MUNIPRO, INC.
(A DISCRETELY PRESENTED COMPONENT UNIT OF THE TOWN OF GREECE, NEW YORK)

Financial Statements
as of December 31, 2012 and 2011
Together with
Independent Auditor's Report

Bonadio & Co., LLP
Certified Public Accountants

MUNIPRO, INC.
(A DISCRETELY PRESENTED COMPONENT UNIT OF THE TOWN OF GREECE, NEW YORK)

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Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

March 5, 2013

To the Board of Directors of
MUNIPRO, Inc.:

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of MUNIPRO, Inc. (the Corporation), a discretely presented component unit of the Town of Greece, New York, as of and for the years ended December 31, 2012 and 2011, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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INDEPENDENT AUDITOR'S REPORT
(Continued)

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Corporation as of December 31, 2012 and 2011, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States.

Required Supplementary Information

Accounting principles generally accepted in the United States require that the management's discussion and analysis on pages 3 – 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2013 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

Bonadio & Co., LLP

THE ORGANIZATION

MUNIPRO, Inc. (the Corporation) was created for the purpose of acquiring land through purchase or donation within the boundaries of the Town of Greece, New York (the Town) in the County of Monroe. The Corporation prepares land acquired for marketability and enters into long-term lease agreements with unrelated entities and remits a portion of net income from such property to the Town. The Corporation is a discretely presented component unit of the Town. Accordingly, the financial statements report only the activities of the Corporation.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Corporation's basic financial statements. The financial statements of the Corporation include management's discussion and analysis (MD&A) (this section), the statements of net position, statements of activities and change in net position, statements of cash flows, and related notes to the financial statements. The statement of net position presents information on all of the Corporation's assets, deferred outflows, liabilities and deferred inflows with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial health of the Corporation is improving or deteriorating. The statement of revenues, expenses and change in net position presents information showing how the Corporation's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods such as rental income receivable and services rendered but not yet paid for. The statement of cash flows provides information about the Corporation's receipts, payments, and net changes in cash resulting from operating, financing, and investing activities. The notes to the financial statements contain information that is essential to the understanding of the financial statements, such as the Corporation's accounting methods and policies.

BASIS OF ACCOUNTING

The financial statements of the Corporation have been prepared in conformity with accounting principles generally accepted in the United States (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments, including public benefit corporations. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of when the related cash transactions take place. All of the Corporation's activities are classified as proprietary activities.

FINANCIAL HIGHLIGHTS

The Statement of Net Position provides perspective of the Corporation as a whole. Assets of the Corporation exceeded liabilities by $4,777,929 at the close of 2012.

STATEMENT OF NET POSITION

	2012	2011	2010
ASSETS:			
Current assets	$ 636,268	$ 715,475	$ 780,787
Capital assets	4,150,000	4,150,000	4,150,000
Total assets	4,786,268	4,865,475	4,930,787
LIABILITIES:			
Current liabilities	8,339	7,191	4,083
Total liabilities	8,339	7,191	4,083
NET POSITION:			
Invested in capital assets	4,150,000	4,150,000	4,150,000
Unrestricted	627,929	708,824	776,704
Total net position	$ 4,777,929	$ 4,858,284	$ 4,926,704

Current Assets
The Corporation's cash and cash equivalents increased approximately $157,000 in 2012 from 2011. This was mainly due to the collection of the notes receivable from Greece Economic Development Projects, Inc. (GEDPRO), another discretely presented component unit of the Town, offset by a negative change in net position in 2012. Cash and cash equivalents decreased approximately $232,000 and notes and interest receivable from related parties increased approximately $156,000 in 2011 from 2010 due to the issuing of $150,000 in demand notes to GEDPRO, coupled with a negative change in net position for the year.

Capital Assets
The largest portion of the Corporation's net position reflects its investment in capital assets (i.e., land). The Corporation uses these capital assets to generate revenue; consequently, these assets are not available for future spending. There were no acquisitions or disposals of capital assets in 2012 or 2011.

FINANCIAL HIGHLIGHTS (Continued)

STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION

	2012	2011	2010
OPERATING REVENUES:			
Charges for services	$ 543,594	$ 543,417	$ 538,015
Total operating revenue	543,594	543,417	538,015
OPERATING EXPENSES:			
Services and supplies	25,107	19,514	11,171
Total operating expenses	25,107	19,514	11,171
Operating income	518,487	523,903	526,844
NON-OPERATING REVENUES:			
Interest income	1,158	7,677	3,246
Total non-operating revenues	1,158	7,677	3,246
CHANGE IN NET POSITION BEFORE TRANSFERS TO THE TOWN OF GREECE, NEW YORK	519,645	531,580	530,090
TRANSFERS TO THE TOWN OF GREECE, NEW YORK	(600,000)	(600,000)	(575,000)
CHANGE IN NET POSITION	(80,355)	(68,420)	(44,910)
NET POSITION - beginning of year	4,858,284	4,926,704	4,971,614
NET POSITION - end of year	$ 4,777,929	$ 4,858,284	$ 4,926,704

Revenues

Operating revenues remained consistent in 2012 with 2011. Operating revenues increased approximately $5,000 in 2011 from 2010 due to an increase in lease income. Non-operating revenues, which represent primarily interest income on the related party notes receivable, decreased approximately $6,500 in 2012 from 2011 and increased approximately $4,000 in 2011 from 2010, due to the issuance of additional notes receivable in 2011 and repayment of the notes in 2012.

Expenses

Total expenses increased approximately $6,000 in 2012 from 2011, due primarily to an increase in legal fees of approximately $5,000, due to the Corporation's attorney writing pro-rated costs and common area maintenance agreements. Total expenses increased approximately $8,000 in 2011 from 2010, due primarily to an increase in legal fees of approximately $4,000 and an increase in repairs and maintenance of $5,000.

Transfers to the Town of Greece, New York

Transfers to the Town, recorded in the statement of revenues, expenses and change in net position, were $600,000 in 2012 and 2011. These transfers were in accordance with the agreement between the Corporation and the Town.

ECONOMIC FACTORS

The Corporation is largely unaffected by other current economic factors, as all of its land is currently being leased, much of it for several years into the future.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Corporation's finances for all interested parties. Questions concerning any of the information provided in this report or requests for additional information should be addressed in writing to MUNIPRO, Inc., c/o Town of Greece, 1 Vince Tofany Blvd., Greece, New York 14612.

MUNIPRO, INC.
(A DISCRETELY PRESENTED COMPONENT UNIT OF THE TOWN OF GREECE, NEW YORK)

STATEMENTS OF NET POSITION
DECEMBER 31, 2012 AND 2011

	2012	2011
ASSETS		
CASH AND CASH EQUIVALENTS	$ 619,505	$ 462,816
ACCOUNTS RECEIVABLE	16,763	20,674
NOTES AND INTEREST RECEIVABLE - RELATED PARTY	-	231,985
CAPITAL ASSETS - LAND	4,150,000	4,150,000
Total assets	4,786,268	4,865,475
LIABILITIES		
ACCOUNTS PAYABLE	4,046	3,178
RENT RECEIVED IN ADVANCE	4,293	4,013
Total liabilities	8,339	7,191
NET POSITION		
INVESTED IN CAPITAL ASSETS	4,150,000	4,150,000
UNRESTRICTED	627,929	708,284
Total net position	$ 4,777,929	$ 4,858,284

The accompanying notes are an integral part of these statements.

MUNIPRO, INC.
(A DISCRETELY PRESENTED COMPONENT UNIT OF THE TOWN OF GREECE, NEW YORK)

STATEMENTS OF ACTIVITIES AND CHANGE IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012	2011
OPERATING REVENUES:		
Charges for services	$ 543,594	$ 543,417
Total operating revenues	543,594	543,417
OPERATING EXPENSES:		
Services and supplies	25,107	19,514
Total operating expenses	25,107	19,514
Operating income	518,487	523,903
NON-OPERATING REVENUES:		
Interest income	1,158	7,677
Total non-operating revenues	1,158	7,677
CHANGE IN NET ASSETS BEFORE TRANSFERS TO THE TOWN OF GREECE, NEW YORK	519,645	531,580
TRANSFERS TO THE TOWN OF GREECE, NEW YORK	(600,000)	(600,000)
CHANGE IN NET POSITION	(80,355)	(68,420)
NET POSITION - beginning of year	4,858,284	4,926,704
NET POSITION - end of year	$ 4,777,929	$ 4,858,284

The accompanying notes are an integral part of these statements.

MUNIPRO, INC.
(A DISCRETELY PRESENTED COMPONENT UNIT OF THE TOWN OF GREECE, NEW YORK)

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012	2011
CASH FLOW FROM OPERATING ACTIVITIES:		
Cash received from customers	$ 547,785	$ 532,435
Cash paid to suppliers	(24,239)	(16,406)
Net cash flow from operating activities	523,546	516,029
CASH FLOW FROM NON-CAPITAL FINANCING ACTIVITIES:		
Payments to Town of Greece, New York	(600,000)	(600,000)
Net cash flow from non-capital financing activities	(600,000)	(600,000)
CASH FLOW FROM INVESTING ACTIVITIES:		
Collection (issuance) of notes receivable, net	231,985	(150,000)
Cash received for interest	1,158	1,524
Net cash flow from investing activities	233,143	(148,476)
NET CHANGE IN CASH AND CASH EQUIVALENTS	156,689	(232,447)
CASH AND CASH EQUIVALENTS - beginning of year	462,816	695,263
CASH AND CASH EQUIVALENTS - end of year	$ 619,505	$ 462,816
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES:		
Operating income	$ 518,487	$ 523,903
Adjustments to reconcile operating income to net cash flow from operating activities:		
Changes in:		
Accounts receivable	3,911	(10,982)
Accounts payable	868	3,108
Rent received in advance	280	-
Net cash flow from operating activities	$ 523,546	$ 516,029

The accompanying notes are an integral part of these statements.

1. ORGANIZATION AND REPORTING ENTITY

Reporting Entity
The financial statements of MUNIPRO, Inc. (the Corporation), are intended to present only that portion of the activities that are attributable to the transactions of the Corporation. The financial statements do not purport to and do not present the financial position of the Town of Greece, New York (the Town) as of December 31, 2012 and 2011, or the changes in its financial position or its cash flows, where applicable, for the years then ended in conformity with accounting principles generally accepted in the United States.

Nature of Operations
The Board of Directors governs the Corporation. The Board of Directors is the body responsible for overall operations.

The Corporation was established by the Town's Board and formed as a not-for-profit corporation, established under section 501(c)(2) of the Internal Revenue Code. The Town Board maintains the authority to appoint the Board of Directors of the Corporation. Since the Town Board has control over the Corporation, it is considered a discretely presented component unit of the Town and, therefore, operating results are included as a separate column in the Town's basic financial statements.

The purpose of the Corporation is to acquire land through purchase or donation. The land is valued at acquisition at cost plus closing costs. The Corporation prepares the land for marketability and enters into long-term lease agreements with unrelated entities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting
The financial statements of the Corporation have been prepared in conformity with accounting principles generally accepted in the United States (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments, including public benefit corporations. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of when the related cash transactions take place. All of the Corporation's activities are classified as proprietary activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation
GASB requires the classification of net position into three classifications defined as follows:

- Invested in capital assets, net of related debt - This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets, if applicable. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

- Restricted net position - This component of net position consists of amounts which have external constraints placed on their use imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. At December 31, 2012 and 2011, the Corporation has no restricted net position.

- Unrestricted net position - This component of net position consists of those amounts that do not meet the definition of "invested in capital assets, net of related debt", or "restricted".

Recent Accounting Pronouncements
In July 2011, GASB issued statement No. 63 *"Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position".* This statement updates and improves existing standards by providing users with information about how past transactions will continue to impact a government's financial statements in the future. The statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities and identifies net position as the residual of all other elements presented. Assets that would fall under this standard include mortgage closing costs. The Corporation adopted the provisions of this statement as of the year ended December 31, 2012, which did not have a material effect on the financial statements.

Cash and Cash Equivalents
The Corporation considers cash and cash equivalents to be cash on hand and demand deposits.

Accounts Receivable
The Corporation provides credit to customers in the normal course of operations, but does not accrue interest on outstanding accounts receivable. Accounts for which no payments have been received for several months are considered delinquent and the account is written-off when customary collection efforts are exhausted. The Corporation has not recorded an allowance for doubtful accounts and does not anticipate future write-offs.

Notes Receivable-Related Party
The Corporation's notes receivable-related party are reported at the outstanding principal balance plus accrued interest. The notes are considered by management to be fully collectable and, accordingly, no allowance for doubtful accounts is considered necessary. In making that determination, management evaluated the borrower's financial condition and current economic conditions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets
Capital assets at year-end consist of land. Capital assets are defined by the Corporation within the capitalization policy as assets with an initial individual cost of more than $1,000 and an estimated useful life in excess of one year. Such assets are recorded at acquisition cost including closing costs. Donated capital assets are recorded at estimated fair market value at the date of donation. Cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Rent Received in Advance
Rent received in advance represents advanced lease payments received and will be recognized as revenue as it is earned.

Revenues
The Corporation's primary revenue source is from long-term lease agreements for land use with unrelated entities.

Income Taxes
The Corporation is a not-for-profit corporation exempt from income taxes as an organization qualified under Section 501(c)(2) of the Internal Revenue Code.

Transfers to Town of Greece
Transfers are made to the Town annually pursuant to the Corporation's Articles of Incorporation. The transfers are expensed when they are made. The Corporation transferred $600,000 to the Town during the years ended December 31, 2012 and 2011, respectively.

Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

3. CASH AND CASH EQUIVALENTS

Demand deposit and money market accounts were entirely covered by FDIC insurance or secured by trust companies located within the state. At December 31, 2012 and 2011, cash and cash equivalents are composed entirely of a demand deposit account and a money market account. All deposits are carried at cost that approximates market value.

The Corporation is incorporated as a not-for-profit and as such is not required to maintain collateral on its accounts, but has elected to do so. At times during the year the cash balances may exceed collateralized balances but the Corporation believes the risk associated with its uninsured balances to be insignificant. As of December 31, 2012 and 2011, the bank balance of the Corporation's cash and cash equivalents was $619,505 and $462,816 and was exposed to custodial credit risk as follows:

	2012	2011
FDIC	$ 252,594	$ 337,548
Uninsured and collateral held by pledging bank	374,250	127,773
Total	$ 626,844	$ 465,321

The Corporation is collateralized at 102 percent of all deposits not covered by the FDIC.

4. NOTES RECEIVABLE – RELATED PARTY

In 2011 the Corporation issued demand notes receivable to Greece Economic Development Projects, Inc. (GEDPRO) another component unit of the Town, in the form of lines-of-credit, to be drawn upon on an as-needed basis, not to exceed $225,000. Interest on these notes is fixed at the prime percentage rate of interest as published in the Wall Street Journal at the date of each borrowing (3.25% on all borrowings). The notes had outstanding balances of $225,000 plus accrued interest of $6,985 at December 31, 2011. Principal and accrued interest were due on demand.

On January 4, 2012, the Corporation received $232,026 from GEDPRO to satisfy the outstanding balance of all principal and accrued interest at December 31, 2011, plus current interest on the notes receivable.

5. LEASING AGREEMENTS

The Corporation has various lease agreements with unrelated parties for the use of its land. The lease agreements vary in terms ranging from 15 to 51 years and expire at various dates through 2049. They also vary in terms of annual payments, which range from $48,000 to $229,000. All of them have escalation clauses and various options to renew.

The following is a schedule of the future minimum lease income under these operating leases as of December 31:

2013	$ 537,986
2014	455,383
2015	447,821
2016	447,821
2017	358,491
Thereafter	6,674,511
	$ 8,922,013

The leases noted above are considered operating leases. Generally accepted accounting principles require operating leases to record rental income over the course of the lease using the straight-line basis; however, due to the significant terms of the underlying leases and the uncertainty of them continuing to termination, management has determined that recording revenue on a straight-line basis would not represent an accurate financial picture. As such, the Corporation recognizes revenue in accordance with the terms of the underlying lease agreements. Management evaluates each lease on an annual basis to determine if any changes should be made to the manner of recognition in the event that changes in the underlying lessees' operations impact the lease terms.

The leases described above serve as collateral for a mortgage payable for vacant land owned by GEDPRO. In May 2011, GEDPRO refinanced the mortgage with its lender. The mortgage requires monthly payments of $3,915 principal plus interest at the one month LIBOR rate plus 350 basis points annually through 2016, at which time the remaining principal balance of $704,695 is due. The amount of outstanding principal on the mortgage was $876,953 and $932,933 at December 31, 2012 and 2011, respectively. The Board of Directors of the Corporation agreed to the terms in the mortgage. The mortgage has not been recorded by the Corporation, but is reported on GEDPRO's financial statements.

Bonadio & Co., LLP
Certified Public Accountants

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*

March 5, 2013

To the Board of Directors of
MUNIPRO, Inc.:

We have audited, in accordance with the auditing standards generally accepted in the United States 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 business-type activities of MUNIPRO, Inc. (the Corporation), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated March 5, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation'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 Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation'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 entity'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.

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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* (Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from 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.

Bonadio & Co., LLP