

**COUNTY OF ONONDAGA, NEW YORK**

**REPORTS REQUIRED BY THE UNIFORM GUIDANCE  
AND *GOVERNMENT AUDITING STANDARDS***

**DECEMBER 31, 2019**

**Bonadio & Co., LLP**  
Certified Public Accountants

# COUNTY OF ONONDAGA, NEW YORK

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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 BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

May 18, 2020

The Honorable J. Ryan McMahon II, County Executive, Honorable Members of the County Legislature and The Honorable Martin D. Masterpole, County Comptroller  
County of Onondaga, New York:

We have audited, in accordance with 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 governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of County of Onondaga, New York (the County), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated May 18, 2020. Our report includes a reference to other auditors who audited the financial statements of Onondaga Civic Development Corporation, Friends of the Rosamond Gifford Zoo, and Onondaga County Industrial Development Agency as described in our report on County of Onondaga, New York's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of Friends of the Rosamond Gifford Zoo were not audited in accordance with *Government Auditing Standards*.

**Internal Control Over Financing Reporting**

In planning and performing our audit of the financial statements, we considered the County'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

(Continued)

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.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's basic 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*

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

September 2, 2020

The Honorable J. Ryan McMahon II, County Executive, The Honorable Members of the County Legislature and the Honorable Martin D. Masterpole, County Comptroller  
County of Onondaga, New York:

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

We have audited the County of Onondaga, New York's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have direct and material effect on each of the County's major federal programs for the year ended December 31, 2019. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of Onondaga Community College, Onondaga County Housing Development Fund Company, Friends of the Rosamond Gifford Zoo, Onondaga County Industrial Development Agency, Onondaga Tobacco Asset Securitization Corporation, Onondaga Civic Development Corporation, Onondaga County Convention Hotel Development Corporation (OCCHDC), Greater Syracuse Soundstage Development Corporation, whose federal awards are not included in the schedule of expenditures of federal awards for the year ended December 31, 2019. Our audit, described below, did not include the federal awards of the above entities as these entities conducted separate audits in accordance with the Uniform Guidance, if required.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the County'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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

(Continued)

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

(Continued)

***Auditor's Responsibility***

(Continued)

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 County's compliance.

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

In our opinion, the County 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 December 31, 2019.

***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2019-001. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

***Report on Internal Control over Compliance***

Management of the County 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 County'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 the Uniform Guidance, 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 County'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.

# **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

## **Report on Internal Control over Compliance**

(Continued)

*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 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 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 and therefore, material weaknesses or significant deficiencies may exist that may not have been identified. We did identify certain a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2019-001, that we consider to be a material weakness.

The County's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and accordingly, we express no opinion on the responses.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## **Report on the Schedule of Expenditures of Federal Awards**

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 County of Onondaga, New York (the County) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated May 18, 2020, 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 basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to May 18, 2020. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance 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.

**COUNTY OF ONONDAGA, NEW YORK**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

<u>Federal Grantor/Program Title or Cluster Title</u>	<u>CFDA #</u>	<u>Pass-Through Grantor ID #</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
<b>U.S. Department of Agriculture:</b>				
Pass-Through NYS Department of Health:				
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	C-030426GG	\$ 2,236,663	
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557		<u>6,047,535</u>	
Total WIC			<u>8,284,198</u>	
Pass-Through New York State (NYS) Department of Family Assistance:				
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561		5,333,377	
Pass-Through NYS Department of Health:				
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561		12,180	
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561	C30356GG	<u>85,589</u>	
Total State Administrative Matching Grants for Supplemental Nutrition Assistance Program			<u>5,431,146</u>	
Total U.S. Department of Agriculture			<u>13,715,344</u>	
<b>U.S. Department of Housing and Urban Development:</b>				
Direct Programs:				
Community Development Block Grants/Entitlement Grants	14.218		<u>2,174,654</u>	
Emergency Solutions Grants Program	14.231		<u>215,864</u>	<u>189,120</u>
Home Investment Partnerships Program	14.239		<u>1,036,321</u>	<u>30,498</u>
Continuum of Care Program	14.267		<u>821,417</u>	
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900		<u>875,097</u>	
Total U.S. Department of Housing and Urban Development			<u>5,123,353</u>	
<b>U.S. Department of Justice:</b>				
Direct Programs:				
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580		<u>20,000</u>	
State Criminal Alien Assistance Program	16.606		<u>21,396</u>	
Edward Byrne Memorial Justice Assistance Grant Program	16.738		<u>5,964</u>	
Equitable Sharing Program	16.922		<u>56,002</u>	
Pass-Through NYS Division of Criminal Justice Services:				
DNA Backlog Reduction Program	16.741	DN-BX-0023	34,858	
DNA Backlog Reduction Program	16.741	DN-BX-0082	<u>139,260</u>	
Total DNA Backlog Reduction Program			<u>174,118</u>	
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742		<u>112,058</u>	
STOP School Violence	16.839		<u>38,857</u>	
Total U.S. Department of Justice			<u>428,395</u>	
<b>U.S. Department of Transportation:</b>				
Pass-Through NYS Department of Transportation:				
Highway Planning and Construction Cluster	20.205		<u>16,651,184</u>	<u>1,319,676</u>
Pass-Through NYS Governor's Traffic Safety Committee:				
State and Community Highway Safety	20.600		<u>129,746</u>	
Pass-Through NYS Office of Emergency Management				
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703		<u>5,172</u>	
Total U.S. Department of Transportation			<u>16,786,102</u>	

**COUNTY OF ONONDAGA, NEW YORK**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

<u>Federal Grantor/Program Title or Cluster Title</u>	<u>CFDA #</u>	<u>Pass-Through Grantor ID #</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
<b>National Endowment for the Humanities</b>				
Promotion of the Arts Grants to Organizations and Individuals	45.024		<u>7,696</u>	
Total National Endowment for the Humanities			<u>7,696</u>	
<b>U.S. Environmental Protection Agency:</b>				
Pass-Through NYS Department of Health:				
State Indoor Radon Grants	66.032	DOH01-T30726GG-345000	<u>8,714</u>	
Total U.S. Environmental Protection Agency			<u>8,714</u>	
<b>U.S. Department of Education:</b>				
Pass-Through Syracuse City School District:				
Special Education Grants to the States	84.027		<u>17,573</u>	
Pass-Through NYS Department of Health:				
Special Education - Grants for Infants and Families	84.181	C31648GG	<u>231,854</u>	
Total U.S. Department of Education			<u>249,427</u>	
<b>U.S. Department of Health and Human Services:</b>				
Direct Programs:				
Comprehensive Community Mental Health Svcs. for Children with Serious Emotional Disturbances	93.104		<u>688,862</u>	
Guardianship Assistance	93.090		<u>21,304</u>	
Substance Abuse and Mental Health Services	93.243		<u>19,890</u>	
Pass-Through National Association of County and City Health Officials:				
Medical Reserve Corps Small Grant Program	93.008	MRC 1220	<u>1,325</u>	
Medical Reserve Corps Small Grant Program	93.008	MRC 13/14/15-0020	<u>747</u>	
Total Medical Reserve Corps Small Grant Program			<u>2,072</u>	
Pass-Through NYS Office for the Aging:				
Aging Cluster:				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044		<u>474,609</u>	<u>345,246</u>
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045		<u>1,115,128</u>	<u>1,115,128</u>
Nutrition Services Incentive Program	93.053		<u>242,349</u>	<u>242,349</u>
Total Aging Cluster			<u>1,832,086</u>	<u>1,702,723</u>
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043		<u>45,504</u>	<u>26,314</u>
National Family Caregiver Support, Title III, Part E	93.052		<u>252,898</u>	<u>252,898</u>
Medicare Enrollment Assistance Program	93.071		<u>17,758</u>	
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations	93.779		<u>18,773</u>	
Total NYS Office for the Aging			<u>2,167,019</u>	
Pass-Through Health Research Inc.				
Hospital Preparedness Program and Public Health Emergency Preparedness Aligned Cooperative Agreement	93.074	1578-10/11	<u>238,448</u>	
Sodium Reduction in Communities	93.082	5442 - 01/02	<u>66,535</u>	
Prescription Drug Overdose Prevention - Building Local Health Department Capacity	93.136	5514-01	<u>42,721</u>	
Total Health Research Inc.			<u>347,704</u>	

**COUNTY OF ONONDAGA, NEW YORK**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

<u>Federal Grantor/Program Title or Cluster Title</u>	<u>CFDA #</u>	<u>Pass-Through Grantor ID #</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
Pass-Through NYS Office of Mental Health: Projects for Assistance in Transition from Homelessness	93.150		<u>407,275</u>	<u>407,275</u>
Total NYS Office of Mental Health			<u>407,275</u>	<u>407,275</u>
Pass-Through NYS Department of Family Assistance: Temporary Assistance for Needy Families	93.558	C028081	38,612,728	
Pass-Through NYS Department of Health: Temporary Assistance for Needy Families	93.558	C028081	<u>1,594</u>	
Total Temporary Assistance for Needy Families			<u>38,614,322</u>	
Pass-Through NYS Department of Family Assistance: Child Support Enforcement	93.563		<u>2,622,824</u>	
Refugee and Entrant Assistance - Voluntary Agency Programs	93.567		<u>1,396,948</u>	
Low-Income Home Energy Assistance	93.568		<u>11,125,427</u>	
Child Care and Development Block Grant	93.575		<u>16,319,393</u>	
Stephanie Tubbs Jones Child Welfare Services Program	93.645		<u>391,067</u>	
Foster Care - Title IV-E	93.658		<u>4,930,365</u>	
Adoption Assistance	93.659		<u>3,701,630</u>	
Social Services Block Grant	93.667		<u>2,896,101</u>	
Chafee Foster Care Independence Program	93.674		<u>365,319</u>	
Total NYS Department of Family Assistance			<u>43,749,074</u>	
Pass-Through NYS Department of Health: Immunization Cooperative Agreements	93.268	C028306	<u>32,000</u>	
Affordable Care Act - Maternal, Infant and Early Childhood Home Visiting Program	93.505		<u>456,363</u>	
Healthy Start Initiative	93.926	H49MC00067	<u>866,855</u>	
HIV Prevention Activities - Non Governmental Organization Based	93.939		<u>94,146</u>	
Preventive Health Services - Sexually Transmitted Disease Control Grants	93.977	C34501GG	57,000	
Preventive Health Services - Sexually Transmitted Disease Control Grants	93.977	C31864GG	<u>303,098</u>	
Total Preventative Health Services - Sexually Transmitted Disease Control Grants			<u>360,098</u>	
Preventive Health and Health Services Block Grant	93.991	C030356	<u>25,893</u>	
Maternal and Child Health Services Block Grant to the States	93.994	C030356GG	10,908	
Maternal and Child Health Services Block Grant to the States	93.994	C030906GG	109,784	
Maternal and Child Health Services Block Grant to the States	93.994	C030254GG	<u>2,059</u>	
Total Maternal and Child Health Services Block Grant to the States			<u>122,751</u>	
Medical Assistance Program	93.778		<u>692,762,363</u>	
Total NYS Department of Health			<u>694,720,469</u>	
Pass-Through NYS Office of Alcohol and Substance Abuse Services: Block Grant for Prevention and Treatment of Substance Abuse	93.959		<u>3,421,544</u>	<u>3,421,544</u>
Total U.S. Department of Health and Human Services			<u>784,159,535</u>	

COUNTY OF ONONDAGA, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2019

<u>Federal Grantor/Program Title or Cluster Title</u>	<u>CFDA #</u>	<u>Pass-Through Grantor ID #</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
<b>U.S. Department of Homeland Security and Emergency Services:</b>				
Pass-Through NYS Division of Homeland Security and Emergency Services:				
Emergency Management Performance Grants	97.042		<u>187,837</u>	
Homeland Security Grant Program	97.067		<u>729,775</u>	
Total U.S. Department of Homeland Security and Emergency Services			<u>917,612</u>	
<b>Total Expenditures of Federal Awards</b>			<u>\$ 821,396,178</u>	

# COUNTY OF ONONDAGA, NEW YORK

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

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### 1. BASIS OF PRESENTATION

#### **Pass-Through Programs**

Where the County of Onondaga, New York (the County) receives funds from a government entity other than the federal government (pass-through), the funds are accumulated based upon the Catalog of Federal Domestic Assistance (CFDA) number when advised by the pass through grantor. Identifying numbers, other than CFDA numbers, which may be assigned by pass-through grantors, are not maintained in the County's financial management system. County management has identified certain pass-through identifying numbers and included them in the schedule of expenditures of federal awards (SEFA).

#### **Non-Monetary Federal Programs**

The County is awarded financial assistance programs that do not result in cash receipts or disbursements, termed "non-monetary programs." During the fiscal year ended December 31, 2019, the County distributed \$6,047,535 of Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) food instruments to eligible persons participating in the WIC Program (CFDA 10.557), \$10,291,274 of energy assistance to eligible persons under the Low-Income Home Energy Assistance Program (CFDA 93.568) and \$677,939,841 of medical goods and services were received by eligible persons participating in the Medical Assistance Program (CFDA 93.778), as listed in the accompanying schedule.

### 2. BASIS OF ACCOUNTING

The SEFA is presented in accordance with accounting principles generally accepted in the United States of America and is derived from the County's general ledger. Federal expenditures are recorded when an allowable cost is incurred under the applicable program and is due and payable. For programs with funding ceilings and caps, federal expenditures are only recorded and presented in the SEFA up to such amounts. Negative amounts shown in the SEFA represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

### 3. INDIRECT COSTS

Indirect costs are included in the reported expenditures to the extent such costs are included in the federal financial reports used as the source for the data presented. The County has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

### 4. MATCHING COSTS

Matching costs (i.e., the County's share of certain program costs) are not included in the schedule of expenditures of federal awards.

# COUNTY OF ONONDAGA, NEW YORK

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2019

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### Part I - Summary of Auditor's Results

#### Financial Statements

Type of auditor's report issued on whether the County's financial statements are prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Significant deficiencies identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> none reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no

#### Federal Awards

Internal control over major programs:

Material weakness(es) identified?	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Significant deficiencies identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> 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 Uniform Guidance, 2 CFR Section 200.516(a)?

yes  no

The dollar threshold for distinguishing between Type A and B programs was \$3,000,000.

The major federal programs of the County for the year ended December 31, 2019 were as follows:

#### U.S. Department of Agriculture

- State Administrative Matching Grants for Supplemental Nutrition Assistance Program (10.561)

#### U.S. Department of Health and Human Services

- Adoption Assistance (93.659)
- Block Grant for Prevention and Treatment of Substance Abuse (93.959)
- Medical Assistance Program (93.778)

- The County was not considered a low-risk auditee for the year ended December 31, 2019.

## **Part II - Findings and Questioned Costs Relating to Financial Statements**

**No current year findings.**

## **Part III - Findings and Questioned Costs Relating to Federal Awards**

**Reference: 2019-001**

**U.S. Department of Health and Human Services**

**Pass-through entities: NYS Department of Family Assistance**

**Adoption Assistance 93.659**

**Onondaga County Department of Social Services**

**Program Year: 2019**

**First Reported as: 11-06 in the fiscal year ending December 31, 2011**

### **Criteria:**

According to the Uniform Guidance in CFR Part 200, Part IV, Eligibility para. (1) (a), adoption assistance subsidy payments may be paid on behalf of a child only if all of the requirements are met. These requirements are to be evaluated on the LDSS-3912 Adoption Assistance Eligibility Checklist.

According to the Uniform Guidance in CFR Part 200, Part IV, Eligibility para. (2) (g), once a child is determined eligible to receive Title IV-E adoption assistance, he or she remains eligible and the subsidy continues until the age of 18 (or 21, if the Title IV-E agency determines that the child has a mental or physical disability which warrants the continuation of assistance).

Internal controls should provide reasonable assurance that the County complies with activities allowed or unallowed and eligibility requirements according to the Uniform Guidance.

### **Cause/Condition:**

The following instances of noncompliance with Uniform Guidance were identified:

- In 2 of 40 cases tested, the level of difficulty was incorrectly entered into the system from the Agreement resulting in questioned costs of \$3,628.
- In 3 of 40 cases tested, the case file was missing an Adoption Subsidy Recertification Form to continue subsidy payments resulting in known questioned costs of \$10,599.
- In 8 of 40 cases tested, subsidy payments were made to non-eligible individuals resulting in questioned costs of \$50,607.

The County's current policies and procedures are not operating effectively to ensure only eligible recipients are receiving payments. Specifically, the following deficiencies in internal control over compliance were identified:

- In 24 of 40 cases tested, the LDSS-3912 Adoption Assistance Eligibility Checklist was not completed properly.
- In 2 of 40 cases tested, case file information in the Ventek System did not agree to the Adoption Subsidy Agreement. This system is used to generate recertification documentation.
- In 3 of 40 cases tested, the Adoption Subsidy Agreement was not properly completed.
- In 4 of 40 cases tested, the case file did not indicate specific sources of medical information reviewed and used in determining eligibility through age 21.
- In 3 of 40 cases tested, the case files did not reflect review and approval of

- the determination for the child to remain Title IV-E eligible until age 21.
- In 9 of 10 cases tested, the OCFS-4401 Adoption Subsidy Eligibility Documentation File Template, implemented for new cases by the County in March 2019, was not completed properly.

**Questioned Costs:**

\$64,834 known questioned costs.

**Effect:**

The County was not in compliance with eligibility requirements in accordance with the Uniform Guidance, resulting in questioned costs.

**Context:**

A sample of 40 cases totaling \$53,380 was selected for audit from a population of greater than 200 totaling \$3,701,630. The test found 13 cases that were not in compliance with questioned costs of \$64,834. Out sample was a statistically valid sample.

**Recommendation:**

We recommend that the County reinforce existing policies and procedures to require caseworkers to cite source documents supporting the child's disability when determining Title IV-E eligibility continuation. All case files should also include medical documentation and review and approval notes by the Adoption Supervisor to support the Title IV-E eligibility determination made by the case worker.

It is also recommended, that the County reinforce existing policies and procedures that require completion and review of the LDSS-3912 Adoption Assistance Eligibility Checklist to ensure proper documentation and eligibility determination. The County should reinforce existing policies and procedures that require a review of the Adoption Subsidy Agreement to ensure all calculations are appropriate and all information contained in the VenTek System matches the case file.

**Management's Response:**

The County agrees that reinforcing existing policies and procedures to require caseworkers to cite source documents supporting a child's disability when determining Title IV-E eligibility continuation is necessary and will continue to do so. The County will also work with the Adoption Supervisor to ensure that review and approval notes are appropriately documented. We have added additional support staff to the Eligibility Unit and these staff members are responsible for the review of IV-E eligibility to ensure proper documentation and eligibility determination.

Policies are in place for careful review of indicators that would result in the discontinuation of IV-E claiming or subsidy payments. We will continue to meet with Financial Operations staff as needed to review and act on retro claiming, discontinuance of IV-E claiming, and to correct over/under payment.