Audit Report for Onondaga County Community Development Division's Federal Community Development Block Grant For the Year Ended 2025

By Onondaga County Comptroller Martin D. Masterpole

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SECTION I
Background and Executive Summary

Background

The Onondaga County Community Development Division (Community Development) is a component of Onondaga County government whose mission, per its website, is "to improve the quality of life for Onondaga County's low- and moderate-income people by preserving and rebuilding neighborhoods, revitalizing and increasing the County's housing stock, upgrading the infrastructure and providing needed community facilities." The department has annually been awarded Community Development Block Grant funding (CDBG) from the United States Department of Housing and Urban Development (HUD). At times awards have been in excess of $3 million dollars in which the department has up to five years to spend down these funds. Community Development has several programs to help accomplish these goals, such as the Safe Housing Assistance Program for the Elderly and the RAMP Program, which offers assistance to install an exterior ramp and /or modifications to kitchen and bathrooms for the disabled. It also contracts with local not-for-profits to assist with making eligible home repairs and modifications and for individuals in need of fair hearings on housing issues. The majority of funding is utilized on capital projects, which can include rehabilitation of privately owned buildings and assistance to local towns/villages for the improvement or construction of public facilities, such as playgrounds and needed modifications for handicapped accessibility. The County is reimbursed via a "drawdown" system in which Community Development submits paperwork to HUD for review and approval.

Executive Summary of Findings and Recommendations

Over the course of the audit, we noted the following issue:

- Drawdowns or seeking reimbursements of County expenditures were not made in a timely manner. This finding was noted on last year's audit as well.

Our high-level recommendations include:

- Community Development's administration should emphasize the importance of seeking reimbursement of County funds.

SECTION II
SCOPE AND METHODOLOGY

Scope and Objectives:
The purpose of this report is to provide Onondaga County's Department of Community Development's management with information and recommendations on the internal controls and operating effectiveness as it pertains to allowable costs associated their use of Community Development Block Grant Federal funds. In order to gain an understanding of their current process we selected voucher payments specifically from CDBG projects during the audit period of January 1, 2025 through December 31, 2025.

Our objectives were to:

- Determine if adequate internal controls were operating effectively to ensure CDBG funds were spent in accordance with program guidelines.
- Determine if reimbursement requests were made after the expenditures were incurred.
- Provide Community Development's management with recommendations related to the oversight of the use of CDBG funds.

Methodology:

In order to achieve our objective we:

- Reviewed the United States Office of Management & Budget's (OMB) 2025 CDBG Compliance Supplement detailed under the Catalog of Federal Domestic Assistance (CFDA) #14.218.
- Reviewed Community Development's CDBG 2025 – 2029 Consolidated Action Plan and its respective programmatic use of funds.
- Reviewed their 2025 Annual Action Plan.
- Obtained an understanding of allowable program costs and associated internal controls.

SECTION III
FINDINGS AND RECOMMENDATIONS

During the course of testing of 40 vouchers processed for 2025, we noted the Program Manager drew down funds as late as April 6, 2026. We also noted, based on the recorded voucher's accounting dates in PeopleSoft (PS) respective of their drawdown date (see illustration below), submissions for reimbursement on average ranged from 20 to 334 days. This indicates the department is not seeking reimbursement in a timely manner. This is consistent with last year's audit.

Untimeliness of Drawdowns

# of Vouchers	Amount	Submission Average # of Days
1	$ 22,969.50	334
1	$ 4,350.00	272
17	349,450.39	153
19	$ 376,769.89	
13	$ 343,533.30	52
8	$ 122,923.95	20
40	$ 843,227.14	

The chart below illustrates the respective months as well as the number of days during the month drawdowns were processed. Based on the random pattern of the drawdowns (including multiple drawdown days in August), it appears that requests can be submitted to HUD at any time during the year. The random pattern of the drawdowns also indicates that the department is not using a schedule-based (e.g. bi-weekly, monthly, quarterly) system for requesting drawdowns.

Frequency of Drawdowns		
Month	**Drawdown Days in Month**	**# of Vouchers**
March - 2025	1	3
May - 2025	1	4
June - 2025	1	2
August - 2025	2	12
September - 2025	1	4
April - 2026	1	15
Total		40

Recommendation

We recommend the Department's administration and the Program Manger implement policies and procedures to process drawdowns in a more regimented and timely manner. It should consider establishing a dollar threshold in seeking reimbursements and at a minimum request drawdowns monthly. This is a repeat finding from last year's audit.

SECTION V
MANAGEMENT RESPONSE

COUNTY OF ONONDAGA
COMMUNITY DEVELOPMENT DIVISION

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J. RYAN MCMAHON II
COUNTY EXECUTIVE

MARTIN SKAHEN
DIRECTOR

Office of the Comptroller
Martin Masterpole

May 4, 2026

In response to your Audit Report for Onondaga County Community Development Division's Federal Community Development Block Grant for the Year Ended 2025, this office recognizes the importance of timely reimbursement requests. OCCD will review and reconcile CDBG expenditures in PeopleSoft on a monthly basis and drawdown funds in a timely manner.

Thank you