

COUNTY OF WAYNE

Lyons, New York

SINGLE AUDIT REPORT

For Year Ended December 31, 2018

Raymond F. Wager, CPA, P.C.
Certified Public Accountants

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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 the Uniform Guidance**

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 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, 2018. 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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, 2018.

Report on Internal Control Over Compliance

The 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 the Uniform Guidance, 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 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, business-type activities, each major fund, and the aggregated remaining fund information of the County of Wayne, New York as of and for the year ended December 31, 2018, 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 June 26, 2019, 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 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.

Rochester, New York
August 22, 2019

Raymond F. Wager, CPA, PC

COUNTY OF WAYNE, NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For Year Ended December 31, 2018

<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 Office of Temporary and Disability Assistance -</u>				
State Administrative Matching Grants for Food Stamp Program	10.561	N/A	\$ 777,625 *	
<u>Passed Through the New York State Department of Education -</u>				
<u>Nutrition Cluster</u>				
School Breakfast Program	10.553	N/A	2,749	
National School Lunch Program	10.555	N/A	4,058	
Total Nutrition Cluster			<u>6,807</u>	<u>\$ 6,807</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>\$ 784,432</u>	
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</u>				
<u>Indirect:</u>				
<u>Passed Through the New York State Housing Trust Fund Corporation, Office of Community Renewal -</u>				
Community Development Block Grants - State's Program	14.228	219CP-86-17	\$ 28,768	
Community Development Block Grants - State's Program	14.228	1219IT209-17	157,837	
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>\$ 186,605</u>	
<u>U.S. DEPARTMENT OF JUSTICE:</u>				
<u>Direct:</u>				
Bulletproof Vest Partnership Program	16.607	N/A	\$ 16,654	
<u>Indirect:</u>				
<u>Passed Through the New York State Office of Victim Services -</u>				
Crime Victim Assistance	16.575	C-100322	51,534	
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>\$ 68,188</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.S. DEPARTMENT OF LABOR:			
<u>Indirect:</u>			
<u>Passed Through the New York State Office for the Aging -</u>			
Senior Community Services Employment Program	17.235	N/A	\$ 19,870
<u>Passed Through Ontario County Workforce Investment -</u>			
<u>WIOA Cluster</u>			
WIOA Adult Program	17.258	N/A	44,465
WIOA Youth Activities	17.259	N/A	81,080
WIOA Dislocated Workers	17.278	N/A	72,345
Total WIA Cluster			<u>\$ 197,890</u>
TOTAL U.S. DEPARTMENT OF LABOR			<u>\$ 217,760</u>

U.S. DEPARTMENT OF TRANSPORTATION:			
<u>Indirect:</u>			
<u>Passed Through the New York State Department of Transportation -</u>			
Highway Planning and Construction	20.205	D-035873	\$ 141,578
Highway Planning and Construction	20.205	D-035922	30,077
<u>Passed Through the New York State Governor's Traffic Safety Committee -</u>			
<u>Highway Safety Cluster</u>			
Occupant Protection Incentive Grants - CPS	20.602	T-005673	3,002
<u>Passed Through the New York State Division of Criminal Justice Services -</u>			
<u>Highway Safety Cluster</u>			
Alcohol Impaired Driving Counter Measures Incentive Grants	20.601	T-523703	13,556
Total Highway Safety Cluster			<u>\$ 16,558</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>\$ 188,213</u>

U.S. DEPARTMENT OF EDUCATION:			
<u>Indirect:</u>			
<u>Passed through the New York State Department of Health,</u>			
<u>Bureau of Early Intervention -</u>			
Early Intervention	84.181	C-31671GG	\$ 42,715
TOTAL DEPARTMENT OF EDUCATION			<u>\$ 42,715</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. ELECTION ASSISTANCE COMMISSION:</u>			
<u>Indirect:</u>			
<u>Passed through the New York State Board of Elections -</u>			
Help America Vote Act Requirements			
Payments - Shoebox Grant	90.401	C-003252	\$ 80,204
TOTAL U.S. ELECTION ASSISTANCE COMMISSION			\$ 80,204
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</u>			
<u>Indirect:</u>			
<u>Passed through the New York State Office for the Aging -</u>			
Special Programs for the Aging - Title III, Part D - Disease			
Prevention and Health Promotion Services	93.043	N/A	\$ 3,633
<u>Aging Cluster</u>			
Special Programs for the Aging - Title III, Part B - Grant for			
Supportive Services and Senior Centers	93.044	N/A	77,232
Nutrition Services	93.045	N/A	184,959
Nutrition Services Incentive Program	93.053	N/A	40,518
Total Aging Cluster			<u>\$ 302,709</u>
National Family Caregiver Support - Title III - Part E	93.052	N/A	32,887
Medicare Enrollment Assistance Program	93.071	N/A	6,883
Centers for Medicare and Medicaid Services Research, Demonstrations and Evaluations	93.779	N/A	30,922
<u>Passed Through the New York State Office of Alcoholism and Substance Abuse Services -</u>			
Block Grant for Prevention and Treatment of Substance Abuse	93.959	N/A	2,175,323
<u>Passed Through the New York State Office of Temporary and Disability Assistance -</u>			
<u>Temporary Assistance for Needy Families Cluster</u>			
Temporary Assistance for Needy Families	93.558	N/A	5,314,416
Total Temporary Assistance for Needy Families Cluster			<u>\$ 5,314,416</u>
Child Support Enforcement	93.563	N/A	316,783
Low-Income Home Energy Assistance	93.568	N/A	2,807,043
Low-Income Home Energy Assistance - Administration	93.568	N/A	164,523
<u>Passed Through the New York State Office of Children and Family Services -</u>			
<u>Child Care Development Fund Cluster</u>			
Child Care Development Block Grant	93.575	N/A	1,122,156
Total Child Care Development Fund Cluster			<u>\$ 1,122,156</u>
SUBTOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			\$ 12,277,278

<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>Indirect:</u>			
<u>Passed Through the New York State Office of Children and Family Services -</u>			
Kin Gap - Title IV-E Admin	93.090	N/A	\$ 12,381
Foster Care - Title IV-E	93.658	N/A	441,626 *
Adoption Assistance	93.659	N/A	271,399 *
Social Services Block Grant	93.667	N/A	627,551 *
Independent Living	93.674	N/A	608
<u>Passed Through the New York State Department of Health -</u>			
Immunization Grants - IAP	93.268	C-028329	23,895
Maternal and Child Health Services Block Grant - Lead	93.994	C-032692	10,073
Maternal and Child Health Services Block Grant - CSHCN	93.994	C-032692	6,380
Children's Health Insurance Program (CHIP)	93.767	N/A	40,269
<u>Medicaid Cluster</u>			
Medical Assistance Program	93.778	N/A	1,372,018 *
Early Intervention Medicaid Administrative	93.778	N/A	330,783 *
<u>Passed Through New York State Office of Mental Health -</u>			
<u>Medicaid Cluster</u>			
Medicaid Revenue Sharing	93.778	NA	198,957 *
Total Medicaid Cluster			<u>\$1,901,758</u>
<u>Passed Through Health Research Inc. -</u>			
Centers for Disease Control and Prevention-Investigations and Technical Assistance	93.069	1630-10	\$ 84,908
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>\$ 15,698,126</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY:</u>			
<u>Indirect:</u>			
<u>Passed Through the New York State Division of Homeland Security and Emergency Services -</u>			
Emergency Management Performance Grant	97.042	T-974475	\$ 39,896
Homeland Security Grant Program - SHSP FY15	97.067	C-974450	90,483
Homeland Security Grant Program - SHSP FY16	97.067	C-974460	9,084
Homeland Security Grant Program - SHSP FY17	97.067	C-974470	51,931
Homeland Security Grant Program - Critical Infrastructure	97.067	T-974459	12,431
Homeland Security Grant Program - OPSG FY16	97.067	T-151169	8,924
Homeland Security Grant Program - OPSG FY17	97.067	T-151179	59,282
Homeland Security Grant Program - LETPP FY15	97.067	T-974452	10,179
Homeland Security Grant Program - LETPP FY16	97.067	C-974462	27,535
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>\$ 309,745</u>
TOTAL FEDERAL AWARD EXPENDITURES			<u>\$ 17,575,988</u>

* Major Programs

COUNTY OF WAYNE NEW YORK

Notes to Schedule of Expenditures of Federal Awards

December 31, 2018

1. Basis of Presentation:

The accompanying Schedule of Expenditures of Federal Awards (the schedule) includes the federal award activity of the County of Wayne (the County) under programs of the federal government for the year ended December 31, 2018. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirement's, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the County of Wayne, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

2. Summary of Significant Accounting Policies:

Expenditures reported on the schedule are reported on the GAAP basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

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. The County has not elected to use the 10% de minimus indirect cost rate allowed under the Uniform Guidance.

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, 2018, 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 \$2,807,043 in benefits for the HEAP program (CFDA Number 93.568).

COUNTY OF WAYNE, NEW YORK

Schedule of Findings and Questioned Costs

December 31, 2018

I. Summary of the Auditors' Results

Financial Statements

- | | |
|---|-------------|
| a) Type of auditor's report issued | Unmodified. |
| 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 | Unmodified. |
| c) Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) | 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 #93.659	Adoption Assistance
CFDA #93.667	Social Services Block Grant
Medicaid Cluster	
CFDA #93.778	Medical Assistance Program

- | | |
|--|------------|
| e) Dollar threshold used to distinguish between Type A and Type B programs | \$750,000. |
| 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.