

TOWN OF HEMPSTEAD
NEW YORK STATE DEPARTMENT OF
TRANSPORTATION SINGLE AUDIT REPORT

Year Ended December 31, 2019

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL
CONTROL OVER NEW YORK STATE TRANSPORTATION ASSISTANCE EXPENDED
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

Honorable Supervisor and Town Board
Town of Hempstead
Hempstead, New York

Report on Compliance for Each Major New York State Transportation Assistance Program

We have audited the Town of Hempstead, New York's (the "Town") compliance with the types of compliance requirements described in Title 17 of the New York State Codes, Rules and Regulations ("NYCRR") Part 43 that could have a direct and material effect on each of the Town's major New York State transportation assistance programs for the year ended December 31, 2019. The Town's major New York State transportation assistance programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the New York State Transportation Assistance Expended.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, and the terms and conditions applicable to its New York State transportation assistance programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the Town's major New York State transportation assistance 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 17 of the NYCRR Part 43. Those standards and Title 17 of the NYCRR Part 43 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 the major New York State transportation assistance programs occurred. An audit includes examining, on a test basis, evidence about the Town'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 of the major New York State transportation assistance programs tested. However, our audit does not provide a legal determination on the Town's compliance.

Opinion on Each Major New York State Transportation Assistance Program

In our opinion, the Town 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 New York State transportation assistance programs for the year ended December 31, 2019.

BEYOND THE NUMBERS...

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Report on Internal Control Over Compliance

Management of the Town 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 Town's internal control over compliance with the types of requirements that could have a direct and material effect on each major New York State transportation assistance program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each of the New York State transportation assistance programs and to test and report on internal control over compliance in accordance with Title 17 of the NYCRR Part 43, 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 Town'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 New York State transportation assistance 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 New York State transportation assistance 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 New York State transportation assistance 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.

Report on Schedule of New York State Transportation Assistance Expended Required by Title 17 of the NYCRR Part 43

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 Town of Hempstead, New York, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements. We issued our report thereon dated December 21, 2020, which contained unmodified opinions on the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information and an adverse opinion on the aggregate discretely presented component units. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. We did not audit the financial statements of The Town of Hempstead Local Development Corporation, a blended component unit and the following discretely presented component units: Lakeview Public Library District, Uniondale Public Library District, Cathedral Gardens Water District, Franklin Square Water District, West Hempstead Gardens Water District, Greater Atlantic Beach Water Reclamation District, and the Town of Hempstead Industrial Development Agency, as described in our report on the Town of Hempstead, New York's basic financial statements. Those financial statements were audited by other auditors whose reports thereon have been furnished to us and our opinion, insofar as it relates to the amounts included for those eight component units mentioned above, is based solely on the report of the other auditors. Of the component units listed above, only the financial statements of the Town of Hempstead Local Development Corporation, Greater Atlantic Beach Water Reclamation District and the Town of Hempstead Industrial Development Agency were audited in accordance with *Government Auditing Standards*. The financial statements of Roosevelt Public Library, a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*.

Report on Schedule of New York State Transportation Assistance Expended Required by Title 17 of the NYCRR Part 43 (continued)

The accompanying Schedule of New York State Transportation Assistance Expended is presented for purposes of additional analysis as required by Title 17 of the NYCRR Part 43, and which 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of New York State Transportation Assistance Expended is fairly stated in all material respects in relation to the basic financial statements as a whole.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and the results of that testing based on the requirements of Title 17 of the NYCRR Part 43. Accordingly, this report is not suitable for any other purpose.

Albrecht, Vignone, Buchholz & Company, P.C.

Hauppauge, New York
December 21, 2020

TOWN OF HEMPSTEAD
SCHEDULE OF NEW YORK STATE TRANSPORTATION ASSISTANCE EXPENDED
Year Ended December 31, 2019

<u>Program Title</u>	<u>NYS DOT Contract/ Ref. Number</u>	<u>Expenditures</u>
Consolidated Local Street and Highway Improvement Program - Capital Reimbursement Component	030386	\$ 3,928,319
Extreme Winter Recovery Appropriation	030386	1,223,930
PAVE-NY	030386	<u>1,268,789</u>
Total New York State Transportation Assistance Expended		<u>\$ 6,421,038</u>

See accompanying notes to Schedule of New York State Transportation Assistance Expended.

TOWN OF HEMPSTEAD
NOTES TO SCHEDULE OF NEW YORK STATE TRANSPORTATION ASSISTANCE EXPENDED
Year Ended December 31, 2019

Note A - General

The accompanying Schedule of New York State Transportation Assistance Expended of the Town of Hempstead, New York presents the activity of all financial assistance programs provided by the New York State Department of Transportation.

Note B - Basis of Accounting

The accompanying Schedule of New York State Transportation Assistance Expended is presented using the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 17 of the NYCRR Part 43. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note C - Indirect Costs

There were no indirect costs associated with the reported expenditures.

Note D - Matching Costs

Matching costs, i.e. the Town of Hempstead, New York's share of certain program costs, are not included in the reported expenditures.

Note E - Amounts Paid to Subrecipients

The Town of Hempstead, New York does not have any subrecipients.

TOWN OF HEMPSTEAD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR NEW YORK STATE
TRANSPORTATION ASSISTANCE EXPENDED
Year Ended December 31, 2019

Summary of Audit Results:

Internal control over New York State transportation assistance expended:

- Material weakness(es) identified None
- Significant deficiencies identified that are not considered to be material weakness(es) None

Type of auditors' report on compliance for programs tested: Unmodified

Summary of Audit Findings: None

Identification of New York State Transportation Assistance Program(s) Tested:

- Consolidated Local Street and Highway Improvement Program - Capital Reimbursement Component (CHIPS)
- Extreme Winter Recovery Appropriation
- PAVE-NY

Compliance Findings and Questioned Costs:

No matters were reported

Summary of Prior Year Audit Findings:

None