



COUNTY OF ONONDAGA

*Office of the
County Comptroller*

Martin D. Masterpole
Comptroller

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October 27, 2020

Mr. Steven Morgan, Chief Fiscal Officer
Onondaga County Finance Department
John H. Mulroy Civic Center
421 Montgomery Street, 14th Floor
Syracuse, NY 13202

Dear Mr. Morgan,

We performed a limited scope audit of the Abandoned Inmate Funds, Trust and Agency Account #085000-085000009 for the period January 1, 2018 through and as of June 30, 2020. We evaluated internal controls and planned and performed procedures to obtain reasonable assurance about whether the recorded account balance and the account transactions are free of material misstatement. The recorded account balance and the related account transactions are the responsibility of the department's management. Our responsibility was to obtain an understanding of the policies/procedures (including bank reconciliation), test internal controls over the account and review the account transactions completed during the audit time period. Our audit procedures included evaluating internal controls and examining, on a test basis, evidence supporting the account balance and transactions.

On a monthly basis, the County Sheriff's Department closes abandoned inmate accounts and transfers these funds to the County Finance Department to be held in trust, subject to claim, pursuant to New York State Abandoned Property Law § 1310.4 and Op 88-14. The law allows these funds to be held in trust for 6 years, subject to claim, and then these abandoned funds can be transferred to the General Fund. The Abandoned Inmate Funds, Trust and Agency Account balance on 6/30/2020 was \$176,241.76.

We believe our audit provides a reasonable basis for our recommendations to the findings presented.

Findings:

1. Abandoned Inmate Funds are not being turned over to the County General Fund as stated per New York State Abandoned Property Law § 1310.4 and Op 88-14.

2. The current process does not include the means to track the activity of the Abandoned Inmate Funds which include the monthly deposit, approved release of inmate funds and the annual transfer of funds to the County's General Fund.
3. It was noted there has been no periodic review of the Abandoned Inmate Funds detailed activity nor has the activity been reconciled to the PeopleSoft, (PS) general ledger since September 2017.
4. We noted the most recent transfer of unclaimed funds to the PS general ledger was posted on 8/13/2014 in the amount of \$17,698.68. Based solely on the activity and year end balances provided from PS, we have determined \$127,407.84 can be transferred to the general fund effective 1/1/2021.
5. During our review we noted two posting errors; checks written in February and September to the New York State Department of Finance and Taxation, #1424, for \$4,080.52 and #1531, for \$4,500.00, respectively.

It should be noted, this trust and agency account is used for Abandoned Inmate Funds only. Checks(s) written from this account should be for approved inmate release of funds or an abandoned funds transfer to the general fund.

Trust & Agency Account #085000-085000009 Source-PeopleSoft 6/30/2020					
Year	Beginning Balance	General Ledger Balance	Debits- Checks/Transfers	Credits- Deposits	Year Ending Balance
2010	1/1/2010	76,941.02	217.83	14,721.26	91,444.45
2011	1/1/2011	91,444.45		16,981.17	108,425.62
2012	1/1/2012	108,425.62	5,233.47	13,640.51	116,832.66
2013	1/1/2013	116,832.66	2,559.51	15,436.31	129,709.46
2014	1/1/2014	129,709.46	17,698.68 *	15,397.06	127,407.84
2015	1/1/2015	127,407.84		15,523.01	142,930.85
2016	1/1/2016	142,930.85	471.22 **	7,740.03	150,199.66
2017	1/1/2017	150,199.66		7,693.83	157,893.49
2018	1/1/2018	157,893.49	7,203.93 **	8,879.25	159,568.81
2019	1/1/2019	159,568.81		11,704.03	171,272.84
2020	1/1/2020	171,272.84		4,968.92	176,241.76 EB-6/30/2020
Pending Adjustment - posting errors in 2018					\$8,580.52
Recommended (2014-2020) Funds to be transferred to General Fund 1/1/2021					(127,407.84)
Projected Adjusted Balance-activity through 6/30/2020					57,414.44

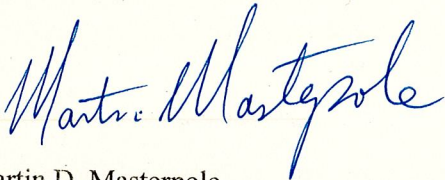
* Represents last transfer made to the General Fund on 8/13/2014.
 ** Net amount of Approved Inmate Refund Checks and Abandoned Inmate Deposits.

Recommendations:

- *The Finance Department should implement a review process to ensure the Swanson-Abandoned Inmate Funds are reconciled to the PS Abandoned Inmate Funds subsidiary account to ensure the activity posted to PS is in agreement as well as assisting with the determination of any funds which may be transferred to the General Fund. We suggest the reconciliation be performed quarterly and at a minimum annually.*
- *The Finance Department should determine the amount of allowable funds per New York State Abandoned Property Law § 1310.4 and Op 88-14 which can be transferred currently to the General Fund. Ideally this could be completed annually in January following the 6th year.*
- *We recommend the Finance Department revisit and adjust as needed the two posting errors.*

Please feel free to contact me with any questions you may have. Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Martin D. Masterpole". The signature is written in a cursive, flowing style.

Martin D. Masterpole
Comptroller

Cc: J. Ryan McMahon II, County Executive
Donald Weber, Director Real Property Tax Services



COUNTY OF ONONDAGA

DEPARTMENT OF FINANCE

OFFICE OF REAL PROPERTY TAX SERVICES

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J. RYAN MCMAHON, II
County Executive

STEVEN P. MORGAN
Chief Fiscal Officer

DONALD WEBER
Director of Real Property

October 13, 2020

Mr. Martin Masterpole, Comptroller
Onondaga County Comptroller's Office
John H. Mulroy Civic Center
421 Montgomery Street, 14th Floor
Syracuse, New York 13202

Re: Response to audit of Abandoned Inmate Funds, Trust and Agency Account #085000-085000009

Finding #1:

Abandoned Inmate Funds are not being turned over to the County General Fund as State per New York State Abandoned Property Law 1310.4 and Op 88-14.

Response:

We agree with the Comptroller's finding.

Finding #2:

The current process does not include the means to track the activity of the Abandoned Inmate Funds which include the monthly deposit, approved release of inmate funds and the annual transfer of funds to the County's General Fund.

Response:

We agree with the Comptroller's finding.



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DONALD WEBER
Director of Real Property

Finding #3:

It was noted there has been no periodic review of the Abandoned Inmate Funds detailed activity nor has the activity been reconciled to the PeopleSoft, (PS) general ledger since September 2017.

Response:

We agree with the Comptroller's finding.

Finding #4:

It was noted the most recent transfer unclaimed funds to the PS general ledger was posted on 8/13/2014 in the amount of \$17,698.68. Based solely on the activity and year end balances provided from PS, we have determine \$127,407.84 can be transferred to the general fund effective 1/1/2021.

Response:

We agree with the Comptroller's finding.

Finding #5:

During our review we noted two posting errors; checks written in February and September to the New York State Department of Finance and Taxation, #1424, for \$4,080.52 and #1531, for \$4,500, respectively.

Response:

This was a clerical error and a journal entry has been submitted to correct.

Donald Weber, Director
Real Property Tax Services
Onondaga County