



**Audit Report on Onondaga County's
Community Development Division's
Ramp & Accessibility Modification Program**

February 2024

By Onondaga County Comptroller Martin D. Masterpole

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SECTION I

BACKGROUND & EXECUTIVE SUMMARY

Background

The Onondaga County Community Development Division's (Community Development) Ramp & Accessibility Modification Program (RAMP) is a home modification program designed to help make improvements in homes which are occupied by persons with disabilities in order to improve accessibility.

Onondaga County Community Development annually receives three major federal entitlement grants from the Department of Housing and Urban Development (HUD). The grants are the Community Development Block Grant (CDBG), the Emergency Solutions Grant (ESG) and the Home Investment Partnerships Grant (HOME). The main source of funding for RAMP projects comes from the Community Development Block Grant.

The date the CDBG grant is awarded can vary due to political/government actions. For Onondaga County, the grant is generally awarded after September 1st. The 2021 & 2022 CDBG grant award amounts made available were \$2,368,453 and \$2,196,285 respectively. Community Development has a 10 member Steering Committee who oversees the funding for the program. The committee members are appointed by the County Executive and include 6 Elected Officials, 2 Town Supervisors, 2 Village Mayors and 2 County Legislators. The Steering Committee determines how the department's major funding stream from HUD is to be spent and reports these goals both in an Annual Plan as well as in a Five Year Strategic Plan. These plans are submitted to HUD for review and approval.

The Steering Committee approved budgeting \$100,000 for RAMP in 2021 and \$150,000 in 2022. An additional \$50,000 was allocated in 2021 and \$100,000 in 2022 via a New York State competitive grant called Access To Home.

County residents can find out about Community Development programs, including RAMP, via the Department & Agencies section of the County website. The department also holds a public hearing in the Onondaga County Civic Center once a year to discuss the funds it has received for the upcoming Federal program fiscal year, which runs from September 1st through August 31st of the following year. Interested individuals can contact Onondaga County Community Development and depending on program demand, funding availability and workloads, potential clients are sent applications. After submitting an application and required supporting documentation, Community Development staff will review all paperwork provided by the client for appropriateness and completeness. The receptionist for Community Development time stamps the application and does

a general check of the information. Next, the Housing Rehabilitation Specialist reviews the application for eligibility. A final review is performed by the Administrative Officer. If an applicant meets all the requirements, they will be mailed information (letter, fact sheet, brochure, etc.) explaining the program. Letters will also be sent to applicants if documentation is missing or incomplete. These letters will contain a clearly stated deadline for submitting paperwork.

Certain eligibility requirements must be met in order for an applicant to be approved:

- The homeowners must have a documented disability
- The property must be covered by Homeowner’s Insurance
- Property taxes must be current
- The property must be in Onondaga County (outside of the City of Syracuse)
- The homeowner must have an annual gross income below 80% of the current year’s median income levels, per HUD. The 2021-2023 levels are shown below –

<u>Persons in Family</u>	<u>2021 Income Limit</u>	<u>2022 Income Limit</u>	<u>2023 Income Limit</u>
1	\$44,550	\$49,800	\$52,300
2	\$50,900	\$56,900	\$59,750
3	\$57,250	\$64,000	\$67,200
4	\$63,600	\$71,000	\$74,650
5	\$68,700	\$76,800	\$80,650
6	\$73,800	\$82,500	\$86,600
7	\$78,900	\$88,200	\$92,600
8	\$84,000	\$93,900	\$98,550

After an application is approved, the project coordinator assigns a home inspector who determines the scope of work. Qualifying work includes installations of a ramp, alterations to porches and work to steps and doorways in order to improve accessibility. Bathroom and kitchen improvements also fall under RAMP approved repairs in order to facilitate use by the homeowner. Projects can be awarded up to \$15,000 in order to make these modifications. The \$15,000 limit is an internal metric used by Community Development, not a federal or state mandate.

Program funding for projects is available on a first-come, first-served basis with assistance limited to the amount needed for accessibility modifications. Only private residential structures are eligible for assistance, nursing homes and similar facilities are excluded. Households will be assisted only once in a five year period and only after they are unable to secure aid through other programs such as Medicaid.

In addition to the policies of the program, there are strict procedures which need to be adhered to. After eligibility is determined via the application process, work specifications are determined. The

required work is then competitively bid on by contractors chosen from Community Development’s approved listing of contractors. Once the contractor is selected, work is done under Community Development supervision and the contractor is paid upon completion. The homeowner must enter into an agreement via contract with Onondaga County, enforced by a lien on the property, to repay the funds of the project if they do not own or occupy the property for 5 years after completion of the work. Repayment is on a sliding scale as follows –

<u>Occupancy at least</u>	<u>But less than</u>	<u>Obligated to pay</u>
1 day	36 months	100%
36 months	48 months	50%
48 months	60 months	25%

Executive Summary

Over the course of the Ramp & Accessibility Modification Program (RAMP) audit, we found the following:

- Communication between department staff and applicants throughout the application process needs to be more consistent in order to be effective and avoid potential pitfalls.
- Department organization lacks efficiency and effectiveness resulting in items missing from the file folders and eligible applicants not being approved for funding.

In testing 12 out of 21 RAMP applications, which were submitted during the audit period, in general we noted the following:

- Applications were missing the required supporting documentation.
- Several applications lacked the time received stamp and administrative sign-off.
- Control forms were lacking progress notes and final inspection sign offs.
- Applicants were improperly determined as ineligible.
- Applicant’s file folders were missing.
- Misclassification of program type in Community Development’s database.
- Follow-up correspondence needs to be addressed in the department’s procedures.
- There is no physical waitlist utilized for applicants.

Our high level recommendations include the following:

- We recommend managerial oversight be established in order to better facilitate the duties and responsibilities of the employees.
- We recommend providing costing and participation data to the Steering Committee, annually, to assist with budget planning.
- We recommend Community Development staff responsible for reviewing and approving applications become more familiar with their established program eligibility criteria.
- We recommend developing policies and procedures for waitlisted applications.

SECTION II SCOPE AND METHODOLOGY

Scope and Objectives:

The purpose of this report is to provide Community Development’s management with information and recommendations on RAMP’s internal controls and their operating effectiveness. In order to gain an understanding of their current process we analyzed a variety of data during the audit period of September 1, 2021 through August 31, 2023.

Our objectives for the audit were:

- To obtain an understanding of RAMP’s policies and procedures.
- To determine if funds are spent within program guidelines.
- To evaluate and report on compliance with laws, regulations, policies and procedures in regards to RAMP.
- To evaluate and report on the effectiveness and efficiency of internal controls relating to the communication and organization of RAMP throughout its application process.

Methodology:

In order to complete our objectives we:

- Reviewed laws, policies, procedures and regulations to attain an understanding of the Ramp & Accessibility Modification Program.
- Interviewed staff and management responsible for oversight and implementation of the aforementioned laws, policies, procedure and regulations.

- Selected and tested a sample of applications in order to determine the effectiveness and efficiency of the Ramp & Accessibility Modification Program application process.
- Selected and tested a sample of vouchers in order to determine if internal controls are operating effectively and all expenses were appropriately recorded and paid for using the appropriate grant.
- Provided Community Development’s management and staff with recommendations related to our findings.

SECTION III FINDINGS AND RECOMMENDATIONS

During the course of the audit, we noted the following:

1. We noted Community Development only held one Public Hearing and is not fully in compliance with its 2022 Action Plan “Ap-12 Participation – 91.105, 91.200(c) section 1. Summary of citizen participation process/efforts made to broaden citizen participation” which indicates two Public Hearings will be held as stated below:

OCCD holds a Public Hearing after Steering Committee approval and before the County Legislature review and authorization of the Annual Plan. This is advertised in the Post Standard and on the OCCD website. The funding level, the activities that are eligible, and the proposed budget are included in the announcement. Another Public Hearing is also held once the Plan is prepared and before it is submitted to HUD. This is also advertised in the Post Standard and on the County CD website.

We noted the citizen participation reported in the previous two year’s Action Plan read as follows, under the “summary of response/attendance” section it stated “although advertised in the local newspaper and on the County website no one attended the Public Hearings.” We can attest to this, as two County auditors were the only attendees to the most recent public meeting which was held on Wednesday July 27, 2023 at 10:00 a.m. on the abandoned 11th floor conference room of the Civic Center. Having only one Public Hearing at this location has the potential to exclude individuals without the means to access these sources.

We recommend Community Development hold public hearings as required by its Annual Action Plan, possibly holding them on a rotating basis within established CDBG target areas. In addition, advertisements for those meetings should be in places where the people most likely to benefit from these funds might frequent such as community newsletters, bus stations, churches, grocery stores, community gathering spots, local municipalities, etc.

2. We noted Community Development lacks sufficient managerial oversight over the Ramp & Accessibility Modification Program. This has resulted in the duties and responsibilities of their staff becoming compartmentalized. There's no indication this is by design and it is our understanding it has materialized over time. While no one employee needs to know everything in the application process from start to finish, each employee needs to know how their job affects the process as a whole.

We recommend Community Development adjust its managerial oversight over the program in order to better facilitate the duties and responsibilities of each of its employees. Doing so will help build a stronger department where there is a team rather than a group of individuals working together.

3. We noted the internal spreadsheet entitled "IDISBUD" (Integrated Disbursement and Information System Budget) maintained by the Project Coordinator and the Housing Program Coordinator, lacks the needed data to properly track the use and balance of funds. This spreadsheet is also used by Community Development staff to determine if there is funding available when new applications are submitted. Currently, the spreadsheet doesn't utilize chronological order, see below. This makes it difficult to accurately determine if funding is or was available at the time new applications are approved. In addition, without chronological order there is a risk of overspending the grant budget. As was the case with RAMP2021 allocated funds, see below.

IDISBUD spreadsheet from Community Development						
<i>Awarded - Proceeding</i>						
<u>RAMP/CD 2021-734050-021</u>			<u>CPS 6</u>			
<u>Name</u>	<u>HUD ACT No</u>	<u>Budgeted</u>	<u>Spent</u>	<u>Total Budgeted</u>	<u>Budget/</u>	
		103,861.00	103,861.00	0.00	-3,861.00	100,000.00
					100,000	
Cxxxxxx, Mxxxxxxx	5050	11,700	11,700	0	88,300	
Gxxxxx, Mxxx	5104	17,300	17,300	0	71,000	
Hxxxx, Rxxx	5090	6,000	6,000	0	65,000	
Kxxxx, Jxxx	5175	4,540	4,540	0	60,460	
Lxxxxx, Cxxxxxxx	5182	10,301	10,301	0	50,159	
Sxxxxxx, Lxxxx	5137	19,500	19,500	0	30,659	
Sxxxxxxxxx, Axxxxxxxx	5164	13,160	13,160	0	17,499	
Wxxxxxx, Exxx	5080	6,225	6,225	0	11,274	
Mxxxxxx, Sxxxx	5049	15,135	15,135	0	-3,861	

****Notice the spreadsheet is lacking dates to properly track funds for newly approved applicants. As a result, Community Development budgeted \$100,000 for the program in 2021, however \$103,861 was actually spent.**

We recommend Community Development utilize dates when entering approved applicants into the "IDISBUD" spreadsheet (see an example below). This will provide a check against the budgeted balance and ensure availability of funds for new applications.

Modified version of IDISBUD spreadsheet from Community Development

RAMP/CD 2021-734050-021				Allocated Funds	
				\$ 100,000.00	
Name	Date of Approval	HUD ACT No	Project Cost	Available Funding	
Cxxxxxx, Mxxxxxxxxx	July 6, 2021	5050	11,700	\$	88,300
Mxxxxxx, Sxxxx	July 6, 2021	5049	15,135	\$	73,165
Wxxxxxx, Exxx	August 27, 2021	5080	6,225	\$	66,940
Hxxxx, Rxxx	September 16, 2021	5090	6,000	\$	60,940
Gxxxx, Mxxx	September 29, 2021	5104	17,300	\$	43,640
Sxxxxxx, Lxxxx	November 22, 2021	5137	19,500	\$	24,140
Sxxxxxxxxxx, Axxxxxxxx	January 13, 2022	5164	13,160	\$	10,980
Kxxxx, Jxxx	March 10, 2022	5175	4,540	\$	6,440
Lxxxx, Cxxxxxxxx	March 22, 2022	5182	10,301	\$	(3,861)

- 1. This spreadsheet was cleaned up and modified to highlight the pertinent information and to help facilitate Community Development employees in determining an accurate funding balance.**
- 2. Notice a "date of approval" column was added so the spreadsheet could be sorted in chronological order.**
- 3. Note the difference in funding available as a result of using chronological order. This spreadsheet is showing \$6,440 compared to \$11,274 on the original, above.**

4. We noted 3 out of 10 payment request forms had a different project number than the original purchase order (PO) recorded. Voucher # 03317951, 03320052 and 03332614 all had an original PO with project #734050020 CDBG 2020, but were all paid for using project #734050021 CDBG 2021. The Project Coordinator made a note on each of the payment request forms instructing the change, see an example below. When a PO is recorded, those funds are ear marked for that particular project. Therefore, when it comes time to make the payment request adequate funds will be available. Changing the project number gives the appearance Community Development doesn't have an understanding of what its accurate funding balances are.

	#1	#2
Fund	RMP	
Amount	\$ 19,500	
Speedtype	180020	
Account	661570	
Project/Phase	734050021	734050020 CDBG 2020
Grant Name	CDBG 2021	Please pay with CDBG 2021
Misc		

This is a portion of the payment request form which is filled out and sign by the Project Coordinator

→ originally set-up ē

We recommend Community Development create an accurate internal tracking system for fund balances and avoid changing projects on the payment request in order to minimize the potential for issues to arise.

5. We noted Community Development utilizes an internal metric of \$15,000 as a limit for each RAMP project. It is intended to encourage efficiency with the funds allocated to the program annually. It is unclear when the last time this amount was adjusted. Due to the current methods in which Community Development relies on promoting this program, it cannot be determined if there are more individuals in need of assistance and if the internal limit or the current budgeting amounts would be sufficient to meet a potential increase in demand.

We recommend Community Development develop a method of gathering statistical data which should include number of approved applications, average repair costs, approved wait listed applications as well as pending applications to provide costing and participation data to the Steering Committee to assist with the following years budget plan. We also suggest consideration be given to adjusting this internal metric annually in order to keep up with a variety of economic indicators such as inflation and the rising costs of labor. Having this limit increase in cohesion with the annual gross income limit each year would benefit those who it is intended to serve. In order to continue to keep stable the number of people who can take advantage of the program, Community Development may also need to increase its annual budgeted funds to the program.

In testing 12 out of 21 RAMP applications, which were submitted during the audit period, we noted the following:

6. We noted Community Development isn't following its policies and procedures consistently when they manage their program waitlist. The waitlist contains people who have inquired about the program and have been prescreened for eligibility. The majority of the people on the waitlist however, haven't been sent an application by Community Development. The department only sends out applications when they are ready to proceed. According to Community Development, the waitlist is managed on a first-come first-served basis. We noted this procedure doesn't seem to be followed consistently by the department staff and as a result, at least one applicant was jumped in line. See below.
 - a. **Case # TCA-RMP-2022-6-5298** (Applicant 12, see section IV Exhibit A) – An application was submitted on 1/10/23 and the project was started on 4/17/23, however, case #N/A-4 (Applicant 11) submitted an application on 8/8/22 and a letter was sent out the same day notifying them they were ineligible due to a lack of funding. Furthermore, the letter states “your application will be kept in the order it was received, and we will reach out to you when we receive more funding”. There is no documentation in the case file, such as notes or a copy of a letter to support Community Development actually reached out to case #N/A-4 (Applicant 11) when more funding became available. In a conversation with the Housing Rehab Specialist, it was mentioned they were told case # TCA-RMP-2022-6-5298 was to be pushed through. As a result, case #TCA-RMP-2022-6-5298 jumped case #N/A-4 in line.

We recommend Community Development send people who have inquired about the program and have been prescreened for eligibility an application in order to streamline the approval process. We also recommend Community Development adhere to their program policies and procedures and be consistent when managing the waitlist. Furthermore, the case file should contain evidence to support all decision/actions made on an applicant's status.

7. We noted Applicant 12 also had a documented disability letter which was not on an official letterhead and was from a nurse practitioner, instead of a doctor. According to the department's applicant checklist, a letter must be from your doctor stating the nature of your disability.

We recommend Community Development employees be informed of the importance of following established program controls and only accept doctor's notes which are on official letterhead signed by a licensed doctor.

8. We noted 7 out of the 12 applicants did not have a second review signature from the Administrative Officer on the application. This is contrary to the department's established program controls and procedures.

We recommend Community Development adhere to their program policies and procedures and be consistent when reviewing applications.

9. We noted 7 out of 8 approved applications had a control form which wasn't properly utilizing the progress inspections section. Progress inspections are vital to the process since construction jobs have timelines which can vary drastically. Periodic updates, whether it's an inspector writing down a few notes or providing a couple pictures will ensure the project is moving forward, the contractors are being held accountable and the project is still on schedule to finish.

We recommend Community Development utilize the Progress Inspections section of the control form in order to ensure periodic updates are being recorded (signed and dated) to facilitate the documentation of construction progress.

10. We noted two instances where there was an inaccurate determination of ineligibility.

Case #N/A-3 (Applicant 7) - A letter was sent on 3/1/22 notifying them of their ineligibility due to the address being outside of the eligible area for the SHAPE-UP Program. The applicant, however, was applying through RAMP and according to Community Development, Access To Home (ATH) Medicaid funds can be used for applicants who live within the city of Syracuse and qualify for Medicaid. According to Applicant 7's application, they were on Medicaid and lived in the city of Syracuse. Thus, with a verification via a Medicaid I.D. card, Community Development would have been able to use ATH Medicaid 2020 funds for this project. Applicant 9 also lived in the city of Syracuse, was on Medicaid and they applied after applicant 7 (2/18/22 vs. 3/9/22). They were approved for funds and the project was completed. Had Community Development applied and approved the same criteria to applicant 7, their application would not have been wrongfully denied.

Case #N/A-1 (Applicant 4) - A letter was sent on 6/10/22 notifying them they were ineligible due to a lack of funding. The description of "a lack of funding" does not have to do with the applicant's eligibility, rather it deduces Community Development couldn't provide the necessary funding for the proposed project. As previously stated, when determining funding, Community Development uses an internal spreadsheet entitled "IDISBUD". This spreadsheet does not provide dates for any of the project entries, making it difficult to accurately determine the remaining amount of funds per grant when new applications are received.

We recommend Community Development staff responsible for reviewing and approving applications become more familiar with their established program eligibility criteria.

We also recommend Community Development develop and maintain an actual wait list where future applicants, with similar lack of funding situations, are classified as "waitlisted due to funding". These applications should then move to the top of the waitlist for the next program's year for reevaluation of eligibility.

11. We were unable to determine the ineligibility of two application as their files could not be provided. Per New York State’s Education Department Records Retention and Disposition Schedule C0-2 under Community Development / Urban Renewal section 3.[1004] it states “Denied or withdrawn applications for participation in any community development program the retention period is 3 years”.

We recommend Community Development devise an organizational system to ensure all applications denied or withdrawn are maintained for a period of 3 years as stated in the Records Retention and Disposition Schedule.

12. We noted on voucher #03362359 there was a lack of documentation in the case file to support a partial payment to a contractor before the project was complete and a final inspection was issued on a contract of less than \$20,000. Per established program payment procedures:
 - a. Partial payments are only available when the rehabilitation work cannot be completed due to circumstances beyond the contractor’s control.
 - b. Partial payments are only available when contracts exceed \$20,000. In this instance the contractor must also demonstrate the ability to complete the rehab work within the requirements of the contract. Furthermore, in the Notice to Proceed contract, section 6 states “...the applicant agrees to immediately pay the contractor... pursuant to the Escrow Account (if applicable) arrangement with the program his/her portion of the compensation upon the final inspection and approval of the work by the program.”

We recommend Community Development adhere to their established procedures and in the event a partial payment is needed the reasons should be properly documented and signed off by the department’s Director.

13. We noted 1 out of 12 applications tested had a Notice to Proceed contract which wasn’t signed completely by the contractor or the inspector. Failure to have signatures from all parties involved makes the clauses of the contract difficult to enforce.

We recommend Community Development implement management review procedures to ensure all contracts and Notice to Proceed awards are properly signed off on by all parties prior to moving forward with the project. This should place the County in better legal standings should issues arise during the course of construction.

**SECTION IV
EXHIBITS**

Exhibit A:

<u>Applicant #</u>	<u>Case #</u>
1	VFV-RMP-2020-12-5164
2	TSA-RMP-2020-12-5163
3	TSA-RMP-2020-12-5160
4	N/A-1
5	TCA-RMP-2021-6-5224
6	N/A-2
7	N/A-3
8	VTU-RMP-2021-6-5181
9	SYR-RMP-2022-80-151
10	TEL-RMP-2021-6-5221
11	N/A-4
12	TCA-RMP-2022-6-5298

****N/A denotes an applicant who didn't have a case number because their application was denied***



J. Ryan McMahon II
County Executive

Martin Skahen
Director

February 27, 2024

Mr. Martin D. Masterpole
Onondaga County Comptroller
421 Montgomery Street, 14th Floor
Syracuse, NY 13202

Re: Response to Audit Report on Onondaga County's Community Development Division's Ramp and Accessibility Modification Program

Dear Mr. Masterpole,

This letter is in response to the findings and recommendations in the above referenced report.

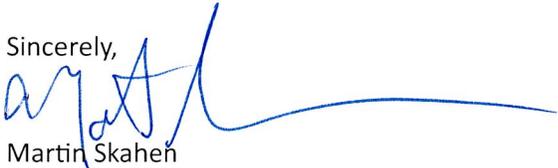
1. CD routinely involves community partners and municipalities when planning annual activities. CD has historically relied on them to be the eyes and ears within their respective communities and to bring that information to us. CD will review current hearing procedures and seek ways to further involve the public in more meaningful and inclusive ways.
2. We strongly dispute the idea of a lack of managerial oversight. The Project Coordinator and his team of core rehab staff have been in place over 10 years and work together daily to ensure program success. While each staff member has their unique duties and responsibilities, each member has a key understanding of the process and where they fit in.
3. The internal IDISBUD spreadsheet is one of several ways we track the use and balance of funds. Its primary purpose is for the encumbrance of funds for units. The Federal Integrated Disbursement and Information System (IDIS) and County's Peoplesoft are the other ways we track funds, primarily on the expense side. We use this information, along with information from our unit database, to track the use and balance of funds. While we often over-allocate units to budgets in IDISBUD to fully expend a specific budget year, we will never overspend since the Federal IDIS and County PeopleSoft systems will not allow that to occur.
4. As discussed in response 3, CD utilizes several methods for tracking the use and balance of funds. Often, construction projects have change orders or are delayed which can necessitate a change in funding as described in the finding. We argue that these changes show that we do have a keen understanding of our budget balances.
5. \$15,000 is an internal metric used to pre-encumber funds to projects as well as for program promotion. It is not a limit. If the need exists, CD has and will continue to expend funds over the \$15,000 metric. A low income handicapped individual typically has both entry and bathroom modification needs. To address both needs sometimes exceeds the metric. While Federal funding has remained static the past few years, CD will review the recommendations provided for possible implementation.

6. The issue noted was during a transition period when CD was going from mailing applications to placing individuals onto a waiting list. At the time, CD had many applications on hand and was processing them for eligibility but then placing them in a managed holding pattern. CD will review with staff regarding justifying the need to expedite cases.
7. CD has amended the general wording of "doctor" from historical policy to a more timely "licensed medical professional" to align with the current practices of individuals more routinely being seen by Physician Assistants, Nurse Practitioners, or other such medical professionals.
8. CD had implemented a secondary review of all Lead Hazard Reduction program applications to comply with their guidelines. CD eventually implemented this process for all applications. CD will follow-up with staff regarding the secondary review process.
9. CD is in the process of revamping its control form and progress inspection paperwork in order to make it easier and more convenient for Housing Rehabilitation Inspectors to note project activities and progress.
10. CD will discuss with staff that funding is not an eligibility criterion and that future applicants will be wait-listed in a similar situation.
11. CD recently moved and it is presumed those files were lost. It is CD's usual process to keep applications for the required duration.
12. CD will implement a new policy and process for approving partial payments. 12b refers to the section of the contract that references the owner contribution; "Escrow Account". This section is rarely used anymore as we no longer require an owner contribution.
13. CD will review with staff the importance of reviewing contracts upon their return to ensure that all signature lines are complete.

Please let me know if you have any questions or would like more information.

Thank you.

Sincerely,



Martin Skaheh
Director

Cc: Mary Beth Primo, Deputy County Executive
Peter Headd, Deputy Comptroller/Auditing
Julius Perrotta, Auditor III
Tim Tschernjawski, Auditor I