

COUNTY OF LEWIS, NEW YORK

Single Audit and  
Independent Auditors' Report

December 31, 2020

COUNTY OF LEWIS, NEW YORK

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

Chairman and Members of the Lewis  
County Board of Legislators  
County of Lewis, New York:

Report on Compliance for Each Major Federal Program

We have audited the County of Lewis, New York's (the County) 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, 2020. The County's major federal programs are identified in the summary of auditors' 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 operation of certain entities whose federal awards are not included in the schedule of expenditures of federal awards for the year ended December 31, 2020. 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' 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 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'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, 2020.

#### 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 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'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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 10, 2021, which contained unmodified opinions on those statements. We did not audit the financial statements of Lewis County General Hospital and Residential Health Care Facility (the Hospital). Those statements were audited by other auditors whose report has been provided to us, and our opinion, insofar as it related to amounts included in the Hospital is based solely on the report of 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.

EFPR Group, CPAs, PLLC

Williamsville, New York  
June 10, 2021

**INDEPENDENT AUDITORS' 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**

Chairman and Members of the Lewis  
County Board of Legislators  
County of Lewis, 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, each major fund, and the aggregate remaining fund information of the County of Lewis, New York (the County), as of and for the year ended December 31, 2020, and the related notes to financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 10, 2021. Our report includes a reference to other auditors who audited the financial statements of the Lewis County General Hospital and Residential Health Care Facility (the Hospital), as described in our report on the County's financial statements. Also, the financial statements of the Hospital were not audited in accordance with Government Auditing Standard, and accordingly, this report does not include reporting on internal control over financial reporting on instances of reportable noncompliance associated with the Hospital.

**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) as a basis for designing 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County'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.

#### 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 financial statements. 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.

#### 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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York  
June 10, 2021

COUNTY OF LEWIS, NEW YORK  
Schedule of Expenditures of Federal Awards  
Year ended December 31, 2020

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass- through Grantor's Number</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
U.S. Department of Agriculture - passed through New York State - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	\$ 442,976	-
U.S. Department of Housing and Urban Development - passed through New York State - Community Development Block Grants - State's Program Non-Entitlements Grants in Hawaii	14.228	<small>636HO345-17, 636HR333-18, 636HO318-19, 636ME181-18</small>	843,834	-
U.S. Department of Labor - passed through Jefferson Lewis Service Delivery Area - WIOA Cluster:				
WIOA Adult Program	17.258	N/A	67,492	-
WIOA Youth Activities	17.259	N/A	44,128	-
WIOA Dislocated Workers National Reserve Demonstration Grants	17.260	N/A	14,019	-
Total U.S. Department of Labor			125,639	-
U.S. Department of Transportation - passed through New York State:				
Highway Planning and Construction	20.205	N/A	1,496,838	-
Formula Grants for Rural Areas	20.509	C005571	47,599	-
COVID-19 - Formula Grants for Rural Areas	20.509	N/A	106,892	-
Total U.S. Department of Transportation			1,651,329	-
U.S. Department of Education - passed through New York State - Special Education - Grants for Infants and Families	84.181	C31639GG	14,743	-
U.S. Election Commission - passed through New York State - COVID-19 - HAVA Election Security Grants	90.404	N/A	88,975	-

(Continued)

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF LEWIS, NEW YORK  
Schedule of Expenditures of Federal Awards, Continued

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass- through Grantor's Number</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
U.S. Department of Health and Human Services:				
Passed through New York State:				
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	N/A	\$ 3,291	-
Aging Cluster:				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	N/A	37,334	-
COVID-19 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	N/A	6,139	-
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	N/A	46,188	-
COVID-19 - Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	N/A	<u>19,457</u>	<u>-</u>
Total Aging Cluster			<u>109,118</u>	<u>-</u>
CCDF Cluster:				
Child Care and Development Block Grant	93.575	N/A	101,064	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	N/A	<u>34,312</u>	<u>-</u>
Total CCDF Cluster			<u>135,376</u>	<u>-</u>
COVID-19 - Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	N/A	2,204	-
National Family Caregiver Support, Title III, Part D	93.052	N/A	22,161	-
COVID-19 - National Family Caregiver Support, Title III, Part D	93.052	N/A	3,970	-
Immunization Cooperative Agreements	93.268	C028298	9,711	-
Promoting Safe and Stable Families	93.556	N/A	6,663	-
Temporary Assistance for Needy Families	93.558	N/A	865,542	70,993
Child Support Enforcement	93.563	N/A	221,712	-
Low-Income Home Energy Assistance	93.568	N/A	1,721,033	-

(Continued)

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF LEWIS, NEW YORK  
Schedule of Expenditures of Federal Awards, Continued

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass- through Grantor's Number</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
U.S. Department of Health and Human Services, Continued:				
Stephanie Tubbs Jones Child Welfare Service				
Program	93.645	N/A	\$ 18,141	-
Foster Care - Title IV-E	93.658	N/A	165,219	-
Adoption Assistance	93.659	N/A	69,965	-
Social Services Block Grant	93.667	N/A	56,554	-
Children's Health Insurance Program	93.767	N/A	3,658	-
Medical Assistance Program	93.778	N/A	34,735,235	-
Centers for Medicare and Medicaid Services (CMS)				
Research, Demonstrating and Evaluations	93.779	N/A	34,504	-
Maternal and Child Health Services Block Grant to the States				
	93.994	T030288, C30898GG	21,587	-
Total passed through New York State			<u>38,205,644</u>	<u>70,993</u>
Passed through Health Research, Inc.:				
Public Health Emergency Preparedness	93.069	1616-10	39,337	-
Drug Abuse and Addiction Research Programs	93.279	N/A	413,139	-
Total passed through Health Research, Inc.			<u>452,476</u>	<u>-</u>
Total U.S. Department of Health and Human Services			<u>38,658,120</u>	<u>70,993</u>
U.S. Department of Homeland Security - passed through New York State:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)				
	97.036	N/A	46,170	-
Emergency Management Performance Grants	97.042	T839294	14,972	-
Homeland Security Grant Program	97.067	T180122	310,670	-
Total U.S. Department of Homeland Security			<u>371,812</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 42,197,428</u>	<u>70,993</u>

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF LEWIS, NEW YORK  
Notes to Schedule of Expenditures of Federal Awards  
December 31, 2020

(1) Basis of Presentation

(a) Reporting Entity

The accompanying schedule of expenditures of federal awards presents the activity of Federal financial assistance programs administered by County of Lewis, New York (the County), an entity as defined in the basic financial statements, except that it does not include the Federal financial assistance programs, if any, of the Lewis County General Hospital and Residential Health Care Facility.

(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. The County has identified certain pass-through identifying numbers and included them in the schedule of expenditures of federal awards.

(c) Nonmonetary Federal Programs

The County is the recipient of a Federal financial assistance program that does not result in cash receipts or disbursements, termed "nonmonetary programs." During the year ended December 31, 2020, Lewis County distributed \$5,031,167 of food vouchers to eligible persons participating in the State Matching Grants for the Supplemental Nutrition Assistance Program (SNAP) (CFDA Number 10.561) and \$34,276,932 of medical services and goods were received by participants in the Medical Assistance Program (CFDA Number 93.778). However, the SNAP nonmonetary amount is not reflected in the schedule of expenditures of federal awards.

New York State makes payments of benefits directly to vendors, primarily utility companies, on behalf of eligible persons participating in the Low-Income Home Energy Assistance Program (CFDA Number 93.568). Included in the amount presented on the schedule of expenditures of federal awards is \$1,721,033 in direct payments.

(2) Basis of Accounting

The schedule of expenditures of federal awards is presented on the modified accrual basis of accounting and the amounts presented are derived from the County's general ledger. For programs with funding ceilings and caps, Federal expenditures are only recorded and presented in the schedule of expenditures of federal awards up to such amounts.

COUNTY OF LEWIS, NEW YORK

Notes to Schedule of Expenditures of Federal Awards, Continued

(3) Indirect Costs

Indirect costs are included in the reported expenditures to the extent such costs are included in the Federal financial reports used as the source for the data presented. The County does not use the 10% de minimis election.

(4) Matching Costs

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

COUNTY OF LEWIS, NEW YORK  
 Schedule of Findings and Questioned Costs  
 Year ended December 31, 2020

Part I - SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of auditors' report issued on whether the basic financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- 1. Material weakness(es) identified? \_\_\_ Yes   x   No
- 2. Significant deficiency(ies) identified not considered to be material weakness(es)? \_\_\_ Yes   x   None reported
- 3. Noncompliance material to financial statements noted? \_\_\_ Yes   x   No

Federal Awards:

Internal control over major programs:

- 4. Material weakness(es) identified? \_\_\_ Yes   x   No
- 5. Significant deficiency(ies) identified not considered to be material weakness(es)? \_\_\_ Yes   x   None reported

Type of auditors' report issued on compliance for major programs: Unmodified

- 6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) (Uniform Guidance)? \_\_\_ Yes   x   No

7. The County's major programs audited were:

<u>Name of Federal Programs</u>	<u>CFDA Number</u>
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561
Medical Assistance Program	93.778
8. Dollar threshold used to distinguish between Type A and Type B programs.	\$1,265,923
9. Auditee qualified as low-risk auditee?	<u>  x  </u> Yes ___ No

Part II - FINANCIAL STATEMENT FINDINGS SECTION

No reportable findings.

Part III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION

No reportable findings.

COUNTY OF LEWIS, NEW YORK  
Status of Prior Year Audit Findings  
Year ended December 31, 2020

There were no findings reported for the year ended December 31, 2019.