

COUNTY OF ONONDAGA, NEW YORK

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

DECEMBER 31, 2017

Bonadio & Co., LLP
Certified Public Accountants

COUNTY OF ONONDAGA, NEW YORK

TABLE OF CONTENTS

	<u>Page</u>
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	1-3
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - FOR THE YEAR ENDED DECEMBER 31, 2017	4-9
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	10
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - FOR THE YEAR ENDED DECEMBER 31, 2017	11-20
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 <i>GOVERNMENT AUDITING STANDARDS</i>	21-22

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 5, 2018

The Honorable County Executive, Joanne M. Mahoney, Honorable Members of the County Legislature and Honorable County Comptroller Robert E. Antonacci
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, 2017. 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 Civic Development Corporation (OCDC), Onondaga County Convention Center/War Memorial Complex Management Corporation, Onondaga County Housing Development Fund Company, Onondaga County Industrial Development Agency, Friends of the Rosamond Gifford Zoo and the Onondaga Tobacco Asset Securitization Corporation whose federal awards are not included in the schedule of expenditures of federal awards for the year ended December 31, 2017. Our audit, described below, did not include the federal awards of the above entities as these entities conducted separate audits in accordance with OMB 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, 2017.

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 2017-001. 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.

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 were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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.

(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

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2017-001 to be a material weakness.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2017-002, 2017-003 and 2017-004 to be significant deficiencies.

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, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated August 7, 2018, 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 August 7, 2018. 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
Schedule of Expenditures of Federal Awards By Grant
For the Year Ended December 31, 2017

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures (\$)</i>	<i>Expenditures to Subrecipients</i>
<i>Aging Cluster-Cluster</i>				
Department of Health and Human Services Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers	93.044	NYS Office for the Aging	\$ <u>528,016</u>	\$ 449,160
Total Special Programs for the Aging Title III, Part B_Grants for Supportive Services and Senior Centers			528,016	
Special Programs for the Aging Title III, Part C Nutrition Services Special Programs for the Aging Title III, Part C Nutrition Services	93.045	NYS Office for the Aging	<u>716,479</u>	716,479
Total Special Programs for the Aging Title III, Part C_Nutrition Services			716,479	
Nutrition Services Incentive Program Nutrition Services Incentive Program	93.053	NYS Office for the Aging	<u>289,391</u>	289,391
Total Nutrition Services Incentive Program			<u>289,391</u>	
<i>Total Aging Cluster-Cluster</i>			<u>1,533,886</u>	
<i>Other Programs</i>				
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580		<u>15,000</u>	
Total Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program			15,000	
Department of Homeland Security Emergency Management Performance Grants		NYS Division of Homeland Security and Emergency Services		
Emergency Management Performance Grants	97.042		<u>150,510</u>	
Total Emergency Management Performance Grants			150,510	
Homeland Security Grant Program		NYS Division of Homeland Security and Emergency Services		
Homeland Security Grant Program	97.067		<u>224,004</u>	
Total Homeland Security Grant Program			<u>224,004</u>	
<i>Total Department of Homeland Security</i>			<u>374,514</u>	
United States Department of Justice				
Edward Byrne Memorial Justice Assistance Grant Program Edward Byrne Memorial Justice Assistance Grant Program	16.738		<u>72,990</u>	72,990
Total Edward Byrne Memorial Justice Assistance Grant Program			72,990	
DNA Backlog Reduction Program		NYS Division of Criminal Justice Services, DN-BX-0006		
DNA Backlog Reduction Program	16.741		79,089	
DNA Backlog Reduction Program	16.741	NYS Division of Criminal Justice Services, DN-BX-00035	<u>112,768</u>	
Total DNA Backlog Reduction Program			191,857	
Paul Coverdell Forensic Sciences Improvement Grant Program Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	NYS Division of Criminal Justice Services	<u>48,100</u>	
Total Paul Coverdell Forensic Sciences Improvement Grant Program			48,100	
<i>Total United States Department of Justice</i>			<u>312,947</u>	

Continued

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures (\$)</i>	<i>Expenditures to Subrecipients</i>
Department of Labor				
Senior Community Service Employment Program				
Senior Community Service Employment Program	17.235	NYS Office for the Aging	99,492	
Total Senior Community Service Employment Program			<u>99,492</u>	
<i>Total Department of Labor</i>			<u>99,492</u>	
Department of Transportation				
Highway Planning and Construction				
Highway Planning and Construction	20.205	NYS Department of Transportation	3,040,708	260,313
Total Highway Planning and Construction			<u>3,040,708</u>	
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research				
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	NYS Department of Transportation	1,083,989	1,083,989
Total Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research			<u>1,083,989</u>	
State and Community Highway Safety				
State and Community Highway Safety	20.600	NYS Governors Traffic Safety Committee	56,204	
Total State and Community Highway Safety			<u>56,204</u>	
Interagency Hazardous Materials Public Sector Training and Planning Grants				
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	NYS Office of Emergency Management	22,096	
Total Interagency Hazardous Materials Public Sector Training and Planning Grants			<u>22,096</u>	
<i>Total Department of Transportation</i>			<u>4,202,997</u>	
Department of Education				
Special Education Grants to States				
Special Education Grants to States	84.027	Syracuse City School District	8,005	
Total Special Education Grants to States			<u>8,005</u>	
Special Education-Grants for Infants and Families				
Special Education-Grants for Infants and Families	84.181	NYS Department of Health,C31648GG	185,340	
Special Education-Grants for Infants and Families	84.181	NYS Department of Health	49,158	
Total Special Education-Grants for Infants and Families			<u>234,498</u>	
<i>Total Department of Education</i>			<u>242,503</u>	
United States Environmental Protection Agency				
State Indoor Radon Grants				
State Indoor Radon Grants	66.032	NYS Department of Health,DOH01-T30726GG-345000	9,984	
Total State Indoor Radon Grants			<u>9,984</u>	
<i>Total United States Environmental Protection Agency</i>			<u>9,984</u>	
Department of Health and Human Services				
Medical Reserve Corps Small Grant Program				
Medical Reserve Corps Small Grant Program	93.008	National Association of County and City Health Officials,MRC 13/14-0020	26,730	
Medical Reserve Corps Small Grant Program	93.008	National Association of County and City Health Officials,MRC	310	
Medical Reserve Corps Small Grant Program	93.008	National Association of County and City Health Officials,MRC 1120	1,386	
Medical Reserve Corps Small Grant Program	93.008	National Association of County and City Health Officials,MRC 1220	901	
Total Medical Reserve Corps Small Grant Program			<u>29,327</u>	

Continued

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures (\$)</i>	<i>Expenditures to Subrecipients</i>
Special Programs for the Aging Title III, Part D_Disease Prevention and Health Promotion Services				
Special Programs for the Aging Title III, Part D_Disease Prevention and Health Promotion Services	93.043	NYS Office for the Aging	<u>22,206</u>	22,206
Total Special Programs for the Aging Title III, Part D_Disease Prevention and Health Promotion Services			22,206	
National Family Caregiver Support, Title III, Part E				
National Family Caregiver Support, Title III, Part E	93.052	NYS Office for the Aging	<u>134,951</u>	134,951
Total National Family Caregiver Support, Title III, Part E			134,951	
Public Health Emergency Preparedness				
Public Health Emergency Preparedness	93.069	Health Research Inc.,1578-10/11	<u>124,715</u>	
Total Public Health Emergency Preparedness			124,715	
Medicare Enrollment Assistance Program				
Medicare Enrollment Assistance Program	93.071	NYS Office for the Aging	<u>15,071</u>	
Total Medicare Enrollment Assistance Program			15,071	
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	Health Research Inc.,1578-10/11	<u>76,663</u>	
Total Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements			76,663	
Sodium Reduction in Communities				
Sodium Reduction in Communities	93.082	Health Research Inc.,5442-01/02	<u>71,082</u>	
Total Sodium Reduction in Communities			71,082	
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)				
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	93.104		<u>1,496,110</u>	
Total Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)			1,496,110	
Injury Prevention and Control Research and State and Community Based Programs				
Injury Prevention and Control Research and State and Community Based Programs	93.136	Health Research Inc.,5514-01	<u>41,518</u>	
Total Injury Prevention and Control Research and State and Community Based Programs			41,518	
Projects for Assistance in Transition from Homelessness (PATH)				
Projects for Assistance in Transition from Homelessness (PATH)	93.150	NYS Office of Mental Health	<u>439,297</u>	439,297
Total Projects for Assistance in Transition from Homelessness (PATH)			439,297	
Immunization Cooperative Agreements				
Immunization Cooperative Agreements	93.268	NYS Department of Health,C028306	<u>54,598</u>	
Total Immunization Cooperative Agreements			54,598	
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program				
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	NYS Department of Health	<u>403,489</u>	
Total Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program			403,489	

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures (\$)</i>	<i>Expenditures to Subrecipients</i>
Temporary Assistance for Needy Families				
Temporary Assistance for Needy Families	93.558	NYS Department of Health,C028081	329,117	
Temporary Assistance for Needy Families	93.558	NYS Department of Family Assistance	39,820,039	
Total Temporary Assistance for Needy Families			<u>40,149,156</u>	
Child Support Enforcement				
Child Support Enforcement	93.563	NYS Department of Family Assistance	2,289,413	
Total Child Support Enforcement			<u>2,289,413</u>	
Refugee and Entrant Assistance Voluntary Agency Programs				
Refugee and Entrant Assistance Voluntary Agency Programs	93.567	NYS Department of Family Assistance	1,643,761	
Total Refugee and Entrant Assistance Voluntary Agency Programs			<u>1,643,761</u>	
Low-Income Home Energy Assistance				
Low-Income Home Energy Assistance	93.568	NYS Department of Family Assistance	10,440,255	
Total Low-Income Home Energy Assistance			<u>10,440,255</u>	
Child Care and Development Block Grant				
Child Care and Development Block Grant	93.575	NYS Department of Family Assistance	15,492,884	
Total Child Care and Development Block Grant			<u>15,492,884</u>	
Stephanie Tubbs Jones Child Welfare Services Program				
Stephanie Tubbs Jones Child Welfare Services Program	93.645	NYS Department of Family Assistance	513,196	
Total Stephanie Tubbs Jones Child Welfare Services Program			<u>513,196</u>	
Foster Care Title IV-E				
Foster Care Title IV-E	93.658	NYS Department of Family Assistance	5,841,008	
Total Foster Care Title IV-E			<u>5,841,008</u>	
Adoption Assistance				
Adoption Assistance	93.659	NYS Department of Family Assistance	3,521,014	
Total Adoption Assistance			<u>3,521,014</u>	
Social Services Block Grant				
Social Services Block Grant	93.667	NYS Department of Family Assistance	3,043,730	
Total Social Services Block Grant			<u>3,043,730</u>	
Chafee Foster Care Independence Program				
Chafee Foster Care Independence Program	93.674	NYS Department of Family Assistance	285,761	
Total Chafee Foster Care Independence Program			<u>285,761</u>	
Medical Assistance Program				
Medical Assistance Program	93.778	NYS Department of Health	593,170,798	188,816
Medical Assistance Program	93.778	NYS Office of Mental Health	298,676	
Total Medical Assistance Program			<u>593,469,474</u>	
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations				
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	NYS Office for the Aging	11,265	
Total Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations			<u>11,265</u>	

Continued

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures (\$)</i>	<i>Expenditures to Subrecipients</i>
Healthy Start Initiative				
Healthy Start Initiative	93.926	H49MC00067	1,074,742	
Total Healthy Start Initiative			<u>1,074,742</u>	
HIV Prevention Activities Non-Governmental Organization Based				
HIV Prevention Activities Non-Governmental Organization Based	93.939	Centers for Disease Control Prevention	43,651	
Total HIV Prevention Activities Non-Governmental Organization Based			<u>43,651</u>	
Block Grants for Prevention and Treatment of Substance Abuse				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	NYS Office of Alcohol and Substance Abuse Services	2,247,390	2,247,390
Total Block Grants for Prevention and Treatment of Substance Abuse			<u>2,247,390</u>	
Preventive Health Services Sexually Transmitted Diseases Control Grants				
Preventive Health Services Sexually Transmitted Diseases Control Grants	93.977	NYS Department of Health	2,346	
Preventive Health Services Sexually Transmitted Diseases Control Grants	93.977	NYS Department of Health,C31864GG	208,930	
Preventive Health Services Sexually Transmitted Diseases Control Grants	93.977	NYS Department of Health,C31904GG	57,000	
Total Preventive Health Services Sexually Transmitted Diseases Control Grants			<u>268,276</u>	
Preventive Health and Health Services Block Grant				
Preventive Health and Health Services Block Grant	93.991	NYS Department of Health,C030356	7,669	
Total Preventive Health and Health Services Block Grant			<u>7,669</u>	
Maternal and Child Health Services Block Grant to the States				
Maternal and Child Health Services Block Grant to the States	93.994	NYS Department of Health,C030356GG	18,442	
Maternal and Child Health Services Block Grant to the States	93.994	NYS Department of Health,C30906GG	102,570	
Total Maternal and Child Health Services Block Grant to the States			<u>121,012</u>	
<i>Total Department of Health and Human Services</i>			<u>683,372,684</u>	
Department of Housing and Urban Development				
Community Development Block Grants/Entitlement Grants				
Community Development Block Grants/Entitlement Grants	14.218		2,491,755	
Total Community Development Block Grants/Entitlement Grants			<u>2,491,755</u>	
Emergency Solutions Grant Program				
Emergency Solutions Grant Program	14.231		156,178	
Total Emergency Solutions Grant Program			<u>156,178</u>	
Home Investment Partnerships Program				
Home Investment Partnerships Program	14.239		299,452	
Total Home Investment Partnerships Program			<u>299,452</u>	
Continuum of Care Program				
Continuum of Care Program	14.267		40,607	
Total Continuum of Care Program			<u>40,607</u>	

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures (\$)</i>	<i>Expenditures to Subrecipients</i>
Lead-Based Paint Hazard Control in Privately-Owned Housing				
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900		1,483,294	
Total Lead-Based Paint Hazard Control in Privately-Owned Housing			1,483,294	
<i>Total Department of Housing and Urban Development</i>			4,471,286	
United States Department of Agriculture				
National School Lunch Program				
National School Lunch Program	10.555	New York State Education Department	19	
Total National School Lunch Program			19	
Special Supplemental Nutrition Program for Women, Infants, and Children				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	NYS Department of Health,C-030426GG	1,915,167	
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	NYS Department of Health	6,438,550	
Total Special Supplemental Nutrition Program for Women, Infants, and Children			8,353,717	
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	NYS Department of Health	662	
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	NYS Department of Health,C30356GG	56,290	
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	NYS Department of Family Assistance	5,461,266	
Total State Administrative Matching Grants for the Supplemental Nutrition Assistance Program			5,518,218	
<i>Total United States Department of Agriculture</i>			18,343,221	
Help America Vote Act Requirements Payments				
Help America Vote Act Requirements Payments	90.401	C003233	33,275	
Total Help America Vote Act Requirements Payments			33,275	
Total Other Programs			707,006,636	
Total Expenditures of Federal Awards			\$ 708,540,522	\$ 5,904,982

The accompanying notes are an integral part of this schedule

COUNTY OF ONONDAGA, NEW YORK

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2017

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, 2017, the County distributed \$6,438,550 of Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) food instruments to eligible persons participating in the WIC Program (CFDA 10.557), \$9,952,601 of energy assistance to eligible persons under the Low-Income Home Energy Assistance Program (CFDA 93.568) and \$583,755,326 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, 2017

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 checked="" type="checkbox"/> yes	<input 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? 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, 2017 were as follows:

U.S. Department of Agriculture

- Special Supplemental Nutrition Program for Woman, Infants, and Children (WIC) (10.557)

U.S. Department of Health and Human Services

- Temporary Assistance for Needy Families (93.558)
- Child Care and Development Block Grant (93.575)
- Foster Care – Title IV-E (93.658)
- Adoption Assistance (93.659)
- Social Services Block Grant (93.667)
- Medical Assistance Program (93.778)

U.S. Department of Transportation

- Highway Planning and Construction (20.205)

- The County was not considered a low-risk auditee for the year ended December 31, 2017.

Part II - Findings and Questioned Costs Relating to Federal Awards

Reference: 2017-001

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: 2017

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, Activities Allowed or Unallowed para. (A)(1), funds may be expended for adoption assistance subsidy payments made on behalf of eligible children, in accordance with a written and binding adoption assistance agreement.

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 activities allowed or unallowed requirements were identified:

- In 4 of 40 cases tested, the level of difficulty was incorrectly calculated in the Adoption Subsidy Agreement or incorrectly entered into the system from the Agreement.

The following instances of noncompliance with eligibility requirements related to Title IV-E funding were identified:

- In 12 of 40 cases tested, the case file was missing proper medical information when the child turned 18 years old or the subsidy was not appropriately ended resulting in known questioned costs of \$57,780.

Questioned Costs:

\$57,780 known questioned costs.

Effect:

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

Part II - Findings and Questioned Costs Relating to Federal Awards (Continued)

Recommendation:

We recommend that the County reinforce existing policies and procedures that require a review of eligibility determination to ensure claims for Title IV-E funding are done for all eligible cases and claims are properly discontinued when a case is no longer eligible. We also recommend that the County reinforce existing policies and procedures that require a review of the Adoption Subsidy Agreement to ensure all calculations are appropriate.

Management's Response:

The Department of Children and Family Services in response to the findings in the audit will, or have already begun the following corrective actions steps:

Transfer of subsidy work to the eligibility unit and changing Adoptions Unit Supervisor: The adoption subsidy work was transitioned in 2017 to the Eligibility Unit and an additional Income Maintenance Worker was added to the team to assist in following these regulations. Additionally, the Department has also changed the Supervisor of the Adoptions Unit in early 2018 to ensure that the proper protocols are followed. The Agency held multiple meetings in late 2017 and early 2018 with the Unit to ensure protocols are followed and to define roles and responsibilities between the programmatic and eligibility staff.

Adoptions Training with OCFS: The new Adoptions Supervisor and the Administrator over Adoptions have been meeting regularly with OCFS Regional Office to review regulations and requirements involving Adoptions, including subsidy and adoption assistance. We anticipate this training and coaching to continue throughout the year.

Ongoing Team Meetings and Internal Case Reviews: The Department will be holding quarterly meetings with programmatic leadership and eligibility leadership to review protocols, discuss any challenges with the process and review cases that have been approved in the prior quarter. This meeting will report its findings to the Deputy Commissioner, including any recommendations to update current policies and procedures.

Reference: 2017-002

U.S. Department of Health and Human Services

Pass-through entities: NYS Department of Family Assistance

Child Care and Development Block Grant 93.575

Foster Care – Title IV-E 93.658

Adoption Assistance 93.659

Social Services Block Grant 93.667

Onondaga County Department of Social Services

Program Year: 2017

First Reported as 2016-002 in the fiscal year ending December 31, 2016.

Criteria:

According to the County's current policies and procedures, Service Authorization Forms need to be completed, approved and retained in accordance with New York State Fiscal Reference Manual, Volume 1, Overview of Welfare Management System.

Internal controls should provide reasonable assurance that only eligible individuals receive assistance under Federal award programs and that the amounts provided to or on behalf of eligible recipients are both allowable and calculated in accordance with program requirements and supported by proper documentation.

Cause/Condition:

The County's current policies and procedures are not operating effectively to ensure appropriate approval of benefit payments. Specifically the following deficiencies in internal control over compliance were identified:

Child Care and Development Block Grant

- In 1 of 43 cases tested, the LDSS 2970 Service Authorization Form was not retained in accordance with policies and procedures.

Foster Care – Title IV-E

- In 1 of 42 cases tested, the LDSS 2970 Service Authorization Form was not retained in accordance with policies and procedures.
- In 2 of 42 cases tested, the supervisors signature indicating approval was not found on LDSS 2970 Service Authorization Forms.

Adoption Assistance

- In 1 of 42 cases tested, the LDSS 2970 Service Authorization Form was not retained in accordance with policies and procedures.

Social Services Block Grant

- In 2 of 42 cases tested, the LDSS 2970 Service Authorization Forms were not retained in accordance with policies and procedures.

Part II - Findings and Questioned Costs Relating to Federal Awards (Continued)

Reference: 2017-002 (Continued)

Questioned Costs:

No known questioned costs.

Effect:

The County was not in compliance with current policies and procedures in accordance with the New York State Fiscal Reference Manual, resulting in significant deficiencies in internal controls.

Recommendation:

We recommend that the County reinforce existing policies and procedures that require a review of service authorization forms to ensure claims for funding are completed for all eligible cases and claims are properly discontinued when a case is no longer eligible. In addition, the County should retain all signed documents as evidence to support eligibility determination.

Management's Response:

Beginning in 2018, the LDSS 2970 Service Authorization Form forms received by Accounting, which are not signed and dated, are sent back to the caseworker/supervisor for proper signatures. The LDSS 2970 Service Authorization Form will be kept on hand and not shipped offsite for a period of two years.

Reference: 2017-003

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: 2017

First Reported as 2016-003 in the fiscal year ending December 31, 2016.

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.

Internal controls should provide reasonable assurance that the County complies with eligibility requirements according to the Uniform Guidance.

Cause/Condition:

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 12 of 40 cases tested, the LDSS-3912 Adoption Assistance Eligibility Checklist was not completed properly.
- In 3 of 40 cases tested, all required signatures indicating approval were not found on the LDSS-3912 Adoption Assistance Eligibility Checklist.
- In 5 of 40 cases tested, the LDSS-3912 Adoption Assistance Eligibility Checklist financial section was not approved by the Income Maintenance Specialist.

Part II - Findings and Questioned Costs Relating to Federal Awards (Continued)

Reference: 2017-003 (Continued)

Questioned Costs:

No known questioned costs.

Effect:

Existing internal controls were not operating properly to ensure compliance with eligibility according to Uniform Guidance.

Recommendation:

We recommend that the County reinforce existing policies and procedures that require a review of eligibility determination to ensure eligibility decisions were properly documented.

Management's Response:

The Department of Children and Family Services in response to the findings in the audit will, or have already begun the following corrective actions steps:

Transfer of subsidy work to the eligibility unit and changing Adoptions Unit Supervisor: The adoption subsidy work was transitioned in 2017 to the Eligibility Unit and an additional Income Maintenance Worker was added to the team to assist in the following these regulations. Additionally, the Department has also changed the Supervisor of the Adoptions Unit in early 2018 to ensure that the proper protocols are followed. The Agency held multiple meetings in late 2017 and early 2018 with the Unit to ensure protocols are followed and to define roles and responsibilities between the programmatic and eligibility staff.

Adoptions Training with OCFS: The new Adoptions Supervisor and the Administrator over Adoptions have been meeting regularly with OCFS Regional Office to review regulations and requirements involving Adoptions, including subsidy and adoption assistance. We anticipate this training and coaching to continue throughout the year.

Ongoing Team Meetings and Internal Case Reviews: The Department will be holding quarterly meetings with programmatic leadership and eligibility leadership to review protocols, discuss any challenges with the process and review cases that have been approved in the prior quarter. This meeting will report its findings to the Deputy Commissioner, including any recommendations to update current policies and procedures.

Reference: 2017-004
U.S. Department of Health and Human Services
Pass-through entities: NYS Department of Family Assistance
Social Services Block Grant 93.667
Onondaga County Department of Social Services
Program Year: 2017

Criteria:

According to Uniform Guidance in CFR Part 200, Part IV Activities Allowed or Unallowed, para (A)(1) SSBG funds may be expended for services as defined by 45 CFR part 96.

Internal controls should provide reasonable assurance that only eligible individuals receive assistance under Federal award programs and the amounts provided to or on behalf of eligible recipients are both allowable and calculated in accordance with the programs requirements and supported by proper documentation.

Cause/Condition:

The County's current policies and procedures are not operating effectively to ensure appropriate retention of case documents Specifically the following deficiencies in internal control over compliance were identified:

- In 4 of 40 cases tested, the LDSS-2921 NYS Application for Certain Benefits and Services was not retained in accordance with policies and procedures.
- In 4 of 40 cases tested, the LDSS-4811 Family Eligibility Checklist was not retained in accordance with policies and procedures.

Part II - Findings and Questioned Costs Relating to Federal Awards (Continued)

Reference: 2017-004 (Continued)

Questioned Costs:

No known questioned costs.

Effect:

Existing internal controls were not operating properly to ensure compliance with activities allowed or unallowed and eligibility according to Uniform Guidance.

Recommendation:

We recommend that the County reinforce existing policies and procedures that require the County to retain all signed documents as evidence to support allowable cost determination.

Management's Response:

The Onondaga County Department of Children and Family Services has reviewed the findings and recommendations and will be taking the following actions to address the cause and condition in this report:

1. The Department will send out to its Eligibility Unit a policy memo reinforcing the policies and procedures as it relates to the retention of case documents.
2. The Supervisor of the Unit will hold a training for the staff in the Eligibility Unit to review the findings of this report and review the policy memo and procedures. This training will be documented and mandated for all eligibility workers.
3. The Supervisor will conduct a random review of cases quarterly to ensure improvement and provide a written report to the Deputy Commissioner of the Department.



DEPARTMENT OF FINANCE

JOANNE M. MAHONEY
County Executive

PHILLIP M. BRITT
*Deputy Director of
Financial Operations*

*DIVISION OF MANAGEMENT & BUDGET
John H. Mulroy Civic Center, 14th Floor
421 Montgomery Street
Syracuse, New York 13202-2989
(315) 435-3346 Fax (315) 435-3439
www.orgov.net*

STEVEN P. MORGAN
Chief Fiscal Officer

TARA VENDITTI
*Deputy Director of
Management & Budget*

Part III - Status of Prior Year Federal Award Findings and Questioned Costs

Reference: 2016-001

Status: See current year finding 2017-001.

Reason for Recurrence:

Management developed a corrective action plan in the fiscal year ending December 31, 2016. Proper and thorough implementation of this plan is ongoing and therefore deficiencies still occurred during this period.

Reference: 2016-002

Status: See current year finding 2017-002.

Reason for Recurrence:

Management developed a corrective action plan in the fiscal year ending December 31, 2016. Proper and thorough implementation of this plan is ongoing and therefore deficiencies still occurred during this period.

Reference: 2016-003

Status: See current year finding 2017-003.

Reason for Recurrence:

Management developed a corrective action plan in the fiscal year ending December 31, 2016. Proper and thorough implementation of this plan is ongoing and therefore deficiencies still occurred during this period.

Reference: 2016-004

Status: Management has taken corrective action.

Reference: 2016-005

Status: Management has taken corrective action.

**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**

August 7, 2018

To the Honorable County Executive, Joanne M. Mahoney, Honorable Members
of the County Legislature and Honorable County Comptroller Robert E.
Antonacci
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 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, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated August 7, 2018. Our report includes a reference to other auditors who audited the financial statements of Onondaga County Community College, 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.