Audit of Onondaga County
Adoption Assistance Program 2025

By Onondaga County Comptroller Martin D. Masterpole

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SECTION I
Background and Executive Summary

Background

The New York State Office of Children and Family Services (NYS OCFS) oversees New York State's child welfare system, including the Adoption Subsidy Program (Program). The purpose of the Program is to facilitate the placement of children with special needs in permanent adoptive homes and thus prevent long, inappropriate stays in foster care. The NYS OCFS Adoption Services Bureau oversees the activities of the 58 county social services districts, including the Onondaga County Department of Children and Family Services' Adoption Assistance Unit (OCAAU), administering the Program.

New York State Social Services Law (18 CRR-NY 421.24) provides for adoption subsidy payments to adoptive parents of handicapped or hard-to-place children. These payments assist adoptive parents in the care and support of the adopted children, many of whom have varied and often costly needs. To be eligible for adoption subsidy payments, the adoptive parent(s) must enter into an adoption subsidy agreement (agreement) with a local social services district (District) or a voluntary authorized agency. The agreement contains Program eligibility criteria, medical documentation, and historical information to support the child is handicapped or hard-to-place with needs or circumstances which may be a barrier to placement or adoption without financial assistance.

Monthly subsidy payments vary based on the child's handicap and/or the placement history classification of basic, special, exceptional, or extraordinary needs level. The NYS OCFS sets maximum state aid rates (MSARs) that are periodically updated and these maximum rates were most recently updated on 7/1/25. The OCAAU sets payment rates within these guidelines. The subsidy payments can continue until the child's 21st birthday unless the adoptive parent is no longer legally responsible for the support of the child, or is no longer providing any support to the child. The program also provides for a onetime payment of up to $2,000 per adopted child for non-recurring expenses involved with the adoption process, such as legal fees and medical costs.

If the adoption assistance subsidy is approved by New York State as Title IV-E eligible, the Federal Medical Assistance Program (FMAP) percentage or Federal Financial Participation (FFP) rate is 50 percent. The remaining 50 percent is funded by New York State at 31 percent and the local district share at 19 percent. For Onondaga County, non-IV-E children (in custody of the local commissioner of the social services district) the New York State share of the adoption subsidy is 62 percent and the local district share is 38 percent.

Single Audits in prior years reported findings of non-compliance with federal eligibility requirements in accordance with the Uniform Guidance in respect to Adoption Assistance CFDA 93.659. This audit focused primarily on state and locally funded cases.

The previous audits have found physical files to be disorganized, misplaced or lacking sufficient backup. As of early 2021, the FE Unit began utilizing the Adoption Subsidy Eligibility Documentation File - File Template (OCFS-4401; a strict state physical folder organizational policy) and have been adhering to it. Folder organization has improved due to this policy, resulting in testing becoming more efficient.

Last year's audit found that the physical files lacked paperwork which would support an ongoing handicap at the age of 18 which is necessary for the child to remain in the program. Policies and procedures implemented by the department in 2025 addressed this issue and documentation of ongoing handicaps was improved.

Executive Summary

Over the course of the audit, we found the following:

- Physical files were lacking specific documents.

- Specific documents located in improper physical file.

Our high level recommendations include:

- *Recommendation: We recommend administration institute procedures to assure that each case file contains all required documentation to accurately process each case.*

- *Recommendation: We recommend supervisors pay attention to detail on all cases to ensure everything is filled out properly and each file consistently has the proper information.*

- *Recommendation: We recommend administration review all paperwork to ensure it is complete, consistent and filled out properly and located in the proper file.*

SECTION II
SCOPE AND METHODOLOGY

Scope:

The purpose of our audit was to perform testing procedures on a sample of existing Adoption Subsidy Cases and any new (2025) cases to determine if adoption subsidy payments to adoptive parents were supported and in compliance with governing regulations.

A selection of 40 adoption subsidy cases was chosen for testing from the adoption subsidy composite rolls in BICS and payment reports for the period January 1, 2025 through December 31, 2025.

Our objectives were to:

- Determine if established internal control policies and procedures related to the Onondaga County Department of Children and Family Services' Adoption Assistance Unit are in place and operating effectively.

- Ensure recipients' cases are coded correctly to receive the appropriate amount of aid and lessen the impact on local dollars.

- Review specific areas which came to our attention during the course of the engagement.

- Provide and assist management and those charged with governance and oversight with information and recommendations to improve internal controls and overall efficiency and program performance.

Methodology:

In order to complete our objective we:

- Communicated with management and staff responsible for the administration of the Adoption Assistance program.

- Reviewed directives, policies and procedures of the department pertaining to the Adoption Assistance program to ascertain they are operating effectively to ensure appropriate funding is received.

- Analyzed records and data to ensure recipients were properly coded in the Welfare Management System (WMS) and BICS to ensure correct funding.

- Reviewed adoption assistance recipient records and files.

- Finalized recommendations and included them in this report

SECTION III
FINDINGS AND RECOMMENDATIONS

Abbreviations:

LOD – Level of Difficulty (depends on many factors)

WMS – Welfare Management System

BICS – Benefit Issuance Control System

HTP – Hard to Place – a factor that applies to prove special needs (paid till day before 18th or 21st birthday, depending on child Applicable or Non-applicable status)

H – Handicap – a factor that applies to prove special needs (child paid till day before 21)

NAC – Non-applicable child status (IF child is HTP, child is paid till day before 18th birthday)

A – Applicable child status (IF child is H, child is paid till day before 21st birthday)

Findings:

1. 2 out of 40 cases selected for testing had documentation that was incorrectly in the file which was for a separate child or case.
   - S70782 ER16843C – Birth Certificate in file is for a different child.
   - S76694 FQ30529Q – Multiple documents in case file are for child's brother.

2. 1 out of 40 cases selected for testing had documentation that was either incomplete or missing from the file folder. 2025 questioned costs per WMS payment history for the case totals $29,057.07
   - S70782 ER16843C – Case file does not contain proper citizenship documentation.

***Recommendations*:**

- *Recommendation: We recommend administration institute procedures to assure that each case file contains all required documentation to accurately process each case.*

- *Recommendation: We recommend supervisors pay attention to detail on all cases to ensure everything is filled out properly and each file consistently has the proper information.*

- *Recommendation: We recommend administration review all paperwork to ensure it is complete, consistent and filled out properly.*

SECTION V
MANAGEMENT RESPONSE

County of Onondaga
Department of Children & Family Services
Child Welfare • Mental Health Services • Juvenile Justice • Youth Bureau • School Based Initiatives

J. Ryan McMahon II
County Executive

John H. Mulroy Civic Center
421 Montgomery Street, Syracuse, NY 13202
Phone: 315-435-2884 Fax: 315-435-3814
www.ongov.net

Amy Cunningham
Commissioner

DCFS Management Response
2025 Adoption Single Audit

The Department of Children and Family Services management agrees with the findings and will reinforce existing policies and procedures within the Department to ensure that all documents are properly retained and signed.