



COUNTY OF ONONDAGA

Office of the
County Comptroller

Martin D. Masterpole
Comptroller

William M. Ryan
Chief of Staff

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Philip M. Britt
Deputy Comptroller/Accounting

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September 29, 2021

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

Dear Mr. Morgan:

We performed a limited scope audit of the Social Welfare Trust - Trust and Agency Account #053000-subaccount - 053000001 for the period January 1, 2020 through and as of May 31, 2021. 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 responsibilities 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.

This account was originated to manage the finances of Adult Protective clients of the Department of Social Services who were determined incapable of handling their own finances per a judge (County, State, Federal or City) or special committee. The client is assigned a caseworker. The caseworker creates a trust account to manage the client's finances and develops a budget based on the client's income and needs. Most clients participating in this program have a consistent income, usually from Social Security, Social Security Disability, pensions, Veterans disability or insurance payments.

Findings and Recommendations:

1. We noted with two Adult Protective Trust Accounts, case numbers #132280923 and #125509364, the monthly Social Security Administration, (SSA) deposit(s) per Bank Statement did not agree with the amounts recorded in the Micro Focus Report for the month of February 2021 and May 2021. Their deposit amounts were inadvertently placed in the other's respective accounts for the months of February and May 2021.

- a. The SSA deposit for Case #132280923 per bank statement 2/10/2021 and 5/12/2021 was \$1,729; however, the SSA amount recorded in the Micro Focus program was \$1,230.
 - b. The SSA deposit for Case #125509364 per bank statement 2/10/2021 & 5/12/2021 was \$1,230; however, the SSA amount recorded in the Micro Focus program was \$1,729.
2. We noted a monthly reconciliation is not performed at the detailed deposits and disbursements activity level of the Adult Protective Trust Accounts in Micro Focus to PeopleSoft Trust and Agency Subsidiary account #053000-053000001.

We do note corrective action was taken to adjust each account, as of 8/18/2021, six months and three months later respectively.

Recommendation:

- *We highly recommend the Deputy Director of Financial Operations develop and implement a procedure for performing a monthly reconciliation of the detailed deposits and disbursements activity of the Adult Protective Trust Accounts in Micro Focus to the PeopleSoft Trust and Agency Subsidiary account #053000-053000001. We have provided an example of a monthly reconciliation from a past audit to assist the Department.*
3. We noted postings of deposits and transfers of lump sum monies for Foster Care and Safety Net in this account, which are not related to Adult Protective clients. Based on our inquiries Financial Operations determined prior to 2010 this account was previously used solely for Adult Protective Trust Accounts and could not provide a reasonable explanation for commingling these funds.

Recommendation:

- *To facilitate the monthly reconciliation, we recommend Financial Operations Management return this account to the original purpose of managing the finances of Adult Protective clients and Foster Care and Safety Net funds be posted to the appropriate Trust account #051000-051000001.*
4. We noted the Trust Unit Authorization Forms (Turnaround Form) only had one authorizing signature for two checks processed for payment, #0084320 and #0084077, case numbers #077623501 and #115646138, respectively. Established program internal control procedures

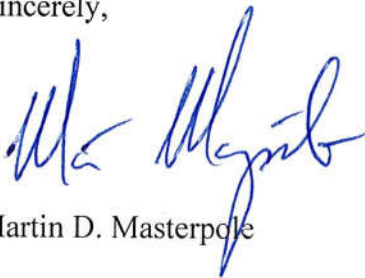
require the signature of the caseworker and an Adult Protective Unit Supervisor before payments can be processed.

Recommendation:

- *We recommend the Financial Operations personnel comply with established program controls and require the signatures of the caseworker and the Adult Protective Unit Supervisor on the Turnaround Form before processing payments.*

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

Sincerely,



Martin D. Masterpole

Cc: Kristi Smiley, Deputy Director of Financial Operations
William Ryan
Pete Headd

COUNTY OF ONONDAGA



DEPARTMENT OF FINANCE

J. RYAN McMAHON
County Executive

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STEVEN P. MORGAN
Chief Fiscal Officer

KRISTI SMILEY
Deputy Director of
Financial Operations

October 4, 2021

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

Dear Mr. Masterpole,

I have reviewed your audit letter dated September 29, 2021 regarding Trust & Agency Account #053000 -subaccount - 053000001. As you are aware Financial Operations has been charged with developing and implementing procedures for reviewing and reconciling all Trust and Agency Accounts. Upon completion of these new procedures we will be happy to share them with you.

Sincerely,

A handwritten signature in cursive script that reads "Kristi Smiley".

Kristi Smiley
Deputy Director – Financial Operations