GREATER NEW HAVEN TRANSIT DISTRICT

FEDERAL SINGLE AUDIT

YEAR ENDED JUNE 30, 2015
INDEPENDENT AUDITORS’ REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133

To the Board of Directors
Greater New Haven Transit District

Report on Compliance for Each Major Federal Program

We have audited the Greater New Haven Transit District’s (the District) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the District’s major federal program for the year ended June 30, 2015. The District’s major federal program is identified in the summary of auditors’ results section of the accompanying federal 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 the District’s major federal program 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 District’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 District’s compliance.
Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2015.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District’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 its 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 District’s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of 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 Greater New Haven Transit District (the District) as of and for the year ended June 30, 2015, and have issued our report thereon dated January 12, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. 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 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Marcum LLP

New Haven, CT
January 12, 2016
GREATER NEW HAVEN TRANSIT DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2015

<table>
<thead>
<tr>
<th>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</th>
<th>Federal CFDA Number</th>
<th>Pass-Through Grantor Identifying Number</th>
<th>Federal Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>U.S. Department of Transportation:</strong> Federal Transit (Urbanized Area Formula Program Grant)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CT-90-X518</td>
<td>20.507</td>
<td></td>
<td>$ 793,869</td>
</tr>
<tr>
<td>CT-90-X508</td>
<td>20.507</td>
<td></td>
<td>152,166</td>
</tr>
<tr>
<td>CT-90-X445</td>
<td>20.507</td>
<td></td>
<td>22,009</td>
</tr>
<tr>
<td>Total</td>
<td>20.507</td>
<td></td>
<td>1,340,846</td>
</tr>
<tr>
<td>Job Access and Reverse Commute</td>
<td>20.516</td>
<td></td>
<td>55,920</td>
</tr>
<tr>
<td>New Freedom Initiative</td>
<td>20.521</td>
<td></td>
<td>15,337</td>
</tr>
<tr>
<td>Total Expenditures of Federal Awards</td>
<td></td>
<td></td>
<td>$ 1,412,103</td>
</tr>
</tbody>
</table>

See notes to schedule of expenditures of federal awards.
NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Greater New Haven Transit District (the District) under programs of the federal government for the year ended June 30, 2015. The information in this schedule is presented to comply with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets or cash flows of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles obtained in OMB Circular A-122, Cost Principles for Non-profit Organizations, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
GREATER NEW HAVEN TRANSIT DISTRICT

SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2015

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:  

Internal control over financial reporting:
• Material weakness(es) identified?  
  ___ yes  x  no
• Significant deficiency(ies) identified that are not considered to be material weakness(es)  
  ___ yes  x  none reported

Noncompliance material to financial statements noted?  

Federal Awards Programs

Internal control over major programs:
• Material weakness(es) identified?  
  ___ yes  x  no
• Significant deficiency(ies) identified that are not considered to be material weakness(es)  
  ___ yes  x  none reported

Type of auditors report issued on compliance for major program:  

Any audit finding disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?  

MAJOR PROGRAM:

<table>
<thead>
<tr>
<th>CFDA No.</th>
<th>Name of Federal Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>20.507</td>
<td>Federal Transit Administration Cluster</td>
</tr>
</tbody>
</table>

DOLLAR THRESHOLD USED TO DISTINGUISH TYPE A AND TYPE B PROGRAMS: $300,000

Auditee qualified as low-risk auditee?  

x  yes  ___  no
SECTION II – FINANCIAL STATEMENT FINDINGS

No findings are reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No findings and questioned costs were reported for federal award programs.

SECTION IV – SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

There were no findings reported for federal award programs.
INDEPENDENT AUDITORS’ REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY THE STATE SINGLE AUDIT ACT

To the Board of Directors
Greater New Haven Transit District

Report on Compliance for Each Major State Program

We have audited Greater New Haven Transit District’s (the District) compliance with the types of compliance requirements described in the Office of Policy and Management Compliance Supplement that could have a direct and material effect on each of the District’s major state programs for the year ended June 30, 2015. The District’s major state programs are identified in the summary of auditors’ results section of the accompanying state schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditors’ Responsibility

Our responsibility is to express an opinion on compliance for each of the District’s major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the District’s compliance.
Opinion on Each Major State Program

In our opinion, the District 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, 2015.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District’s internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.
Report on Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act

We have audited the financial statements of the Greater New Haven Transit District (the District) as of and for the year ended June 30, 2015, and have issued our report thereon dated January 12, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. 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 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Marcum LLP

New Haven, CT
January 12, 2016
## GREATER NEW HAVEN TRANSIT DISTRICT

### SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

FOR THE YEAR ENDED JUNE 30, 2015

<table>
<thead>
<tr>
<th>State Grantor/Pass-Through Grantor/Program Title</th>
<th>State Grant Program CORE-CT Number</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Department of Transportation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban ADA and Dial-A-Ride Services</td>
<td>12001-DOT57000-12378</td>
<td>$ 8,307,604</td>
</tr>
<tr>
<td>Bus Operations</td>
<td>12001-DOT57000-12175</td>
<td>455,193</td>
</tr>
<tr>
<td>Capital and Project - State Portion</td>
<td>CT-90-X518</td>
<td>195,850</td>
</tr>
<tr>
<td>Capital and Project - State Portion</td>
<td>CT-90-X522</td>
<td>41,206</td>
</tr>
<tr>
<td>Capital and Project - State Portion</td>
<td>CT-90-X508</td>
<td>38,472</td>
</tr>
<tr>
<td>Job Access and Reverse Commute</td>
<td>0170-2827</td>
<td>4,873</td>
</tr>
<tr>
<td>Capital and Project - State Portion</td>
<td>CT-90-X445</td>
<td>5,515</td>
</tr>
<tr>
<td>Total Expenditures of State Financial Assistance</td>
<td></td>
<td>$ 9,048,713</td>
</tr>
</tbody>
</table>

*See notes to schedule of expenditures of state financial assistance.*
GREATER NEW HAVEN TRANSIT DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of state financial assistance includes state grant activity of the Greater New Haven Transit District under programs of the State of Connecticut for the year ended June 30, 2015. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund the transportation services of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Greater New Haven Transit District conform to accounting policies generally accepted in the United States of America as applicable to governments. The expenditures reported on the schedule of expenditures of state financial assistance are reported on the accrual basis of accounting.

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.
I. SUMMARY OF AUDITOR’S RESULTS

Financial Statements
Type of auditors' report issued: ___ Unmodified

Internal control over financial reporting:
- Material weakness(es) identified? yes x no
- Significant deficiencies identified yes x none reported

Noncompliance material to financial statements noted? yes x no

State Financial Assistance

Internal control over major programs:
- Material weakness(es) identified? yes x no
- Significant deficiencies identified yes x none reported

Type of auditors report issued on compliance for major programs: ___ Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act? yes x no

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

<table>
<thead>
<tr>
<th>State Grantor and Program</th>
<th>State CORE-CT Number</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban ADA and Dial-A-Ride Services</td>
<td>12001-DOT57000-12378</td>
<td>$8,307,604</td>
</tr>
<tr>
<td>Bus Operations</td>
<td>12001-DOT57000-12175</td>
<td>455,193</td>
</tr>
</tbody>
</table>

Dollar threshold used to distinguish between type A and type B programs is $200,000.
II. **Financial Statement Findings**

No findings are reported.

III. **State Financial Assistance Findings and Questioned Costs**

No findings or questioned costs are reported relating to the state financial assistance programs.

IV. **Summary Schedule of Prior Year Findings**

There were no findings reported for state financial assistance programs.