CITY OF CRANSTON,
RHODE ISLAND

Reporting Under
Government Auditing Standards
And
Office of Management and Budget
Circular A-133

Year Ended June 30, 2014

CITY OF CRANSTON, RHODE ISLAND

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YEAR ENDED June 30, 2014

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ACCOUNTANTS ▲ ADVISORS

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Mayor Allan W. Fung
and Members of the Cranston City Council
Cranston, Rhode Island

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 City of Cranston, Rhode Island as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise City of Cranston, Rhode Island's basic financial statements and have issued our report thereon dated March 31, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Cranston, Rhode Island's internal control over financial reporting (internal control) to determine the 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 City of Cranston, Rhode Island's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Cranston, Rhode Island's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Cranston, Rhode Island'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 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2014-1 and 2014-3.

City of Cranston, Rhode Island's Response to Findings

The City of Cranston, Rhode Island's response to the findings identified in our audit is described in the accompanying corrective action plan. The City of Cranston, Rhode Island'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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Marcum LLP

Providence, Rhode Island
March 31, 2015

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133

Honorable Mayor Allan W. Fung
and Members of the Cranston City Council
Cranston, Rhode Island

Report on Compliance for Each Major Federal Program

We have audited the City of Cranston, Rhode Island's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have direct and material effect on each of the City of Cranston, Rhode Island's major federal programs for the year ended June 30, 2014. The City of Cranston, Rhode Island's major federal 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 federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Cranston, Rhode Island's major federal 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 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 City of Cranston, Rhode Island'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 federal program. However, our audit does not provide a legal determination of the City of Cranston, Rhode Island's compliance.

Basis for Qualified Opinion on #97.044 Assistance to Firefighters and #14.218 Community Development Block Grants

As described in the accompanying schedule of findings and questioned costs, the City of Cranston, Rhode Island did not comply with requirements regarding CFDA 97.044 Assistance to Firefighters as described in item numbers 2014-1 for Allowable Activities and Costs, 2014-2 for Cash Management and CFDA 14.218 Community Development Block grants as described in item number 2014-1 for Allowable Activities and Costs. Compliance with such requirements is necessary, in our opinion, for the City of Cranston, Rhode Island to comply with the requirements applicable to those programs.

MARCUMGROUP
MEMBER

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Qualified Opinion on Assistance to Firefighters and Community Development Block Grants

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the City of Cranston, Rhode Island complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA 97.044 Assistance to Firefighters and CFDA 14.218 Community Development Block Grants for the year ended June 30, 2014.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the City of Cranston, Rhode Island 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 other major federal programs identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2014.

Other Matters

The City of Cranston, Rhode Island's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Cranston, Rhode Island's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the City of Cranston, Rhode Island, 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 City of Cranston, Rhode Island's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Cranston, Rhode Island's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2014-1 and 2014-3 to be material weaknesses.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2014-2 to be a significant deficiency.

The City of Cranston, Rhode Island's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Cranston, Rhode Island's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

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 Cranston, Rhode Island, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City of Cranston, Rhode Island's basic financial statements. We issued our report thereon dated December 30, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the OMB Circular A-133 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.

Marcum LLP

Providence, Rhode Island
March 31, 2015 except for the paragraph
Regarding the Schedule of Federal Awards
as to which the date is December 30, 2014

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Expenditures Incurred
U.S. Department of Agriculture		
Pass through State Department of Education:		
Child Nutrition Cluster		
National School Lunch Program	10.555	$ 1,905,212
School Breakfast Program	10.553	628,999
Special Milk Program for Children	10.556	478
		2,534,689
Watershed Protection and Flood Prevention	10.904	283,409
Fresh Fruit and Vegetable Program	10.582	98,168
Total U.S. Department of Agriculture		2,916,266
U.S. Department of Housing and Urban Development		
Direct Program:		
Community Development Block Grants/Entitlement Grants	14.218	1,817,879
Community Development Block Grant Brownfields Economic Development Initiative	14.246	257,708
Total U.S. Department of Housing and Urban Development		2,075,587
U.S. Department of Education		
Pass through the State Department of Education:		
Race To the Top	84.395A	288,329
ARRA - Race To the Top	84.395A	237,480
Race To the Top - ELC	84.412	12,680
Title I Grants to Local Education Agencies	84.010A	2,239,617
Career and Technical Education - Basic Grants to States	84.048A	656,991
English Language Acquisition State Grants	84.365A	136,113
21st Century Community Learning Centers	84.287C	133,891
Adult Education - Basic Grants to States	84.002	98,184
Improving Teacher Quality State Grants	84.367A	532,008
Special Education Cluster (IDEA)		
Special Education - Grants to States	84.027	2,443,545
Special Education--Preschool Grants	84.173	51,180
		2,494,725
Total U.S. Department of Education		6,830,018
U.S. Environmental Protection Agency		
Pass through the Rhode Island Clean Water Financing Agency:		
Capitalization Grants for Clean Water State Revolving Funds	66.458	940,949
Total U.S. Environmental Protection Agency		940,949

The accompanying notes are an integral part of this schedule

(CONTINUED)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Expenditures Incurred
U.S. Department of Health and Human Services		
Passed through the State of Rhode Island:		
Special Programs for the Aging Title III, Part D - Disease Prevention and Health Promotion Services	93.043	19,417
Special Programs for the Aging Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	51,214
Total U.S. Department of Health and Human Services		70,631
U.S. Department of Homeland Security		
Pass through the State of Rhode Island:		
Homeland Security Grant Program	97.067	40,780
Port Security Grant Program	97.056	8,565
Direct Program:		
Assistance to Firefighters Grant	97.044	2,309,664
Total U.S. Department of Homeland Security		2,359,009
U.S. Department of Transportation		
Pass through the State of Rhode Island:		
Highway Safety Cluster		
State and Community Highway Safety	20.600	33,851
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	47,791
Occupant Protection Incentive Grants	20.602	12,155
		93,797
Highway Planning and Construction	20.205	85,743
Total U.S. Department of Transportation		179,540
U.S. Department of Public Safety		
Pass through the State of Rhode Island:		
Public Safety Partnership and Community Policing Grants	16.710	671,039
Edward Byrne Memorial Justice Assistance Grant Program	16.738	68,820
Total U.S. Department of Labor		739,859
U.S. Department of the Treasury		
Pass through the State of Rhode Island:		
Volunteer Income Tax Assistance (VITA) Matching Grant Program	21.009	88,472
Total U.S. Department of the Treasury		88,472
U.S. Corporation for National and Community Service		
Pass through the State of Rhode Island:		
Retired and Senior Volunteer Program	94.002	52,445
Total U.S. Corporation for National and Community Service		52,445
Total Expenditures of Federal Awards		**$ 16,252,776**

The accompanying notes are an integral part of this schedule

(CONCLUDED)

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2014

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the City of Cranston, Rhode Island. All federal awards received from federal agencies are included on the Schedule of Expenditures of Federal Awards. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting.

3. School Lunch Commodities

Nonmonetary assistance is reported in the Schedule of Expenditures of Federal Awards at the cost of commodities provided by the School Lunch Program. The total federal share of these commodities was $152,157 for the fiscal year ended June 30, 2014.

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:	*Unmodified Opinion*			
Internal control over financial reporting:				
Material weakness(es) identified?		Yes	X	No
Significant deficiency(ies) identified not considered to be material weaknesses?		Yes	X	None reported
Non-compliance material to financial statements noted?	X	Yes		No

Federal Awards

Internal control over major awards program:				
Material weakness(es) identified?	X	Yes		No
Significant deficiency(ies) identified not considered to be material weakness(es)?	X	Yes		None reported
Type of auditors' report issued on compliance for major awards Programs:	*Qualified Opinion*			
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a)?	X	Yes		No

Identification of Major Federal Program:

CFDA Number	**Name of Federal Program or Cluster**
97.044	Assistance to Firefighters Grant
84.010	Title I Grants to Local Education Agencies
Special Education Cluster (IDEA):	
84.173	Special Education Preschool Grants
84.027	Special Education Grants to States
CDBG Entitlement Grants Cluster:	
14.218	Community Development Block Grants/Entitlement Grants
Clean Water State Revolving Fund Cluster:	
66.458	Capitalization Grants for Clean Water State Revolving Funds

Dollar threshold used to distinguish between

Type A and Type B programs: $487,583

Auditee qualified as low risk auditee? Yes X No

(CONTINUED)

SECTION II FINDINGS -- RELATED TO AUDIT OF FINANCIAL STATEMENTS

Current Year Findings:

None noted.

SECTION III FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL AWARDS

Allowable Costs
Current Year Findings:

2014-1: (1) Assistance to Firefighters Grant – CFDA #97.044, (2) Community Development Block Grants – CFDA #14.218

Criteria: During our audit of the Assistance to Firefighter's grant we noted that 20 out of 20 selections did not have payroll certifications supporting cost allocations to federal programs being maintained in accordance with the requirements of OMB Circular A-87. In addition, we tested one pay period in December 2013 for the Community Development Block Grant and noted that all employees had time certifications except the one part-time person that works in that department. The circular requires that payroll costs charged to federally funded programs be supported as follows:

Salaries and wages for employees working 100% of their time on a single Federal award or cost objective must be supported by periodic certifications. These certifications must be prepared at least semi-annually and must be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee.

Salaries and wages for employees working on multiple activities or cost objectives must be supported by (a) personnel activity reports that reflect an after-the-fact distribution of the actual activity of the employee, (b) they must account for the total activity for which an employee is compensated, (c) they must be prepared at least monthly and must coincide with one or more pay periods, and (d) they must be signed by the employee.

Condition: The City of Cranston (Fire Department and CDBG) does not have an adequate policy or procedure requiring employees charged to federally funded programs to complete certifications in accordance with the requirements of OMB Circular A-87.

Cause: Lack of policies and procedures to ensure costs are supportable and properly charged.

Effect of Condition: Failure to properly document and allocate payroll expenses to their corresponding program may result in excess costs being charged to a federally funded program.

Questioned Costs: The results of our testing identified known questioned costs of: $1,705,857 for CDFA #97.044. The results of our testing identified known questioned costs of: $27,817 for CDFA #14.218.

(CONTINUED)

SECTION III FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL AWARDS (Continued)

Current Year Findings (Continued):

2014-1: (1) Assistance to Firefighters Grant – CFDA #97.044, (2) Community Development Block Grants – CFDA #14.218

Recommendation: We recommend that the management of the City of Cranston develop and enforce a policy requiring all federally funded employees to maintain and complete certifications in accordance with the provisions of OMB Circular A-87.

Views of Responsible Officials: See management response in the corrective action plan section.

Cash Management
2014-2: (1) Assistance to Firefighters Grant – CFDA #97.044

Criteria: During our audit of the cash management compliance requirement on the Assistance to Firefighter's grant, we selected 18 transactions (including payroll and non-payroll). Based on our testing one of the selections was not paid by the entity before requesting reimbursement. The City of Cranston may receive direct federal funding as well as federal funding passed through the State of Rhode Island. During our audit we noted an instance where program costs were not paid for by the City of Cranston before reimbursement in accordance with the requirements of OMB Circular A-133. The circular requires that costs charged to federally funded programs must be paid by entity before reimbursement is requested from the Federal Government.

Condition: The City of Cranston does not have an adequate policy or procedure in place to ensure that programs costs are paid before reimbursement is requested from the Federal Government in accordance with the requirements of OMB Circular A-133.

Cause: Lack of policies and procedures to ensure costs are paid by entity before reimbursement is requested from the Federal Government.

(CONTINUED)

SECTION III FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL AWARDS (Continued)

Current Year Findings (Continued):

2014-2: (1) Assistance to Firefighters Grant – CFDA #97.044

Effect of Condition: Failure to properly ensure that program costs are paid by an entity before requesting reimbursement could result in the receipt of funds to which the City was not entitled to.

Questioned Costs: The results of our testing identified known questioned costs of $5,371.

Recommendation: We recommend that the management of the City of Cranston develop and maintain a policy ensuring that program costs are paid by city funds before submitting for reimbursement by the Federal Government in accordance with the provisions of OMB Circular A-87.

Views of Responsible Officials: See management response in the corrective action plan section.

(CONTINUED)

SECTION III FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL AWARDS (Continued)

Current Year Findings (Continued):

Procurement, Suspension and Debarment
2014-3: (1) Assistance to Firefighters Grant – CFDA #97.044

Criteria: During our audit we tested 5 vendors for suspension or debarment verification. There was no record on 2 of the selected vendors that such verification was performed. The circular requires that contracted parties to federally funded programs be verified as follows:

Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. "Covered transactions" include those procurement contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed $25,000 or meet certain other criteria as specified in 2 CFR section 180.220.

When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction. This verification may be accomplished by (1) checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA) and available at https://www.sam.gov/portal/public/SAM, (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 CFR section 180.300).

Condition: The City of Cranston does not have an adequate policy or procedure regarding checking the status of contracted parties to see if the party is suspended or debarred in accordance with federal regulations.

Cause: Lack of policies and procedures to ensure vendors being used on these federally funded programs meet the requirements for suspension and debarment.

Effect of Condition: Failure to properly verify and document whether parties are suspended or debarred could result in spending federal resources on entities that have previously violated various federal regulations.

Questioned Costs: The results of our testing identified known questioned costs of $568,531.

Recommendation: We recommend that the management of the City of Cranston develop and maintain a policy requiring a check for suspension or debarment, maintain a record of that check, and to add a clause or condition to the covered transaction for parties contracted in accordance with the provisions of OMB Circular A-133.

Views of Responsible Officials: See management response in the corrective action plan section.

(CONTINUED)

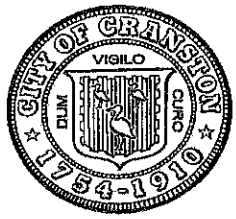
SECTION III FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL AWARDS (Continued)

Prior Year Findings:

None noted.

(CONCLUDED)

Allan W. Fung
MAYOR



Robert F. Strom
FINANCE DIRECTOR

Department of Finance
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Corrective Action Plan

For the Fiscal Year Ended June 30, 2014

March 31, 2015

Finding 2014-1	Assistance to Firefighters Grant-CFDA # 97.044
Contact Person	Assistant Fire Chief Bernard Patenaude
Corrective Action	The Fire Department has established a new policy for each finding requiring all federally funded employees to maintain and complete certifications in accordance with OMB Circular A-87
Finding 2014-1	Community Development Block Grants – CFDA # 14.218
Contact Person	Stephanie Susi, Acting Director
Corrective Action	CDBG has instituted a policy that all employees (full or part time) must document payroll records for their time allocated to a federally funded program. The employee and supervisor must sign the payroll records to conform with the requirements of OMB Circular A-87.
Finding 2014-2	Assistance to Firefighters Grant CFDA # 97.044
Contact Person	Assistant Chief Bernard Patenaude
Corrective Action	The Fire Department recently has a new policy for reimbursement / prepayment from grant funds that meet the standards required in OMB Circular A-87.

Finding 2014-3	Assistance to Firefighters Grant- CFDA #97.044
Contact Person	Assistant Chief Bernard Patenaude
Corrective Action	The Fire Department has developed a policy to review every grant vendor over $ 25,000 for debarment or suspension in accordance with OMB A-133.

All policies and procedures will be reviewed semi- annually by the employees and supervisors for each federal fund to comply with all federal requirements.

Very truly Yours,

Robert F. Strom
Finance Director