

COUNTY OF ONTARIO

Canandaigua, New York

SINGLE AUDIT REPORT

For Year Ended December 31, 2011

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**Report on Compliance With Requirements That Could Have a Direct and
Material Effect on Each Major Program and on Internal Control Over
Compliance in Accordance With OMB Circular A-133**

Independent Auditor's Report

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

Compliance

We have audited the County of Ontario, Canandaigua, New York's compliance with the types of compliance requirements described in the Office of Management and Budget (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, 2011. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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 State, 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'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. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County of Ontario, Canandaigua, New York complied, in all material respects, with the 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, 2011.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance 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 the internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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 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.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

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, 2011, and have issued our report thereon dated April 17, 2012. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the County's 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 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 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.

This report is intended solely for the information and use of the audit committee, management, Board of Legislators, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



August 13, 2012

COUNTY OF ONTARIO

Canandaigua, New York

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2011

<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>
<u>U.S. DEPARTMENT OF AGRICULTURE:</u>			
<u>Indirect:</u>			
<u>Passed Through NYS Dept. of Social Services - SNAP Cluster</u>			
USDA - State, Administrative Matching Grants for Food Stamp Program	10.561	N/A	\$ 1,159,470
<u>Passed Through NYS Education Department (Child Nutrition Services) - Nutrition Cluster</u>			
National School Breakfast Program	10.553	N/A	24,198
Total U.S. Department of Agriculture			\$ 1,183,668
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</u>			
<u>Indirect:</u>			
<u>Passed Through NYS Housing and Urban Development -</u>			
Community Development Block Grant	14.228	N/A	\$ 400,000
Total U.S. Department of Housing and Urban Development			\$ 400,000
<u>U.S. DEPARTMENT OF JUSTICE:</u>			
<u>Direct:</u>			
Vest Reimbursement	16.607	N/A	\$ 6,107
<u>Indirect:</u>			
<u>Passed Through NYS Division of Criminal Justice Services -</u>			
Anti - Drug Abuse Act	16.579	N/A	19,226
Justice Assistance - ARRA	16.804-ARRA	N/A	30,632
Total U.S. Department of Justice			\$ 55,965
<u>U.S. DEPARTMENT OF SOCIAL SECURITY ADMINISTRATION:</u>			
<u>Direct:</u>			
Supplemental Security Income	96.006	N/A	\$ 75,388
Total U.S. Department of Social Security Administration			\$ 75,388

<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>
<u>U.S. DEPARTMENT OF LABOR:</u>			
<u>Indirect:</u>			
<u>Passed Through NYS Dept. of Labor -</u>			
<u>WIA Cluster</u>			
Workforce Investment Act - Adult Program	17.258	N/A	\$ 33,400
Workforce Investment Act - Youth Activities	17.259	N/A	91,521
Workforce Investment Act - Dislocated Workers	17.260	N/A	77,627
Total WIA Cluster			\$ 202,548
<u>Passed Through NYS Dept. of Aging -</u>			
Senior Community Services - Title V	17.235	N/A	33,169
Total U.S. Department of Labor			\$ 235,717
<u>U.S. DEPARTMENT OF TRANSPORTATION:</u>			
<u>Indirect:</u>			
<u>Passed Through NYS Dept. of Transportation -</u>			
Section 5311 Operating Assistance	20.509	N/A	\$ 439,272
Section 5311 Operating Assistance - ARRA	20.509 ARRA	N/A	246,739
Job Access / Reverse Commute	20.516	N/A	57,200
State & Community Highway Safety	20.600	N/A	1,552
Safetea - lu Grant	20.505	N/A	5,019
Highway Planning and Construction	20.205	N/A	1,435,155 *
Highway Planning and Construction - ARRA	20.205 ARRA	N/A	205,403 *
Total U.S. Department of Transportation			\$ 2,390,340
<u>U.S. DEPARTMENT OF HOMELAND SECURITY:</u>			
<u>Indirect:</u>			
<u>Passed Through NYS Emergency Management Office -</u>			
Homeland Security	97.067	N/A	\$ 220,646 *
Emergency Management - State and Local Assistance	97.042	N/A	77,405
Total U.S. Department of Homeland Security			\$ 298,051
<u>U.S. DEPARTMENT OF EDUCATION:</u>			
<u>Indirect:</u>			
<u>Passed Through NYS Department of Health -</u>			
Grants for Infants and Families with Disabilities - ARRA	84.161 ARRA	T025232	\$ 14,079
Early Intervention	84.181	C021809	46,354
Early Intervention	84.181	C027496	44,684
Early Intervention - ARRA	84.393 ARRA	N/A	19,081
Total U.S. Election Assistance Commission			\$ 124,198
<u>U.S. DEPARTMENT OF ENERGY:</u>			
<u>Direct:</u>			
Energy Conservation Study - ARRA	81.041 ARRA	N/A	\$ 55,560
Total U.S. Election Assistance Commission			\$ 55,560

<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>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</u>			
<u>Indirect:</u>			
<u>Passed Through NYS Dept. of Social Services -</u>			
Childcare (Foster Care)	93.658	N/A	\$ 1,123,673
Childcare (Foster Care) - ARRA	93.658-ARRA	N/A	13,212
Child Support Enforcement	93.563	N/A	750,904
Child Support Enforcement - ARRA	93.563 ARRA	N/A	33,305
Home Energy Assistance Block Grant	93.568	N/A	3,013,464 *
Medical Assistance Title XIX	93.778	N/A	3,103,750 *
Medical Assistance Title XIX - ARRA	93.778 ARRA	N/A	705,533 *
Social Services Block Grant	93.667	N/A	199,416 *
Health Insurance Information Counseling & Asst.	93.779	N/A	30,233
Adoption Assistance	93.659	N/A	319,695 *
<u>TANF Cluster</u>			
Temporary Assistance to Needy Families	93.558	N/A	6,465,855
<u>Child Care Development Block Grant Cluster</u>			
Childcare and Development Block Grant	93.575	N/A	2,172,933
<u>Passed Through the NYS Dept. of Aging -</u>			
Special Programs for the Aging, Title III D	93.043	N/A	4,006
Special Programs for the Aging, Title III E	93.052	N/A	50,668
<u>Special Programs for the Aging Cluster</u>			
Special Programs for the Aging, Title III B	93.044	N/A	\$ 128,201
Special Programs for the Aging, Title III C	93.045	N/A	139,031
Nutrition Services Incentive Program	93.053	N/A	62,261
Total Special Programs for the Aging Cluster			\$ 329,493
<u>Passed through the NYS Centers for Disease Control -</u>			
Public Health Programs	93.283	N/A	78,339
<u>Passed through the NYS Dept. of Health -</u>			
Immunization - ARRA	93.712 ARRA	T025291	8,861
Immunization - ARRA	93.712 ARRA	T027716	3,769
CSHCN	93.994	C024631	36,251
Child Lead	93.994	C026524	8,758
Immunization	93.268	C023259	26,963
BHP	93.283	001776-03	70,295
<u>Passed Through NYS Board of Elections -</u>			
Voting Access for Individuals with Disabilities	93.617	N/A	3,341
<u>Passed through the NYS Division of Alcoholism and Drug Abuse -</u>			
Block Grant for Prevention and Treatment of Substance Abuse	93.959	N/A	664,355
<u>Passed Through Health Research Inc. -</u>			
Public Health Emergency Preparedness	93.069	N/A	105,512
Total U.S. Department of Health and Human Services			\$ 19,322,584
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 24,141,471

COUNTY OF ONTARIO

Canandaigua, New York

Notes to Schedule of Expenditures of Federal Awards

December 31, 2011

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 2011, 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 \$2,603,593 in benefits for the HEAP program (CFDA Number 93.568).

**COUNTY OF ONTARIO
Canandaigua, New York**

Schedule of Findings and Questioned Costs

December 31, 2011

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 #20.205	Highway Planning and Construction
CFDA #20.205 ARRA	Highway Planning and Construction
CFDA #93.568	Home Energy Assistance Block Grant
CFDA #93.667	Social Services Block Grant
CFDA #93.659	Adoption Assistance
CFDA #93.778	Medical Assistance Title XIX
CFDA #93.778 ARRA	Medical Assistance Title XIX
CFDA #97.067	Homeland Security Grant

- | | |
|--|------------|
| e) Dollar threshold used to distinguish between Type A and Type B programs | \$724,244. |
| 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.