

COUNTY OF WAYNE

Lyons, New York

SINGLE AUDIT REPORT

For Year Ended December 31, 2012

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**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 Wayne, New York

Report on Compliance for Each Major Federal Program

We have audited the County of Wayne, 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 County's major federal programs for the year ended December 31, 2012. The County of Wayne, 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.

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 Wayne, 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 Wayne, 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 Wayne, New York's compliance.

Opinion on Each Major Federal Program

In our opinion, the County of Wayne, 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 Wayne, 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 Wayne, 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 Wayne, 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, each major fund, and the aggregate remaining fund information of the County of Wayne, 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 Wayne, New York's basic financial statements. We issued our report thereon dated June 7, 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.



August 28, 2013

COUNTY OF WAYNE, NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For Year Ended December 31, 2012

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Entity Identifying Number</u>	<u>Federal Expenditures</u>	
<u>U.S. DEPARTMENT OF AGRICULTURE:</u>				
<u>Indirect:</u>				
<u>Passed Through the New York State Department of Health -</u>				
Supplemental Nutrition Program for Women, Infants, and Children	10.557	C-024652	\$ 17,264	
<u>Passed Through the New York State Department of Family Assistance -</u>				
Cooperative Extension Service	10.500	N/A	69,647	
State Administrative Matching Grants for Food Stamp Program	10.561	N/A	748,773 *	
<u>Passed Through the New York State Department of Education -</u>				
<u>Nutrition Cluster</u>				
School Breakfast Program	10.553	N/A	5,085	
National School Lunch Program	10.555	N/A	7,591	
Total Nutrition Cluster			<u>12,676</u>	<u>\$ 12,676</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>\$ 848,360</u>	
<u>U.S. DEPARTMENT OF JUSTICE:</u>				
<u>Indirect:</u>				
<u>Passed Through the New York State Division of Crime Victim Board -</u>				
Crime Victim Assistance	16.575	N/A	\$ 48,353	
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>\$ 48,353</u>	
<u>U.S. DEPARTMENT OF LABOR:</u>				
<u>Indirect:</u>				
<u>Passed Through the New York State Office for the Aging -</u>				
Senior Community Services Employment Program	17.235	N/A	\$ 40,555	
<u>Passed Through Ontario County Workforce Investment -</u>				
<u>WIA Cluster</u>				
WIA Adult Program	17.258	N/A	58,909	
WIA Youth Activities	17.259	N/A	129,385	
WIA Dislocated Workers	17.260	N/A	95,730	
Total WIA Cluster			<u>284,024</u>	<u>\$ 284,024</u>
TOTAL U.S. DEPARTMENT OF LABOR			<u>\$ 324,579</u>	
<u>U.S. DEPARTMENT OF TRANSPORTATION:</u>				
<u>Indirect:</u>				
<u>Passed Through the New York State Department of Transportation -</u>				
Highway Planning and Construction	20.205	N/A	\$ 395,869	
<u>Passed Through the New York State Department of Motor Vehicles -</u>				
National Highway Safety Administration	20.600	N/A	20,387	
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>\$ 416,256</u>	

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. DEPARTMENT OF EDUCATION:</u>			
<u>Indirect:</u>			
<u>Passed through the NYS Department of Health, Bureau of Early Intervention -</u>			
Early Intervention	84.181	C-027518	\$ 56,048
TOTAL DEPARTMENT OF EDUCATION			\$ 56,048

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:

Indirect:

Passed through the New York State Office for the Aging -

Title VII	93.042	N/A	\$ 13,451
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043	N/A	4,341

Aging Cluster

Special Programs for the Aging - Title III, Part B - Grant for Supportive Services and Senior Centers	93.044	N/A	104,642
Nutrition Services	93.045	N/A	133,773
Nutrition Services Incentive Program	93.053	N/A	35,951
Total Special Programs for the Aging Cluster			<u>\$ 274,366</u>
National Family Caregiver Support - Title III - Part E	93.052	N/A	38,166
Low-Income Home Energy Assistance	93.568	N/A	16,161
Centers for Medicare and Medicaid Services Research, Demonstrations and Evaluations	93.779	N/A	49,195

Passed Through the New York State Office of Alcoholism and Substance Abuse Services -

Block Grant for Prevention and Treatment of Substance Abuse	93.959	N/A	2,085,684
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Passed Through the New York State Department of Family Assistance -

Temporary Assistance for Needy Families	93.558	N/A	5,495,712 *
Foster Care - Title IV-E	93.658	N/A	748,950 *
Foster Care - Title IV-E - ARRA	93.658-ARRA	N/A	1,840 *
Child Care Development Block Grant	93.575	N/A	1,263,962
Child Support Enforcement	93.563	N/A	250,794 *
Child Support Enforcement - ARRA	93.563-ARRA	N/A	132,559 *
Low-Income Home Energy Assistance	93.568	N/A	3,512,825
Low-Income Home Energy Assistance - Administration	93.568	N/A	196,946
Adoption Assistance	93.659	N/A	143,834 *
Adoption Assistance - ARRA	93.659-ARRA	N/A	3,203 *
Social Services Block Grant	93.667	N/A	958,352
Independent Living	93.674	N/A	781
Medical Assistance Program	93.778	N/A	1,788,556 *
Early Intervention Medicaid Administrative	93.778	N/A	50,975 *

Passed Through the New York State Department of Health -

Immunization Grants	93.268	C-023279	17,899
Immunization Grants	93.268	C-023006	5,177
Preventive Health and Health Services Block Grant	93.991	C-023006	29,180
Maternal and Child Health Services Block Grant	93.994	C-023006	12,708
Maternal and Child Health Services Block Grant	93.994	C-026546	19,110
Subtotal			<u>\$ 17,114,727</u>

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued):</u>			
<u>Passed Through Health Research Inc. -</u>			
Centers for Disease Control and Prevention-Investigations and Technical Assistance	93.283	1630-09 / 1630-10	\$ 69,656
Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	93.919	3473-04 / 3473-05	<u>35,373</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>\$ 17,219,756</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY:</u>			
<u>Direct:</u>			
Port Security Grant Program - 2009	97.116	2009PUR10252	\$ 17,623
Port Security Grant Program - 2010	97.116	2010PUT00063	21,316
<u>Indirect:</u>			
<u>Passed Through the New York State Office of Homeland Security -</u>			
Emergency Management Performance Grant	97.042	N/A	39,255
Homeland Security Grant Program	97.067	N/A	<u>202,877</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>\$ 281,071</u>
TOTAL FEDERAL AWARD EXPENDITURES			<u>\$ 19,194,423</u>

COUNTY OF WAYNE 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 Wayne, 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 \$3,512,825 in benefits for the HEAP program (CFDA Number 93.568).

COUNTY OF WAYNE, 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	State Administrative Matching Grants for Food Stamp Program
CFDA #93.658	Foster Care – Title IV-E
CFDA #93.658	Foster Care – Title IV-E - ARRA
CFDA #93.563	Child Support Enforcement
CFDA #93.563	Child Support Enforcement - ARRA
CFDA #93.659	Adoption Assistance
CFDA #93.659	Adoption Assistance - ARRA
CFDA #93.558	Temporary Assistance for Needy Families
CFDA #93.778	Medical Assistance Program / Early Intervention Medicaid Administrative

- | | |
|--|------------|
| e) Dollar threshold used to distinguish between Type A and Type B programs | \$575,833. |
| 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.