

COUNTY OF ONTARIO

Canandaigua, 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 Ontario, New York

Report on Compliance for Each Major Federal Program

We have audited the County of Ontario, 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 Ontario, 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.

As discussed in note 1 to the schedule of expenditures of federal awards, the County's basic financial statements include the operations of certain entities whose federal awards are not included in the schedule of expenditures of federal awards for the year ended December 31, 2018. Our audit described below, did not include the federal awards, if any, of the entities identified in note 1.

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, 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 Ontario, 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, New York's compliance.

Opinion on Each Major Federal Program

In our opinion, the County of Ontario, 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 Ontario, 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, 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 Ontario, 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 County of Ontario, 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 Ontario, New York's basic financial statements. We issued our report thereon April 1, 2019, which contained unmodified opinions on those financial statements. We did not audit the financial statements of the Finger Lakes Community College. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to amounts included for the Finger Lakes Community College is based solely on the report of the other auditors. 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
May 2, 2019

Raymond F. Wager, CPA, PC

COUNTY OF ONTARIO, 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>Pass Through to Subrecipients</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 the Supplemental Nutrition Assistance Program	10.561	N/A	\$ -	\$ 1,057,188
TOTAL U.S. DEPARTMENT OF AGRICULTURE			\$ -	\$ 1,057,188
<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	\$ -	\$ 18,006
<u>Passed Through Ontario County Workforce Investment -</u>				
<u>WIA Cluster</u>				
WIA Adult Program	17.258	N/A	-	47,685
WIA Youth Activities	17.259	N/A	-	61,104
WIA Dislocated Workers	17.278	N/A	-	74,261
Total WIA Cluster			\$ -	\$ 183,050
TOTAL U.S. DEPARTMENT OF LABOR			\$ -	\$ 201,056
<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	\$ -	\$ 2,196,760
<u>Passed Through NYS Sheriff's Association -</u>				
State and Community Highway Safety	20.600	N/A	-	32,271
<u>Passed Through the New York State Governor's Traffic Safety Committee -</u>				
Occupant Protection Incentive Grant	20.602	N/A	-	2,289
National Priority Safety Program	20.616	N/A	-	5,647
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			\$ -	\$ 2,236,967

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Entity Identifying Number</u>	<u>Pass Through to Subrecipients</u>	<u>Federal Expenditures</u>
<u>U.S. DEPARTMENT OF EDUCATION:</u>				
<u>Indirect:</u>				
<u>Passed through the NYS Department of Health,</u>				
<u>Bureau of Early Intervention -</u>				
Special Education - Grants for Infants and Families	84.181	N/A	\$ -	\$ 54,003
TOTAL DEPARTMENT OF EDUCATION			\$ -	\$ 54,003
<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	\$ -	\$ 7,852
National Family Caregiver Support - Title III - Part E				
	93.052	N/A	-	56,338
<u>Aging Cluster</u>				
Special Programs for the Aging - Title III, Part B - Grant for Supportive Services and Senior Centers				
	93.044	N/A	-	101,160 *
Nutrition Services				
	93.045	N/A	-	209,057 *
Nutrition Services Incentive Program				
	93.053	N/A	-	45,802 *
Total Aging Cluster			\$ -	\$ 356,019
Medicare Enrollment Assistance Program				
	93.071	N/A	-	13,380
<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	606,084	688,487
Substance Abuse and Mental Health Grant				
	93.243	N/A	-	20,575
<u>Passed Through the New York State Office of Temporary and Disability Assistance -</u>				
Temporary Assistance for Needy Families				
	93.558	N/A	-	5,334,502
Child Support Enforcement				
	93.563	N/A	-	819,037
Low-Income Home Energy Assistance				
	93.568	N/A	-	2,526,816
SUBTOTAL			\$ 606,084	\$ 9,823,006

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Entity Identifying Number</u>	<u>Pass Through to Subrecipients</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>				
Child Care Development Block Grant	93.596	N/A	\$ -	\$ 2,002,266 *
Stephanie Tubbs Jones Child Welfare Services Program	93.645	N/A	-	72,852
Foster Care - Title IV-E	93.658	N/A	-	227,577
Adoption Assistance	93.659	N/A	-	506,460 *
Promoting Safe and Stable Families	93.556	N/A	-	19,754
Social Services Block Grant	93.667	N/A	-	793,921
Chafee Foster Care Independence Program	93.674	N/A	-	32,928
<u>Passed Through the New York State Department of Health -</u>				
Centers for Disease Control and Provention - Investigations and Technical Assistance	93.283	N/A	-	106,844
Childrens Health Insurance Program	93.767	N/A	-	134,233
Medical Assistance Program	93.778	N/A	-	1,249,635 *
Centers for Medicare and Medicaid Servies Research, Demonstrations, and Evaluations	93.779	N/A	-	33,121
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			\$ 606,084	\$ 15,002,597
<u>U.S. DEPARTMENT OF SOCIAL SECURITY ADMINISTRATION:</u>				
<u>Direct:</u>				
Supplemental Security Income	96.006	N/A	\$ -	\$ 13,400
<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>				
Homeland Security - EMPG FY17	97.042	T836075	\$ -	\$ 45,090
Homeland Security - Tactical Team	97.067	C972269	-	55,286
Homeland Security - SHSP FY15	97.067	C972250	-	672
Homeland Security - SHSP FY16	97.067	C972260	-	6,152
Homeland Security - SHSP FY17	97.067	C972270	-	65,233
Homeland Security - HMEP FY17	97.067	T972275	-	5,057
Homeland Security - DHLS FY16	97.067	T180092	-	1,423
Homeland Security - SLETPP FY17	97.067	T972272	-	31,661
Homeland Security - SLETPP FY18	97.067	T972282	-	9,300
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			\$ -	\$ 219,874
TOTAL FEDERAL AWARD EXPENDITURES			\$ 606,084	\$ 18,785,085

* Major Programs

COUNTY OF ONTARIO NEW YORK

Notes to Schedule of Expenditures of Federal Awards

December 31, 2018

1. **Basis of Presentation:**

a. **Reporting Entity**

The accompanying Schedule of Expenditures of Federal Awards (the schedule) includes the federal award activity of the County of Ontario, New York (the County) under programs of the federal government for the year ended December 31, 2018, except that it does not include the federal financial assistance programs, if any, of the Ontario County Industrial Development Agency, the Finger Lakes Community College, the Ontario County Four Seasons Local Development Corporation, and the Ontario Tobacco Asset Securitization Corporation. 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 Ontario, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

b. **Pass-Through Programs**

Where the County receives funds from a government entity other than the federal government (pass-through), the funds are accumulated based upon the Catalog of Federal Domestic Assistance (CFDA) number advised by the pass-through grantor.

Identifying numbers, other than CFDA numbers, which may be assigned by pass-through grantors are not maintained in the County's financial management system. Where the County has identified pass-through identifying numbers they are included in the schedule of expenditures of federal awards.

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 \$2,390,846 in benefits for the HEAP program (CFDA Number 93.568).

COUNTY OF ONTARIO, 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 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>
93.659	Adoption Assistance
93.778	Medical Assistance Program
Aging Cluster (as defined by Uniform Guidance):	
93.044	Special Programs for the Aging, Title III, Part B
93.045	Special Programs for the Aging, Nutrition Services
93.053	Nutrition Services Incentive Program
Child Care and Development Fund Cluster (as defined by Uniform Guidance):	
93.596	Child Care and Development Block Grant

- | | |
|--|------------|
| 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.