

**LEWISTON-AUBURN TRANSIT COMMITTEE**

**Reports Required by *Government Auditing  
Standards* and OMB Circular A-133**

**For the Year Ended September 30, 2014**

**LEWISTON-AUBURN TRANSIT COMMITTEE**  
**Reports Required by *Government Auditing Standards* and OMB Circular A-133**  
**For the Year Ended September 30, 2014**

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**INDEPENDENT AUDITOR'S 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 Lewiston-Auburn Transit Committee

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 Lewiston-Auburn Transit Committee, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the Lewiston-Auburn Transit Committee's basic financial statements, and have issued our report thereon dated January 14, 2015.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Lewiston-Auburn Transit Committee's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Lewiston-Auburn Transit Committee's internal control. Accordingly, we do not express an opinion on the effectiveness of the Lewiston-Auburn Transit Committee'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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Lewiston-Auburn Transit Committee'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.

**INDEPENDENT AUDITOR'S 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*, CONTINUED**

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Lewiston-Auburn Transit Committee'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*.

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



January 14, 2015  
South Portland, Maine

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the Lewiston-Auburn Transit Committee

**Report on Compliance for Each Major Federal Program**

We have audited the Lewiston-Auburn Transit Committee's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Lewiston-Auburn Transit Committee's major federal programs for the year ended September 30, 2014. The Lewiston-Auburn Transit Committee's major federal programs 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 federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Lewiston-Auburn Transit Committee'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 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 Lewiston-Auburn Transit Committee'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 Lewiston-Auburn Transit Committee's compliance.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133, CONTINUED**

***Opinion on Each Major Federal Program***

In our opinion, the Lewiston-Auburn Transit Committee 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 September 30, 2014.

**Report on Internal Control over Compliance**

Management of the Lewiston-Auburn Transit Committee 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 Lewiston-Auburn Transit Committee'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 OMB Circular A-133, 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 Lewiston-Auburn Transit Committee'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 a 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 the 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 OMB circular A-133. Accordingly, this report is not suitable for any other purpose.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133, CONTINUED**

**Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

We have audited the financial statements of the Lewiston-Auburn Transit Committee as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the basic financial statements. We issued our report thereon dated January 14, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collective comprise the basic financial statements. 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 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.



January 14, 2015  
South Portland, Maine

**LEWISTON-AUBURN TRANSIT COMMITTEE**  
**Schedule of Expenditures of Federal Awards**  
**For the year ended September 30, 2014**

Federal Grantor/Pass-through Grantor/Program Title	Federal				Grant award amount	Revenues		Expenditures	
	CFDA number	Agreement number	CSN #	Grant period		Federal	Other	Federal	Other
U.S. Department of Transportation, passed through Androscoggin Valley Council of Governments:									
Urbanized Formula Grant-Operating/Administrative 50/50	20.507	ME-90-X199	N/A	10/01/12-09/30/14	\$ 452,700	39,709	39,709	39,709	39,709
Urbanized Formula Grant-Fixed Route ADA 80/20	20.507	ME-90-X199	N/A	10/01/12-09/30/14	95,520	35,177	8,794	35,177	8,794
Urbanized Formula Grant-Preventative Maintenance 80/20	20.507	ME-90-X199	N/A	10/01/12-09/30/14	265,120	46,159	11,540	46,159	11,540
Urbanized Formula Grant-Operating/Administrative 50/50	20.507	ME-90-X201	N/A	10/01/13-10/01/15	456,025	393,348	393,348	393,348	393,348
Urbanized Formula Grant-Fixed Route ADA 80/20	20.507	ME-90-X201	N/A	10/01/13-10/01/15	99,520	62,736	15,684	62,736	15,684
Urbanized Formula Grant-Preventative Maintenance 80/20	20.507	ME-90-X201	N/A	10/01/13-10/01/15	273,840	227,681	56,920	227,681	56,920
U.S. Department of Transportation, passed through Maine Department of Transportation:									
Federal Transit Capital Investment Grant	20.500	ME03-0041	32677	01/21/14-01/31/18	243,059	17,985	4,495	17,985	4,495
<b>Total federal financial assistance</b>					<b>\$ 1,885,784</b>	<b>822,795</b>	<b>530,490</b>	<b>822,795</b>	<b>530,490</b>

See accompanying notes to schedule of expenditures of federal awards.



**LEWISTON-AUBURN TRANSIT COMMITTEE**  
**Notes to Schedule of Expenditures of Federal Awards**  
**September 30, 2014**

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**PURPOSE OF THE SCHEDULE**

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Office of Management and Budget (OMB) Circular A-133, requires a Schedule of Expenditures of Federal Awards showing total expenditures for each federal award program as identified in the Catalog of Federal Domestic Assistance (CFDA).

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**SIGNIFICANT ACCOUNTING POLICIES**

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- A. Reporting Entity - The accompanying schedule includes all federal award programs of the Lewiston-Auburn Transit Committee for the fiscal year ended September 30, 2014. The reporting entity is defined in Notes to Financial Statements of Lewiston-Auburn Transit Committee.
- B. Basis of Presentation - The information in the accompanying Schedule of Expenditures of Federal Awards is presented in accordance with OMB Circular A-133.
  - 1. Pursuant to OMB Circular A-133, federal awards are defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance or direct appropriations.
  - 2. Major Programs - OMB Circular A-133 establishes the levels of expenditures or expenses to be used in defining major federal financial award programs. Major programs for the Lewiston-Auburn Transit Committee have been identified in the attached Schedule of Findings and Questioned Costs - Summary of Auditor's Results.
- C. Basis of Accounting - The information presented in the Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting, which is consistent with the reporting in the Lewiston-Auburn Transit Committee's financial statements.

LEWISTON-AUBURN TRANSIT COMMITTEE  
Schedule of Findings and Questioned Costs  
September 30, 2014

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**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued:	unmodified
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Noncompliance material to financial statements noted?	no

**Federal Awards**

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	unmodified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.507	Federal Transit - Formula Grants (Urbanized Area Formula Program)

Dollar threshold used to distinguish between Type A and Type B programs:	\$300,000
Auditee qualified as low-risk auditee?	yes

**LEWISTON-AUBURN TRANSIT COMMITTEE**  
**Schedule of Findings and Questioned Costs, Continued**

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**Section II - Findings Required to be Reported Under *Government Auditing Standards***

**None**

**LEWISTON-AUBURN TRANSIT COMMITTEE**  
**Schedule of Findings and Questioned Costs, Continued**

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**Section III - Findings and Questioned Costs for Federal Awards**

**None**

**LEWISTON-AUBURN TRANSIT COMMITTEE**  
**Schedule of Findings and Questioned Costs, Continued**

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**Section IV – Status of Prior Year Findings and Questioned Costs for Federal Awards**

**None**