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WESTCHESTER COUNTY, NEW YORK
OMB CIRCULAR A-133 FINANCIAL REPORT
TOGETHER WITH INDEPENDENT AUDITORS' REPORT
December 31, 2008

Westchester County, New York

Financial Statements

December 31, 2008

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WESTCHESTER COUNTY, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 2008

Federal Grantor <u>Program Title</u>	Federal CFDA <u>Number (1)</u>	Federal Program <u>Expenditures</u>
<u>Executive Office of The President-ONDCP</u>		
HIDTA	07.I8PNYP519Z	\$ 141,397
<u>U.S. Department of Agriculture</u>		
Indirect Programs - Passed through New York State Department of Health:		
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	1,352,644
Child and Adult Care Food Program	10.558	8,660
Indirect Program - Passed through New York State Department of Social Services:		
Supplemental Nutrition Assistance Program	10.551	6,736,501
Total U. S. Department of Agriculture		8,097,805
<u>U.S. Department of Housing and Urban Development</u>		
Direct Programs:		
Community Development Block Grant Entitlement Grants	14.218	7,473,841
Emergency Shelter Grants Program	14.231	227,585
Supportive Housing Program	14.235	896,566
Shelter Plus Care	14.238	6,110,172
Home Investment Partnership Program	14.239	929,100
Fair Housing Assistance Program - State and Local	14.401	68,500
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	1,197,185
Lead Hazard Reduction Demonstration Grant Program	14.905	778,552
Total Direct Programs		17,681,501
Indirect Programs - Passed through New York State Division of Housing and Community Renewal:		
Housing Opportunities for Persons with AIDS	14.241	1,781,978
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856	15,495
Section 8 Housing Choice Vouchers	14.871	3,376,575
Total Indirect Programs		5,174,048
Total U.S. Department of Housing and Urban Development		22,855,549

(Continued)

WESTCHESTER COUNTY, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2008

Federal Grantor <u>Program Title</u>	<u>Federal CFDA Number (1)</u>	<u>Federal Program Expenditures</u>
<u>U. S Department of Interior</u>		
National Spatial Data Infrastructure Cooperative Agreements Program	15.809	\$ 21,304
<u>U.S. Department of Justice</u>		
Direct Programs:		
DEA Seized Assets	16.unknown	425,583
Law Enforcement Assistance - Narcotics and Dangerous Drugs -Technical Laboratory Publications	16.003	7,870
Law Enforcement Assistance - Narcotics and Dangerous Drugs -Training	16.004	57,686
Law Enforcement Assistance - FBI Advanced Training	16.300	13,370
Supervised Visitation, Safe Havens for Children	16.527	49,969
Forensic DNA Backlog Reduction Program	16.741	164,334
Total Direct Programs		718,812
Indirect Programs - Passed through New York State Department of Criminal Justice Services:		
Juvenile Accountability Block Grants	16.523	35,145
Missing Children's Assistance	16.543	2,029
National Institute of Justice Research, Evaluation and Development Project Grants	16.560	21,097
Crime Victims Assistance	16.575	159,663
Edward Byrne Memorial Formula Grant Program	16.579	37,451
Edward Byrne Memorial Justice Assistance Grant Program	16.738	25,621
Violence Against Women Formula Grant	16.588	257,351
State Criminal Alien Assistance Program	16.606	383,411
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	47,414
Total Indirect Programs		969,182
Total U.S. Department of Justice		1,687,994
<u>Department of Labor</u>		
Indirect Programs-Passed through New York State Department of Labor:		
WIA Adult Program	17.258	1,920,997
WIA Youth Program	17.259	805,067
Employment and Training Assistance - Dislocated Workers	17.260	1,492,720
Work Incentive Grants	17.266	60,430
Total U.S. Department of Labor		4,279,214

(Continued)

WESTCHESTER COUNTY, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2008

Federal Grantor <u>Program Title</u>	Federal CFDA <u>Number (1)</u>	Federal Program <u>Expenditures</u>
<u>U.S. Department of Transportation</u>		
Direct Programs:		
Airport Improvement Program	20.106	\$ 4,333,706
Federal Transit-Capital Investment Grants	20.500	1,710,440
Federal Transit -Metropolitan Planning Grants	20.505	461,322
Federal Transit- Formula Grants	20.507	<u>7,905,991</u>
Total Direct Program		<u>14,411,459</u>
Indirect Programs - Passed through New York State Department of Transportation:		
Highway Planning and Construction	20.205	5,458,187
Federal Transit -Metropolitan Planning Grants	20.505	2,072,451
Job Access and Reverse Commute	20.516	425,773
State and Community Highway Safety	20.600	<u>263,189</u>
Total Indirect Programs		<u>8,219,600</u>
Total U.S. Department of Transportation		<u>22,631,059</u>
<u>Environmental Protection Agency</u>		
Beach Monitoring and Notification Program Implementation Grants	66.472	27,679
Long Island Sound Program	66.437	<u>10,218</u>
Total Department of Environmental Protection Agency		<u>37,897</u>
<u>U.S. Department of Education</u>		
Direct Programs:		
Federal Supplemental Education Opportunity Grants	84.007	236,053
Federal Family Education Loans	84.032	3,741,040
Federal Work - Study Program	84.033	171,793
Federal Pell Grant Program	84.063	7,199,305
Academic Competitiveness Grants	84.375	<u>42,489</u>
Total Direct Programs		<u>11,390,680</u>

(Continued)

WESTCHESTER COUNTY, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2008

Federal Grantor <u>Program Title</u>	Federal CFDA <u>Number (1)</u>	Federal Program <u>Expenditures</u>
<u>U.S. Department of Education (Continued)</u>		
Indirect Programs - Passed through New York State Department of Education:		
Special Education - Grants to States	84.027	\$ 46,469
Higher Education - Institutional Aid	84.031	35,846
Trio-Students Support Services	84.042	239,089
Career and Technical Education - Basic Grants to States	84.048	439,715
Special Education Grants for Infants and Families	84.181	<u>578,971</u>
Total Indirect Programs		<u>1,340,090</u>
Total U.S. Department of Education		<u>12,730,770</u>
<u>U.S. Department of Health and Human Services</u>		
Administration on Aging		
Indirect Programs - Passed through New York State Office of Aging:		
Special Programs for the Aging - Title III, Part D-Disease Prevention and Health Promotion Services	93.043	55,116
Special Programs for the Aging - Title III, Part B-Grants for Supportive Services and Senior Centers	93.044	1,214,700
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	1,451,983
Special Programs for the Aging - Title IV and Title II Discretionary Projects	93.048	6,965
National Family Caregiver Support, Title III Part E	93.052	403,817
Nutrition Services Incentive Program	93.053	<u>335,214</u>
Total Administration on Aging		<u>3,467,795</u>
Administration for Children and Families		
Direct Programs:		
Enhance the Safety of Children Affected by Parental Methamphetamine or Other Substance Abuse	93.087	<u>262,287</u>

(Continued)

WESTCHESTER COUNTY, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended December 31, 2008

Federal Grantor <u>Program Title</u>	<u>Federal CFDA Number (1)</u>	<u>Federal Program Expenditures</u>
<u>U.S. Department of Health and Human Services (Continued)</u>		
Indirect Programs - Passed through New York State Department of Social Services:		
Temporary Assistance for Needy Families	93.558	\$ 46,674,781
Family Support Payments to States-Assistance Payments	93.563	6,865,376
Low-Income Home Energy Assistance	93.568	1,247,050
Child Care and Development Block Grant	93.575	780,151
Foster Care Title IV-E	93.658	42,707,165
Social Services Block Grant	93.667	10,319,395
		<u>108,593,918</u>
Indirect Programs - Passed through New York State Board of Elections:		
Voting Access for Individuals with Disabilities-Grants to State	93.617	127,337
		<u>108,983,542</u>
Centers for Medicare and Medicaid Services		
Indirect Programs - Passed through New York State Department of Social Services:		
State Children's Insurance Program	93.767	171,950
Medical Assistance	93.778	17,446,085
Centers for Medicare and Medicaid Services Research, Demonstrations and Evaluations	93.779	38,444
		<u>17,656,479</u>
Centers for Disease Control		
Immunization Grants	93.268	195,814
Centers for Disease Control and Prevention-Investigations and Technical Assistance	93.283	247,424
Public Health Emergency Preparedness	93.069	891,316
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	187,682
Preventative Health and Health Services Block Grant	93.991	83,273
		<u>1,605,509</u>

(Continued)

WESTCHESTER COUNTY, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2008

<u>Federal Grantor</u> <u>Program Title</u>	<u>Federal</u> <u>CFDA</u> <u>Number (1)</u>	<u>Federal</u> <u>Program</u> <u>Expenditures</u>
<u>U.S. Department of Health and Human Services (Continued)</u>		
Health Resources and Services Administration		
Maternal and Child Health Services Block Grants to States	93.994	\$ 330,500
HIV Emergency Relief Project Grants	93.914	<u>5,426,367</u>
Total Health Resources and Services Administration		<u>5,756,867</u>
Substance Abuse and Mental Health Services Administration		
Direct Programs:		
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	389,015
Indirect Programs - Passed through New York State Office of Alcoholism and Substance Abuse:		
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	370,860
Drug Free Communities Support Program Grants	93.276	99,994
Block Grants for Prevention and Treatment of Substance Abuse	93.959	<u>1,040,703</u>
Total Substance Abuse and Mental Health Services Administration		<u>1,900,572</u>
Indirect Programs-Passed through New York State Office of Mental Health:		
Block Grants for Community Mental Health Services	93.958	<u>1,037,188</u>
Total U.S. Department of Health and Human Services		<u>140,407,952</u>
<u>Social Security Administration</u>		
Supplemental Security Income	96.006	<u>77,800</u>
<u>Department of Homeland Security</u>		
Direct Program:		
Homeland Security Grant Program	97.067	<u>251,590</u>

(Continued)

WESTCHESTER COUNTY, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended December 31, 2008

Federal Grantor <u>Program Title</u>	Federal CFDA <u>Number (1)</u>	Federal Program <u>Expenditures</u>
<u>Department of Homeland Security (Continued)</u>		
Indirect Programs - Passed Through New York State Emergency Management Office:		
Emergency Management Performance Grants	97.042	\$ 127,505
Pre-Disaster Mitigation	97.047	8,101
Homeland Security Grant Program	97.067	1,238,867
State Homeland Security Program (SHSP)	97.073	619,709
Buffer Zone Protection Program	97.078	<u>76,086</u>
Total Indirect Programs		<u>2,070,268</u>
Total Department of Homeland Security		<u>2,321,858</u>
Total Federal Assistance		<u>\$ 215,290,599</u>

(1) Catalogue of Federal Domestic Assistance Number



O'Connor Davies Munns & Dobbins, llp
ACCOUNTANTS AND CONSULTANTS

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

To the Honorable Board of Legislators of the
County of Westchester, New York:

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 Westchester, New York (the "County") as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 23, 2009. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with 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. Other auditors audited the financial statements of Westchester County Health Care Corporation, as described in our report on the County of Westchester's financial statements. The financial statements of Westchester County Health Care Corporation were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A *control deficiency* 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Bennett Kielson Storch DeSantis Division

One Barker Avenue, White Plains, New York 10601 914.421.5600 tel 914.421.5099 fax www.odmd.com

Honorable Board of Legislators of the
County of Westchester, New York

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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 disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the County in a separate letter dated September 23, 2009.

This report is intended solely for the information and use of the Board of Legislators, management, 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.

O'Connor Davies Munns & Dobbins, LLP

O'Connor Davies Munns & Dobbins, LLP
Bennett Kielson Storch DeSantis Division
September 23, 2009



O'Connor Davies Munns & Dobbins, llp
ACCOUNTANTS AND CONSULTANTS

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Honorable Board of Legislators of the
County of Westchester, New York

Compliance

We have audited the compliance of the County of Westchester, New York (the "County") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2008. The County of Westchester'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 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 States, 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 of Westchester, New York's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2008.

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 the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

Bennett Kielson Storch DeSantis Division

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Honorable Board of Legislators of the
County of Westchester, New York

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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 Westchester, New York as of and for the year ended December 31, 2008 and have issued our report thereon dated September 23, 2009. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the County's basic financial statements. We did not audit the financial statements of the Westchester County Health Care Corporation (a component unit) for the year ended December 31, 2008, which represents 89.9% and 88.2%, respectively, of the assets and revenues of the component units. Those financial statements were audited by other auditors whose report, dated April 30, 2008, thereon has been furnished to us, and our opinions on the basic financial statements insofar as it relates to amounts included for such component unit is based on the report of the other auditors. 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 has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board of Legislators, management, 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.

O'Connor Davies Munns & Dobbins, LLP

O'Connor Davies Munns & Dobbins, LLP
Bennett Kielson Storch DeSantis Division
September 23, 2009

Westchester County, New York
 Schedule of Expenditures of Federal Awards
Year Ended December 31, 2008

NOTE A - SUMMARY OF ACCOUNTING POLICIES

1. General

The accompanying Schedule of Expenditures of Federal Awards presents all activity of all Federal award programs for the year ended December 31, 2008. Federal awards received directly from Federal agencies as well as Federal awards passed through other government agencies are included on the Schedule.

2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Government and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

3. Relationship to Financial Statements

The County's fund financial statements are presented on the modified accrual basis of accounting.

4. Westchester Community College

Westchester Community College is collecting outstanding loans on following programs:

	<u>CFDA#</u>	<u>Loans Extended For 8/31/2008</u>	<u>Outstanding Principal Balance at 8/31/2008</u>
Perkins Loan Program- NDSL	84.038	None	\$ 230,784
Nursing Loans	93.364	None	\$ 5,644

The College no longer participates in either of these programs but is collecting outstanding balances on these loans.

Westchester County, New York
 Schedule of Findings and Questioned Costs
December 31, 2008

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting

Material weakness(es) identified? yes no

Significant deficiency(ies) identified that are not considered to be material weakness(es)? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified that are not considered to be material weakness(es)? yes none reported

Type of auditor's report issued on compliance for major programs

Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) OMB Circular A-133,? yes no

Identification of major programs

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.871	Section 8 Housing Choice Vouchers
17.258	WIA Adult Program
17.259	WIA Youth Activities
17.260	WIA Dislocated Workers
20.106	Airport Improvement Program
20.205	Highway Planning and Construction
20.500	Federal Transit – Capital Investment Grants
20.505	Federal Transit – Metropolitan Planning Grants
20.507	Federal Transit – Formula Grant
93.563	Child Support Enforcement Title IV D
93.778	Medical Assistance Program Title XIX

Westchester County, New York
Schedule of Findings and Questioned Costs
December 31, 2008

Dollar threshold used to distinguish
between Type A and Type B programs \$3,000,000
Auditee qualified as low-risk auditee? X yes ___ no

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

Westchester County, New York

December 31, 2008

Summary Schedule of Prior Year Audit Findings

None