in Lieu of Taxes	11000-OPM20600-17111	-	11,642
Municipal Grants-In-Aid	12052-OPM20600-43587	-	2,620
Property Tax Relief For Veterans	11000-OPM20600-17024	-	751
Property Tax Relief on Property of Totally Disabled Persons	11000-OPM20600-17011	-	455
<b>Total Office of Policy and Management</b>		<u>-</u>	<u>65,065</u>
<b>OFFICE OF THE STATE COMPTROLLER</b>			
<b>Direct:</b>			
Paraeducator Deductible Assistance Program	11000-OSC15301-10020	-	3,526
<b>OFFICE OF EARLY CHILDHOOD</b>			
<b>Direct:</b>			
School Readiness in Competitive Grant Municipalities	11000-OEC64845-16274-83013	-	100,800
Smart Start	11000-OEC64845-16279	-	65,000
School Readiness Quality Enhancement	11000-OEC64845-16158	-	3,881
<b>Total Office of Early Childhood</b>		<u>-</u>	<u>169,681</u>
<b>DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT</b>			
<b>Direct:</b>			
Legislative Grant	11000-ECD46830-16275	-	23,000
<b>SECRETARY OF THE STATE</b>			
<b>Direct:</b>			
Early Voting	11000-SOS12500-12651	-	2,263
<b>Total State Financial Assistance Before Exempt Programs</b>		<u>-</u>	<u>485,001</u>
<b>EXEMPT PROGRAMS:</b>			
<b>OFFICE OF POLICY AND MANAGEMENT</b>			
<b>Direct:</b>			
Municipal Revenue Sharing Grant	12060-OPM20600-35458	-	79,679
Supplement Revenue Sharing Grant	12002-OPM20600-17102	-	43,820
Mashantucket Pequot and Mohegan Fund Grant	12009-OPM20600-17005	-	6,680
<b>Total Office of Policy and Management</b>		<u>-</u>	<u>130,179</u>
<b>DEPARTMENT OF EDUCATION</b>			
<b>Direct:</b>			
Education Cost Sharing	11000-SDE64370-17041	-	2,004,782
<b>Total Exempt Programs</b>		<u>-</u>	<u>2,134,961</u>
<b>TOTAL STATE FINANCIAL ASSISTANCE</b>		<u>\$ -</u>	<u>\$ 2,619,962</u>

*The accompanying notes are an integral part of this schedule.*

**TOWN OF ANDOVER, CONNECTICUT**  
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2024

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

**Basis of Presentation**

The accompanying schedule of expenditures of state financial assistance includes state grant activity of the Town of Andover, Connecticut, (the Town) under programs of the State of Connecticut for the fiscal year ended June 30, 2024. Various departments and agencies of the State of Connecticut have provided financial assistance to the Town through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs of the Town. Because the schedule of expenditures of state financial assistance presents only a selected portion of the operations of the Town, it is not intended to, and does not, present the financial position, changes in fund balances, changes in net position or cash flows of the Town.

The accounting policies of the Town conform to accounting principles generally accepted in the United States of America as applicable to governmental organizations. The information in the schedule of expenditures of state financial assistance is presented based upon regulations established by the State of Connecticut, Office of Policy and Management. The following is a summary of the more significant policies relating to the aforementioned grant programs.

**Basis of Accounting**

The accompanying schedule of expenditures of state financial assistance has been prepared on the accrual basis consistent with the preparation of the basic financial statements. 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 expenditure column of the schedule of expenditures of state financial assistance.

**TOWN OF ANDOVER, CONNECTICUT**  
**SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

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**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

**FINANCIAL STATEMENTS**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ✓ Yes            No           

Significant deficiency(ies) identified? ✓ Yes            Reported           

Noncompliance material to financial statements noted?            Yes            ✓ No           

**STATE FINANCIAL ASSISTANCE**

Internal control over major programs:

Material weakness(es) identified?            Yes            ✓ No           

Significant deficiency(ies) identified?            Yes            ✓ Reported           

Type of auditor's 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            ✓ No           

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

<u>State Grantor/ Program</u>	<u>State Grant Program Core-CT Number</u>	<u>Expenditures</u>
<b>OFFICE OF POLICY AND MANAGEMENT</b>		
School Readiness in Competitive Grant Municipalities	11000-OEC64845-16274-83013	\$ 100,800
<b>DEPARTMENT OF TRANSPORTATION</b>		
Town Aid Road Grants Transportation Fund	12001-DOT57131-17036-34005	185,959

Dollar threshold used to distinguish between Type A and Type B programs: \$100,000

**SECTION II - FINANCIAL STATEMENT FINDINGS**

**Finding 2024-001:** *Material Weakness in Internal Control over Financial Reporting - Reconciliation of the Town's and the School District's General Ledgers*

**Criteria:** Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Condition:** The Town's general ledger is not currently integrated with the School District's general ledger. Journal entries are required to record and reconcile the activity of the School District with the Town. The Town's year-end closing entries to record the School District's balances and activities were incomplete.

**TOWN OF ANDOVER, CONNECTICUT**  
SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS *(Continued)*  
FOR THE YEAR ENDED JUNE 30, 2024

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**SECTION II - FINANCIAL STATEMENT FINDINGS *(Continued)***

**Finding 2024-001:** *Material Weakness in Internal Control over Financial Reporting - Reconciliation of the Town's and the School District's General Ledgers (Continued)*

**Context:** Material audit adjustments were proposed to record and reconcile the activity of the School District within the Town's general ledger.

**Effect:** Inaccurate financial reporting.

**Cause:** Lack of reconciliation controls.

**Repeat finding:** Yes

**Auditor Recommendation:** We recommend that the Town no longer record balances and activities that are already accounted for by the School District. The Town should limit its accounting to transactions that involve direct financial activity between the Town and the School District. These may include appropriations, transfers, reimbursements, or shared service costs. In addition, we recommend that the School District continue to provide the Town with monthly financial reports to ensure that the Town remains informed about the School District's fiscal status.

**Views of Responsible Officials:** Management agrees with the finding and intends to take corrective action to address the deficiency.

**Finding 2024-002:** *Significant Deficiency in Internal Control over Financial Reporting - Bank and Interfund Reconciliations*

**Criteria:** Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Condition:** During the audit, it was identified that the School District's bank and interfund reconciliations were incomplete and not fully reconciled to the general ledger.

**Context:** Audit adjustments were proposed to agree cash and interfund trial balance accounts to supporting reconciliations.

**Effect:** Inaccurate financial reporting.

**Cause:** Ineffective reconciliation controls.

**Repeat finding:** Yes

**Auditor Recommendation:** We recommend that the School District perform detailed monthly reconciliations to ensure that the School District's financial information is complete and accurate. Monthly reconciliations should be updated to incorporate adjusting entries recorded after the completion of the reconciliations.

**Views of Responsible Officials:** Management agrees with the finding and intends to take corrective action to address the deficiency.

**TOWN OF ANDOVER, CONNECTICUT**  
SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS *(Continued)*  
FOR THE YEAR ENDED JUNE 30, 2024

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**SECTION III - STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS**

No state financial assistance findings or questioned costs were reported.

**SUMMARY SCHEDULE OF THE STATUS OF PRIOR AUDIT FINDINGS**

Prior year finding 2023-001, *Material Weakness in Internal Control over Financial Reporting - School District General Ledger Maintenance*, is no longer considered to be a material weakness in internal control over financial reporting.

Prior year finding 2023-002, *Material Weakness in Internal Control over Financial Reporting - Bank and Interfund Reconciliations*, is no longer considered to be a material weakness in internal control over financial reporting. However, the finding has been repeated as a significant deficiency in internal control over financial reporting in the current year as finding 2024-002.

Prior year finding 2023-003, *Material Weakness in Internal Control over Financial Reporting - Reconciliation of the Town's and the School District's General Ledgers*, has been repeated as a material weakness in internal control over financial reporting in the current year as finding 2024-001.