

TOWN OF BROOKHAVEN
STATE TRANSPORTATION SINGLE AUDIT
REPORT

Year Ended December 31, 2010

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

Honorable Supervisor and Town Council
Town of Brookhaven
Farmingville, New York

Compliance

We have audited the compliance of the Town of Brookhaven, New York, with the types of compliance requirements described in the Draft Part 43 of the New York State Codification of Rules and Regulations (NYCRR) that are applicable to each state transportation assistance program tested for the year ended December 31, 2010. The program tested is identified in the summary of audit results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each program is the responsibility of Town of Brookhaven, New York's management. Our responsibility is to express an opinion on the Town of Brookhaven, New York'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 Draft Part 43 of NYCRR. Those standards and Draft 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 state transportation assistance program tested occurred. An audit includes examining, on a test basis, evidence about the Town of Brookhaven, 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. Our audit does not provide a legal determination of Town of Brookhaven, New York's compliance with those requirements.

In our opinion, the Town of Brookhaven, New York complied, in all material respects, with the requirements referred to above that are applicable to its state transportation assistance program tested for the year ended December 31, 2010.

PERSONAL SERVICE. TRUSTED ADVICE.

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Internal Control Over Compliance

The management of the Town of Brookhaven, New York is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to state transportation assistance programs. In planning and performing our audit, we considered the Town of Brookhaven, New York's internal control over compliance with requirements that could have a direct and material effect on a state transportation assistance 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 Town of Brookhaven, New York'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.

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 deficiencies, 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 State Transportation Assistance Expended

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and aggregate remaining fund information of the Town of Brookhaven, New York as of and for the year ended December 31, 2010, and have issued our report thereon dated June 30, 2011. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the Town of Brookhaven, New York's basic financial statements. The accompanying schedule of state transportation assistance expended is presented for purposes of additional analysis as required by Draft Part 43 of NYCRR, 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 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 management, Town Council, and New York State Department of Transportation. However, this report is a matter of public record and its distribution is not limited.

Albert, Vignio, Zuck & Company P.C.

Hauppauge, New York
June 30, 2011

TOWN OF BROOKHAVEN
SCHEDULE OF STATE TRANSPORTATION ASSISTANCE EXPENDED
Year ended December 31, 2010

<u>Program Title</u>	<u>NYS Contract/Ref. Number</u>	<u>Expenditures</u>
NEW YORK STATE DEPARTMENT OF TRANSPORTATION		
Consolidated Local Streets and Highway Improvement Program Capital Component	070096	\$ 2,924,477
Aviation Project Funding - 2005 Transportation Bond Act Airport Fencing	K007003	309,161
Multimodal Transportation Program		
Reconstruction & Resurfacing, East Patchogue	D026029	198,702
Traffic Signal - Setauket Lower Sheep Pasture Road	D026029	95,062
Streetlights on Route 112, Medford	D027519	251,071
Legislative Initiative Project - Driver Feedback Signs	TM71001	8,363
Total Expenditures of State Transportation Assistance		<u>\$ 3,786,836</u>

TOWN OF BROOKHAVEN
NOTES TO SCHEDULE OF STATE TRANSPORTATION ASSISTANCE EXPENDED
Year ended December 31, 2010

A. General

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

B. Basis of Accounting

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

C. Indirect Costs

There were no indirect costs associated with any of these programs.

D. Matching Costs

There were no matching costs required for any of these programs.

E. Amounts Paid to Subrecipients

The Town does not have any subrecipients.

TOWN OF BROOKHAVEN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR STATE TRANSPORTATION ASSISTANCE EXPENDED
Year ended December 31, 2010

Summary Of Audit Results:

Internal control over state transportation assistance expended:

- | | |
|---|---------------|
| • Material weakness(es) identified: | None |
| • Significant Deficiency(ies) identified that are not considered to be material weakness(es): | None reported |
| • Type of auditors' report on compliance for programs tested: | Unqualified |
| • Summary of Audit Findings: | None |

Identification of State Transportation Assistance Programs Tested:

- Consolidated Local Street and Highway Improvement Program - Capital Reimbursement Component (CHIPS)

Compliance Findings And Questioned Costs:

No matters were reported.

Summary Of Prior Year Audit Findings:

None.