

**ONTARIO COUNTY**

**Canandaigua, New York**

**NEW YORK STATE DEPARTMENT OF TRANSPORTATION**

**STATE SINGLE AUDIT**

**For Year Ended December 31, 2013**

## CONTENTS

	<u>Page</u>
Report on Compliance and Controls Over State Transportation Assistance Expended Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	1 - 3
Schedule of State Transportation Assistance Expended	4
Notes to Schedule of Expenditures of State Transportation Assistance Expended	5
Schedule of Findings and Questioned Costs for State Transportation Assistance Expended	6

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

**Shareholders:**

**Raymond F. Wager, CPA**  
**Thomas J. Lauffer, CPA**  
**Thomas C. Zuber, CPA**

Members of  
American Institute of  
Certified Public Accountants  
and  
New York State Society of  
Certified Public Accountants

**Report on Compliance and Controls Over State Transportation Assistance  
Expended Based on an Audit of Financial Statements Performed in  
Accordance with Government Auditing Standards**

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Supervisors  
Ontario County  
Canandaigua, New York

***Report on Compliance for Each Major State Transportation Assistance Program***

We have audited Ontario County's compliance with the types of compliance requirements described in the Preliminary Part 43 of the New York State Codification of Rules and Regulations (NYCRR) that have a direct and material effect on each state transportation assistance program tested for the year ended December 31, 2013. The County's major programs are identified in the summary of audit 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 state transportation programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Ontario County's major state transportation assistance 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 Governmental Auditing Standards, issued by the Comptroller General of the United States; and Preliminary Part 43 of the NYCRR. Those standards and Preliminary Part 43 of the NYCRR 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 transportation assistance program occurred. An audit includes examining, on a test basis, evidence about Ontario County'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 transportation assistance program. However our audit does not provide a legal determination of Ontario County's compliance.

## *Opinion on Each Major State Transportation Assistance Program*

In our opinion, Ontario County 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 transportation assistance programs for the year ended December 31, 2013.

## *Report on Internal Control over Compliance*

The management of Ontario County 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 Ontario County's internal control over compliance with requirements that could have a direct and material effect on each major state transportation assistance 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 transportation assistance program and to test and report on the internal control over compliance in accordance with Preliminary Part 43 of NYCRR, but not for the purpose of expressing an opinion on the effectiveness of internal controls over compliance. Accordingly, we do not express an opinion on the effectiveness of Ontario County'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 transportation assistance program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combinations 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 transportation assistance 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 combination of deficiencies, in internal control over compliance with the types of compliance requirements of a state transportation assistance 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 the internal control over compliance was for the limited purpose described in the first paragraph of this section 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 Preliminary Part 43 of the NYCRR. Accordingly, this report is not suitable for any other purpose.

***Report on Schedule of State Transportation Assistance Expended***

We have audited the financial statements of Ontario County as of December 31, 2013, and have issued our report thereon dated May 2, 2014 which contained an unmodified opinion of those financial statements. Our audit was conducted for the purpose of forming an opinion on Ontario County's financial statements as a whole. The accompanying schedule of state transportation assistance expended is presented for purposes of additional analysis as required by Preliminary Part 43 of NYCRR, 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 subject 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 State Transportation Assistance Expended is fairly stated, in all material respects, in relation to the financial statements taken as a whole.



August 19, 2014

ONTARIO COUNTY

Canandaigua, New York

SCHEDULE OF STATE TRANSPORTATION  
ASSISTANCE EXPENDED

FOR THE YEAR ENDED DECEMBER 31, 2013

<u>Program Title</u>	<u>NYSDOT Contract/ Ref. Number</u>	<u>Total Expenditures</u>
CHIPS	440000	\$ 818,062
State Transit Operating Assistance	N/A	2,118,130 *
Railroad Bridge Route #21	D013699	5,879
Allen Padgham Road Bridge	D034009	12,072
Wayne Street Bridge	D031584	1
Ferguson Road Bridge	D032797	7,443
County Roads 10 & 46 Intersection	D032823	37,555
Old Mill Road Bridge	D033518	8,673
Main Street Fishers Bridge	D033517	7,406
Federal Aid Bridge Maintenance Projects	D032781	8,751
County Road 5 Maintenance Project	D033499	285,894
Bridge Preventative Maintenance 2012	D033519	70,798
<b>Total U.S. Department of Transportation</b>		<b>\$ 3,380,664</b>

\* Major Program

**ONTARIO COUNTY**

**Canandaigua, New York**

**Notes to Schedule of State Transportation  
Assistance Expended**

**December 31, 2013**

**Note 1    General**

The accompanying Schedule of Expenditures of State Transportation Assistance Programs of Ontario County, Canandaigua, New York presents the activity of all financial assistance programs provided by the New York State Department of Transportation.

**Note 2    Basis of Accounting**

The accompanying Schedule of Expenditures of State Transportation Assistance Programs is presented using the accrual basis of accounting.

**Note 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.

**Note 4    Matching Costs**

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

ONTARIO COUNTY

Canandaigua, New York

Schedule of Findings and Questioned Costs for  
State Transportation Assistance Expended

December 31, 2013

I. Summary of the Auditor's Results

State Transportation Assistance Expended

- 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) Identification of State Transportation Assistance major programs

<u>Program Title</u>	<u>Ref. Number</u>
State Transit Operating Assistance	N/A

II. State Transportation Assistance Expended Findings and Questioned Costs

Current Year Findings:

There were no current year findings or questioned costs.

Prior Year Finding:

#2012-1 State Transit Operating Assistance – Mileage Reporting (Corrective Action Taken) –

After this issue was identified by the Auditors, management immediately worked with the Operator to identify and correct the cause of this error. The Operator's process for accumulating mileage statistics was modified to properly adjust for the effect of its buses running both fixed and Dial-a-ride routes. Management's review process now includes comparison of source documentation to summary reports. These corrective actions were put in place prior to submission of the County's first quarter STOA application for 2013. In addition, the County reported the \$80,141 overage to the State DOT and an adjustment was processed on the County's second quarter 2013 STOA application to repay the overpayment amount.



**ONTARIO COUNTY**

**Canandaigua, New York**

**Summary Schedule of Prior Audit Findings**

**December 31, 2013**

**I. Prior Year Findings Required to be Reported in Accordance with Generally Accepted Government Auditing Standards**

**#2012-1     State Transit Operating Assistance – Mileage Reporting –**

The County's review process did not include a comparison of summarized mileage information against other source documentation and reports.

**Corrective Action Taken –**

After this issue was identified by the Auditors, management immediately worked with the Operator to identify and correct the cause of this error. The Operator's process for accumulating mileage statistics was modified to properly adjust for the effect of its buses running both fixed and Dial-a-ride routes. Management's review process now includes comparison of source documentation to summary reports. These corrective actions were put in place prior to submission of the County's first quarter STOA application for 2013. In addition, the County reported the \$80,141 overage to the State DOT and an adjustment was processed on the County's second quarter 2013 STOA application to repay the overpayment amount.