

**COUNTY OF BROOME, NEW YORK**

**Single Audit Reports  
For the Year Ended December 31, 2015**

**Bonadio & Co., LLP**  
Certified Public Accountants

# COUNTY OF BROOME, NEW YORK

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

June 28, 2016

To the County Legislature of the  
County of Broome, New York:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, 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 Broome, New York (County) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 28, 2016. Our report includes a reference to other auditors who audited the financial statements of the Broome Tobacco Asset Securitization Corporation and the Broome County Land Bank Corporation, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

(Continued)

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

(Continued)

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests did not disclose any instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

July 11, 2016 (Except for the Schedule of Expenditures of Federal Awards, as to which the date is June 28, 2016)

To the County Legislature of the  
County of Broome, New York:

**Report on Compliance for Each Major Federal Program**

We have audited the County of Broome, New York's (the County's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the County's major federal programs for the year ended December 31, 2015. 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.

**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'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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirement, 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'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's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the 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 federal programs for the year ended December 31, 2015.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

(Continued)

**Report on Internal Control Over Compliance**

Management of the 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 the County's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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'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.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

(Continued)

**Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance**

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, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 28, 2016, 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 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.

**COUNTY OF BROOME, NEW YORK**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass Through Number</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
U.S. Department of Agriculture:				
Passed through New York State Office of Temporary and Disability Assistance - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	\$ 1,321,577	\$ -
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557*		<u>2,641,148</u>	-
<i>Subtotal Passed through New York State Office of Temporary and Disability Assistance</i>			<u>3,962,725</u>	
Passed through New York State Department of Health -				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557*	C025728	200,610	-
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557*	C30405GG	<u>689,956</u>	-
<i>Subtotal Passed through New York State Department of Health</i>			<u>890,566</u>	-
Total U.S. Department of Agriculture			<u>4,853,291</u>	-
U.S. Department of Housing and Urban Development:				
Community Development Block Grant - Entitlement Grants	14.218		15,000	-
Community Development Block Grants/Entitlement Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228		35,000	-
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900		<u>31,588</u>	-
Total U.S. Department of Housing and Urban Development			<u>81,588</u>	-
U.S. Department of Justice:				
State Criminal Alien Assistance Program	16.606		21,944	-
Equitable Sharing Program	16.922		<u>18,437</u>	-
Total U.S. Department of Justice			<u>40,381</u>	-
U.S. Department of Labor:				
Passed through New York State Department of Labor -				
Trade Adjustment Assistance	17.245	N/A	102,351	-
Workforce Investment Act National Emergency Grants	17.277	N/A	49,864	-
<i>Workforce Investment Cluster:</i>				
Workforce Investment Act Adult Programs	17.258	N/A	499,835	117,149
Workforce Investment Act Youth Activities	17.259	N/A	481,327	254,274
Workforce Investment Act Dislocated Worker Formula Grants	17.278	N/A	<u>591,793</u>	<u>132,306</u>
<i>Subtotal Workforce Investment Cluster</i>			<u>1,572,955</u>	<u>503,729</u>
<i>Subtotal Passed through New York State Department Labor</i>			<u>1,725,170</u>	<u>503,729</u>
Total U.S. Department of Labor			<u>1,725,170</u>	<u>503,729</u>
U.S. Department of Transportation:				
Passed through New York State Department of Transportation -				
Airport Improvement Program	20.106	various	1,427,174	-
Highway Planning and Construction	20.205	various	1,123,276	-
Metropolitan Transit Planning	20.505	CO34455	79,322	-
Federal Transit Formula Grants	20.507	K007034-1	3,494,286	-
New Freedom Program	20.521	NY-90-X651-00	20,373	-
New Freedom Program	20.521	NY-90-X741-00	<u>103,886</u>	-
<i>Subtotal Federal CFDA Number 20.521</i>			<u>124,259</u>	-
Formula Grants for Rural Areas	20.509	N/A	<u>3,342</u>	-
<i>Subtotal Passed through New York State Department of Transportation</i>			<u>6,251,659</u>	-
Passed through New York State Governors Traffic Safety Committee -				
State and Community Highway Safety	20.600	various	<u>195,144</u>	<u>43,566</u>
Total U.S. Department of Transportation			<u>6,446,803</u>	<u>43,566</u>

COUNTY OF BROOME, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2015

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass Through Number</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
U.S. Department of Veterans Affairs:				
Veterans Home Based Primary Care	64.022	N/A	37,122	24,057
Total U.S. Department of Veterans Affairs			37,122	24,057
U.S. Department of Health and Human Services:				
HIV Care Formula Grants	93.917	C028422	31,902	-
Maternal and Child Health Services Block Grant to the States	93.994	various	179,389	-
Medicare Enrollment Assistance Program	93.071	N/A	11,631	11,631
PPHF 2012: Community Transformation Grants-Small Communities Program	93.750	N/A	958,611	-
Passed through NACCHO -				
Medical Reserve Corps Small Grant Program	93.008	MRC090017	490	-
Passed through Health Research Incorporated -				
Public Health Emergency Preparedness	93.069	HRI583-10	121,478	-
Hospital Preparedness Program and Public Health Emergency	93.074	HRI4608-04	27,250	-
Injury Prevention and Control Research and State and Community Based Programs	93.136	HRI4417-04,05	17,971	-
Centers for Disease Control and Prevention/Investigations and Technical Assistance	93.283	HRI4608-02	80,840	-
Centers for Disease Control and Prevention/Investigations and Technical Assistance	93.283	HRI4608-04	32,458	-
Subtotal Federal CFDA Number 93.283			113,298	-
Subtotal Passed through Health Research Incorporated			279,997	-
Passed through New York State Office of Children and Family Services -				
Guardianship Assistance	93.090	N/A	73,251	-
Child Care and Development Block Grant	93.575	N/A	3,694,428	-
Stephanie Tubbs Jones Child Welfare Services	93.645	N/A	364,495	-
Foster Care (Title IV-E)	93.658	N/A	5,102,712	-
Foster Care (Title IV-E) - ARRA	93.658	N/A	12,629	-
Subtotal Federal CFDA Number 93.658			5,115,341	-
Adoption Assistance	93.659	N/A	1,809,850	-
Adoption Assistance - ARRA	93.659	N/A	272	-
Subtotal Federal CFDA Number 93.659			1,810,122	-
Social Services Block Grant	93.667	N/A	2,147,590	-
Chafee Foster Care Independence Program	93.674	N/A	94,789	-
Subtotal Passed through New York State Office of Children and Family Services			13,300,016	-
Passed through State Office of Temporary and Disability Assistance -				
Low-Income Home Energy Assistance Program	93.568	N/A	7,176,485	-
Temporary Aid For Needy Families (TANF)	93.558	N/A	18,617,903	-
Child Support Enforcement (Title IV-D)	93.563	N/A	913,787	-
Subtotal Passed through New York State Office of Temporary and Disability Assistance			26,708,175	-
Passed through New York State Office of Alcoholism and Substance Abuse Services -				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A	1,128,727	1,128,727
Passed through New York State Office for Aging -				
Aging Cluster:				
Special Programs for Aging, Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	N/A	250,916	43,879
Special Programs for Aging, Title III, Part C - Nutrition Services	93.045	N/A	414,904	52,458
Nutrition Services Incentive Program	93.053	N/A	128,729	-
Subtotal Aging Cluster			794,549	96,337
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	N/A	38,798	38,305
National Family Caregiver uproot, Title III, Part E	93.052	N/A	101,997	30,101
Subtotal Passed through New York State Office for Aging			935,344	164,743
Passed through New York State Office of Mental Health -				
Medical Assistance Program	93.778	N/A	6,213,828	-
Passed through New York State Board of Elections -				
Voting Access for Individuals With Disabilities	93.617	T002770	1,629	-
Passed through New York State Department of Health -				
Injury Prevention and Control Research and State and Community Based Programs	93.136	C30355GG	2,257	-
Immunization Grants	93.268	CO28278	94,704	-
Preventive Health and Health Services Block Grant	93.991	C027570	26,731	26,731
Subtotal Passed through New York State Department of Health			123,692	26,731
Total U.S. Department of Health and Human Services			49,873,431	1,331,832

COUNTY OF BROOME, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)  
 FOR THE YEAR ENDED DECEMBER 31, 2015

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass Through Number</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
Corporation for National Community Service: Foster Grandparent Program	94.011	N/A	<u>245,318</u>	<u>-</u>
Total Corporation for National Community Service			<u>245,318</u>	<u>-</u>
U.S. Social Security Administration: Passed through Maximus Tickets to Work - Social Security-Work Incentives Planning and Assistance Program	96.008	N/A	<u>10,971</u>	<u>-</u>
Total U.S. Social Security Administration			<u>10,971</u>	<u>-</u>
U.S. Department of Homeland Security: Passed through New York State Division of Homeland Security and Emergency Services - Disaster Grants - Public Assistance	97.036	various	14,304	-
Emergency Management Performance Grant	97.042	N/A	7,047	-
Homeland Security Grant Program	97.067	various	3,821,847	-
State Homeland Security Program (SHSP)	97.073	C192049	6,500	-
State Homeland Security Program (SHSP)	97.073	C835239	30,941	-
Subtotal Federal CFDA Number 97.073			<u>37,441</u>	<u>-</u>
Subtotal Passed through New York State Division of Homeland Security and Emergency Services			<u>3,880,639</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>3,880,639</u>	<u>-</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 67,194,714</u>	<u>\$ 1,903,184</u>
* Subtotal Special Supplemental Nutrition Program for Women, Infants, and Children (Federal CFDA Number 10.557)			<u>\$ 3,531,714</u>	<u>\$ -</u>

# COUNTY OF BROOME, NEW YORK

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2015

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### 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the County of Broome, New York (the County) under programs of the federal government for the year ended December 31, 2015. 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 requirements, Cost Principles, and Audit requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, the respective changes in financial position, or, where applicable, cash flows of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are presented in conformity with accounting principles generally accepted in the United States and the amounts presented are derived from the County's general ledger.

The County has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

### 3. 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 the CFDA numbers, which may be assigned by pass-through grantors are not maintained in the County's financial management system. The County has identified certain pass-through identifying numbers and included them in the Schedule, as available.

### 4. INDIRECT COSTS

Indirect costs are included in the reported expenditures to the extent that such costs are included in the federal financial reports used as the source document for the data presented.

### 5. MATCHING COSTS

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

## COUNTY OF BROOME, NEW YORK

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2015

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#### 6. NONCASH AWARDS

A significant portion of federal award programs do not involve cash awards to the County of Broome, NY. The value of these noncash awards has been recorded as expenditures on the Statement of Expenditures of Federal Awards, with the exception of the Supplemental Nutrition Assistance Program which is no longer required to be reported by the federal awarding agency. Those relating to the County are as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount</u>
U.S. Department of Agriculture		
Supplemental Nutrition Assistance Program	10.551	\$ 49,008,600
Special Supplemental Food Program for Women, Infants and Children		
Value of Food Instruments	10.557	\$ 2,641,148
U.S. Department of Health and Human Services		
Low Income Home Energy Assistance		
Value of Payments made by New York State	93.568	\$ 7,176,485



## COUNTY OF BROOME, NEW YORK

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2015

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#### B. FINDINGS - FINANCIAL STATEMENT AUDIT

None

#### C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

#### D. SUMMARY OF PRIOR YEAR FINDINGS

##### **Finding 2014-001 Adequate Supporting Documentation US Department of Agriculture - CFDA #10.557 - Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)**

*Condition:* The County's Department of Health did not have adequate supporting documentation to evidence review of the current authorization of the proxy/caretaker form as of the certification date.

*Recommendation:* The County should establish procedures to review all applicable participant Signature Authorization Forms to ensure proper WIC certification.

*Current Status:* During 2015, the County established procedures to review all applicable participant Signature Authorization Forms to ensure proper WIC certification. The proxy form is requested to be filled out at the initial certification, when the copy is full, or if adding a new proxy. The program clerks date and initial the proxy form at each visit. The supervising senior clerk audits five charts per clerk each month. During this audit the supervising senior clerk verifies that the proxy form is initialed and dated by the clerk at each visit.