

**COUNTY OF ONTARIO**

**Canandaigua, New York**

**SINGLE AUDIT REPORT**

**For Year Ended December 31, 2012**

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Certified Public Accountants

**Report on Compliance For Each Major Federal Program;  
Report on Internal Control Over Compliance;  
and Report on the Schedule of Expenditures of  
Federal Awards Required by OMB Circular A-133**

**Independent Auditors' Report**

To the Board of Supervisors  
County of Ontario  
Canandaigua, New York

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

We have audited the County of Ontario, Canandaigua, New York's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2012. The County of Ontario, Canandaigua, New York's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the Finger Lakes Community College, which received \$30,705,520 in federal awards which is not included in the schedule during the year ended December 31, 2012. Our audit, described below did not include the operations of the Finger Lakes Community College as the College engaged other auditors to perform an audit in accordance with Circular A-133.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the County of Ontario, Canandaigua, New York'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 County of Ontario, Canandaigua, New York'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 County of Ontario, Canandaigua, New York's compliance.

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

In our opinion, the County of Ontario, Canandaigua, New York 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 December 31, 2012.

### ***Report on Internal Control Over Compliance***

Management of the County of Ontario, Canandaigua, New York 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 County of Ontario, Canandaigua, New York'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 County of Ontario, Canandaigua, New York'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 governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Ontario, Canandaigua, New York as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County of Ontario, Canandaigua, New York's basic financial statements. We issued our report thereon dated April 16, 2013, 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 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 expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Raymond F. Wager CPA, P.C.*

August 2, 2013

COUNTY OF ONTARIO

Canandaigua, New York

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2012

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Total Expenditures</u>
<b><u>U.S. DEPARTMENT OF AGRICULTURE:</u></b>			
<b><u>Indirect:</u></b>			
<b><u>Passed Through NYS Dept. of Social Services -</u></b>			
<b><u>SNAP Cluster</u></b>			
USDA - State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561	N/A	\$ 1,150,443 *
<b><u>Passed Through NYS Education Department (Child Nutrition Services) -</u></b>			
<b><u>Nutrition Cluster</u></b>			
National School Breakfast Program	10.553	N/A	25,416
<b>Total U.S. Department of Agriculture</b>			<b>\$ 1,175,859</b>
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</u></b>			
<b><u>Indirect:</u></b>			
<b><u>Passed Through NYS Housing and Urban Development -</u></b>			
Community Development Block Grant	14.228	N/A	\$ 166,689
<b>Total U.S. Department of Housing and Urban Development</b>			<b>\$ 166,689</b>
<b><u>U.S. DEPARTMENT OF JUSTICE:</u></b>			
<b><u>Indirect:</u></b>			
<b><u>Passed Through NYS Division of Criminal Justice Services -</u></b>			
Anti - Drug Abuse Act	16.579	N/A	\$ 17,827
Justice Assistance - ARRA	16.804-ARRA	N/A	3,717
<b>Total U.S. Department of Justice</b>			<b>\$ 21,544</b>
<b><u>U.S. DEPARTMENT OF LABOR:</u></b>			
<b><u>Indirect:</u></b>			
<b><u>Passed Through NYS Dept. of Labor -</u></b>			
<b><u>WIA Cluster</u></b>			
Workforce Investment Act - Adult Program	17.258	N/A	\$ 14,909
Workforce Investment Act - Youth Activities	17.259	N/A	98,933
Workforce Investment Act - Dislocated Workers	17.260	N/A	34,559
<b>Total WIA Cluster</b>			<b>\$ 148,401</b>
<b><u>Passed Through NYS Dept. of Aging -</u></b>			
Senior Community Services - Title V	17.235	N/A	30,951
<b>Total U.S. Department of Labor</b>			<b>\$ 179,352</b>

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Total Expenditures</u>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION:</u></b>			
<b><u>Indirect:</u></b>			
<b><u>Passed Through NYS Dept. of Transportation -</u></b>			
Highway Planning and Construction	20.205	N/A	\$ 2,639,717
Highway Planning and Construction - ARRA	20.205 ARRA	N/A	14,271
Section 5311 Operating Assistance	20.509	C003648	472,622 *
Section 5311 Operating Assistance - ARRA	20.509 ARRA	C003853	468,561 *
Energy Conservation Study - ARRA	20.505 ARRA	N/A	87,323
State & Community Highway Safety	20.600	N/A	34,984
<b><u>Passed Through NYS Governor's Traffic Safety Committee -</u></b>			
Motorcycle Safety	20.600	T003715	6,842
Traffic Safety - CPS	20.602	T004077	3,098
Traffic Safety - BUNY	20.602	T003918	672
<b><u>Passed Through NYS Division of Criminal Services -</u></b>			
Ignition Interlock	20.601	T523572	32,334
<b>Total U.S. Department of Transportation</b>			<b><u>\$ 3,760,424</u></b>
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY:</u></b>			
<b><u>Indirect:</u></b>			
<b><u>Passed Through NYS Emergency Management Office -</u></b>			
Homeland Security	97.067	N/A	\$ 171,752
<b>Total U.S. Department of Homeland Security</b>			<b><u>\$ 171,752</u></b>
<b><u>U.S. DEPARTMENT OF EDUCATION:</u></b>			
<b><u>Indirect:</u></b>			
<b><u>Passed Through NYS Department of Health -</u></b>			
Early Intervention	84.181	C027496	\$ 52,544
<b>Total U.S. Department of Education</b>			<b><u>\$ 52,544</u></b>
<b><u>U.S. DEPARTMENT OF ENERGY:</u></b>			
<b><u>Direct:</u></b>			
Energy Efficiency and Conservation Block Grant - ARRA	81.041 ARRA	N/A	\$ 194,994 *
<b>Total U.S. Department of Energy</b>			<b><u>\$ 194,994</u></b>

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Total Expenditures</u>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</u></b>			
<b><u>Direct:</u></b>			
Medical Assistance - Correctional Healthcare	93.778	N/A	\$ 7,680
<b><u>Indirect:</u></b>			
<b><u>Passed Through NYS Dept. of Social Services -</u></b>			
Foster Care - Title IV-E	93.658	N/A	196,300 *
Foster Care - Title IV-E - ARRA	93.658 ARRA	N/A	3,264 *
Child Support Enforcement	93.563	N/A	693,095
Child Support Enforcement - ARRA	93.563 ARRA	N/A	130,678
Home Energy Assistance Block Grant	93.568	N/A	3,018,316
Medical Assistance Title XIX	93.778	N/A	3,352,697
Social Services Block Grant	93.667	N/A	792,214
Health Insurance Information Counseling & Asst.	93.779	N/A	34,895
Adoption Assistance	93.659	N/A	357,929 *
Adoption Assistance - ARRA	93.659 ARRA	N/A	7,757 *
Title IV-B	93.645	N/A	31,217
Chafee Foster Care Independence Program	93.674	N/A	19,064
<b><u>TANF Cluster</u></b>			
Temporary Assistance to Needy Families	93.558	N/A	6,724,838 *
<b><u>Child Care and Development Fund Cluster</u></b>			
Child Care and Development Block Grant	93.575	N/A	1,662,276 *
<b><u>Passed Through the NYS Dept. of Aging -</u></b>			
Special Programs for the Aging, Title III D	93.043	N/A	1,702
Special Programs for the Aging, Title III E	93.052	N/A	42,983
MIPPA/ADRC Medicare Enrollment Assistance Program	93.052	N/A	12,129
<b><u>Special Programs for the Aging Cluster</u></b>			
Special Programs for the Aging, Title III B	93.044	N/A	\$ 133,645
Special Programs for the Aging, Title III C	93.045	N/A	137,574
Nutrition Services Incentive Program	93.053	N/A	61,465
Total Special Programs for the Aging Cluster			\$ 332,684
<b><u>Passed through the NYS Centers for Disease Control -</u></b>			
Public Health Programs	93.283	N/A	118,746
BHP	93.283	N/A	44,155
<b><u>Passed through the NYS Dept. of Health -</u></b>			
CSHCN	93.994	C024631	20,480
Child Lead	93.994	C026524	17,048
Immunization	93.268	C023259	19,293
<b><u>Passed Through NYS Board of Elections -</u></b>			
Voting Access for Individuals with Disabilities	93.617	T002799	3,846
<b><u>Passed through the NYS Division of Alcoholism and Drug Abuse -</u></b>			
Block Grant for Prevention and Treatment of Substance Abuse	93.959	N/A	488,082
<b><u>Passed Through Health Research Inc. -</u></b>			
Public Health Emergency Preparedness	93.069	N/A	98,840
<b>Total U.S. Department of Health and Human Services</b>			<b>\$ 18,232,208</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 23,955,366</b>



**COUNTY OF ONTARIO**

**Canandaigua, New York**

**Notes to Schedule of Expenditures of Federal Awards**

**December 31, 2012**

**1. General:**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs administered by the County of Ontario, Canandaigua, New York. The County is an entity as defined in Note 1 to the County's basic financial statements. Federal awards received directly from federal agencies, as well as, federal awards passed through from other government agencies, are included on the Schedule of Expenditures of Federal Awards.

**2. Basis of Accounting:**

The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program. The amounts reported as federal expenditures generally were obtained from the appropriate federal financial reports for the applicable program and periods, with the exception of the Social Services Block Grant which was based on the County Reimbursement Ceiling as determined by the New York State Department of Social Services. The amounts reported in the federal financial reports are prepared from records maintained for each program. These records are periodically reconciled to the general ledger which is the source of the basic financial statements.

**3. Indirect Costs:**

Indirect costs are included in the reported expenditures to the extent they are included in the federal financial reports used as the source for the data presented.

**4. Matching Costs:**

Matching costs, i.e., the County's share of certain program costs, are not included in the reported expenditures.

**5. Department of Social Services – Administrative Costs:**

Differences between the amounts reflected in the Schedule of Expenditures of Federal Awards and the Department of Social Services' federal financial reports (RF-2 claims) are due to the allocation of administrative costs to the individual programs.

**6. Childcare Development Block Grant:**

The Childcare Development Block Grant is funded by State and Federal monies. The percentage allocated to each varies on a monthly basis and is therefore, recorded on the books of the County as State expenditures. Because these State and Federal expenditures are commingled they are all assumed to be Federal for single audit purposes.

**7. Non-Monetary Federal Program:**

The County is the recipient of federal award programs that do not result in cash receipts or disbursements. Such programs are termed “non-monetary programs.” During the year ended December 31, 2012, the County participates in the low-income home energy assistance program (HEAP) in which the County identifies the vendors who are to receive reimbursement for services provided to HEAP recipients and New York State pays those vendors directly. The County authorized \$2,976,807 in benefits for the HEAP program (CFDA Number 93.568).

**COUNTY OF ONTARIO  
Canandaigua, New York**

**Schedule of Findings and Questioned Costs**

**December 31, 2012**

**I. Summary of the Auditors' Results**

**Financial Statements**

- |   |              |
|---|--------------|
| a) Type of auditor's report issued                      | Unqualified. |
| b) Internal control over financial reporting            |              |
| 1. Material weaknesses identified                       | No.          |
| 2. Significant deficiency(ies) identified               | No.          |
| c) Noncompliance material to financial statements noted | No.          |

**Federal Awards**

- |  |              |
|--|--------------|
| a) Internal control over major programs  |              |
| 1. Material weaknesses identified  | No.          |
| 2. Significant deficiency(ies) identified  | No.          |
| b) Type of auditor's report issued on compliance for major programs  | Unqualified. |
| c) Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 | No.          |
| d) Identification of major programs  |              |

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
CFDA #10.561	USDA - State Administrative Matching Grants for Supplemental Nutrition Assistance Program
CFDA #20.509	Section 5311 Operating Assistance
CFDA #20.509 ARRA	Section 5311 Operating Assistance-ARRA
CFDA #81.041 ARRA	Energy Efficiency and Conservation Block Grant-ARRA
CFDA #93.658	Foster Care – Title IV-E
CFDA #93.658 ARRA	Foster Care – Title IV-E-ARRA
CFDA #93.659	Adoption Assistance
CFDA #93.659 ARRA	Adoption Assistance-ARRA
CFDA #93.558	Temporary Assistance for Needy Families
CFDA #93.575	Childcare and Development Block Grant

- |  |            |
|--|------------|
| e) Dollar threshold used to distinguish between Type A and Type B programs | \$718,661. |
| f) Auditee qualifies as low-risk auditee                                   | Yes.       |

**II. Financial Statement Findings**

There were no current year findings and there were no prior year findings.

**III. Federal Award Findings and Questioned Costs**

There were no current year findings or questioned costs and there were no prior year findings or questioned costs.