

CITY OF ALBANY, NEW YORK



NEW YORK STATE SINGLE AUDIT REPORT

December 31, 2017

CITY OF ALBANY, NEW YORK NEW YORK STATE SINGLE AUDIT REPORT

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
STATE TRANSPORTATION ASSISTANCE PROGRAMS AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

Members of the City Council
City of Albany, NY

Compliance

We have audited the City of Albany, New York's compliance with the types of compliance requirements described in the preliminary Draft Part 43 of the New York State Codification of Rules and Regulations (NYSCRR) that could have a direct and material effect on each of its state transportation assistance programs tested for the year ended December 31, 2017. The City of Albany, New York's state transportation assistance programs tested 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 state transportation assistance programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Albany, New York's state transportation assistance programs tested 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 Draft Part 43 of NYSCRR. Those standards and Draft Part 43 of NYSCRR 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 state transportation assistance programs tested occurred. An audit includes examining, on a test basis, evidence about the City of Albany, 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 state transportation assistance program tested. However, our audit does not provide a legal determination of the City of Albany, New York's compliance.

Opinion

In our opinion, City of Albany, New York complied in all material respects with the requirements referred to above that could have a direct and material effect on each of its state transportation assistance programs tested for the year ended December 31, 2017.

Internal Control Over Compliance

Management of the City of Albany, 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 City of Albany, New York's internal control over compliance with the types of requirements that could have a direct and material effect on state transportation assistance programs tested to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each state transportation assistance program tested and to test and report on internal control over 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 City'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 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 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 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 Expenditures of State Transportation Assistance Required by Draft Part 43 of the New York State Codification of Rules and Regulations

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Albany, New York as of December 31, 2017 and for the year then ended, which collectively comprise the City's basic financial statements, and have issued our report thereon dated September 27, 2018, 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 City of Albany, New York's basic financial statements. The accompanying schedule of expenditures of state transportation assistance is presented for purposes of additional analysis as required by Draft Part 43 of NYSCRR, 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 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 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 state transportation assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

Purpose of this Report

This report is intended solely for the information and use of City of Albany, New York's management and the New York State Department of Transportation and is not intended to be and should not be used by anyone other than these specified parties.

 UHY LLP

Albany, New York
September 27, 2018

CITY OF ALBANY, NEW YORK
SCHEDULE OF EXPENDITURES OF STATE TRANSPORTATION ASSISTANCE
For the Year Ended December 31, 2017

| <u>Program Title</u> | <u>Contract #</u> | <u>Expenditures</u> |
|--|-------------------|----------------------------|
| Consolidated Local Street and Highway Improvement Program Capital Reimbursement Component | 112001 | \$ 1,997,004 |
| ITS Transit Signal Priority Project - Washington and Western Avenues | D032556 | 2,902 |
| Pavement Preservation Project | D035077 | 165,436 |
| Madison Ave Road Diet | D034952 | 74 |
| Henry Johnson Boulevard Bridge | D035375 | <u>16,179</u> |
| Total | | <u><u>\$ 2,181,595</u></u> |

See Notes to Schedule of State Transportation Assistance Expended

CITY OF ALBANY, NEW YORK
NOTES TO SCHEDULE OF EXPENDITURES OF STATE
TRANSPORTATION ASSISTANCE
For the Year Ended December 31, 2017

NOTE 1 — GENERAL

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

NOTE 2 — BASIS OF ACCOUNTING

The accompanying Schedule of State Transportation Assistance Expended is presented using the accrual basis of accounting.

NOTE 3 — MATCHING COST

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

CITY OF ALBANY, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR
EXPENDITURES OF STATE TRANSPORTATION ASSISTANCE
For the Year Ended December 31, 2017

Summary of Audit Results:

Internal control over state transportation assistance expended:

- Material weakness identified: No
- Significant deficiencies identified that are not considered to be material weakness: No

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

- Unmodified

Identification of State Transportation Assistance Programs Tested:

- Consolidated Local Street and Highway Improvement Program

CITY OF ALBANY, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR
EXPENDITURES OF STATE TRANSPORTATION ASSISTANCE
For the Year Ended December 31, 2017

New York State Transportation Assistance Findings and Questioned Costs:

No matters were reported.