

COUNTY OF ONONDAGA, NEW YORK

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

DECEMBER 31, 2016

Bonadio & Co., LLP
Certified Public Accountants

COUNTY OF ONONDAGA, NEW YORK

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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 29, 2017

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, 2016. 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, 2016. 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 the Federal statutes, regulations, and the terms and conditions of its federal awards.

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.

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, 2016.

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 2016-001. 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 deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2016-001 and 2016-002 to be material weaknesses.

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 2016-003, 2016-004 and 2016-005 to be significant deficiencies.

The County's response to the internal control over compliance findings 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.

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 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, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 26, 2017, 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 June 26, 2017. 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, New York
 Schedule of Expenditures of Federal Awards By Grant
 For the Year Ended December 31, 2016

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures</i>	<i>Expenditures to Subrecipients</i>
Aging Cluster-Cluster				
Department of Health and Human Services				
Special Programs for the Aging Title III, Part Grants for Supportive Services and Senior Centers				
Special Programs for the Aging Title III, Part Grants for Supportive Services and Senior Centers	93.044	NYS Office for the Aging	\$ 458,158	321,552
Total Special Programs for the Aging Title III, Part Grants for Supportive Services and Senior Centers			458,158	
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	1,016,152	1,007,365
Total Special Programs for the Aging Title III, Part C Nutrition Services			1,016,152	
Nutrition Services Incentive Program				
Nutrition Services Incentive Program	93.053	NYS Office for the Aging	250,494	250,494
Total Nutrition Services Incentive Program			250,494	
<i>Total Department of Health and Human Services</i>				
			1,724,804	
Total Aging Cluster				
			1,724,804	
Child Nutrition Cluster				
United States Department of Agriculture				
School Breakfast Program				
School Breakfast Program	10.553	New York State Education Department	7,050	
Total School Breakfast Program			7,050	
National School Lunch Program				
National School Lunch Program	10.555	New York State Education Department	11,461	
Total National School Lunch Program			11,461	
<i>Total United States Department of Agriculture</i>				
			18,511	
Total Child Nutrition Cluster				
			18,511	
Other Programs				
Department of Homeland Security				
Emergency Management Performance Grants				
Emergency Management Performance Grants	97.042	NYS Division of Homeland Security and Emergency Services	191,665	
Total Emergency Management Performance Grants			191,665	
Homeland Security Grant Program				
Homeland Security Grant Program	97.067	NYS Division of Homeland Security and Emergency Services,C972120	303,521	
Homeland Security Grant Program	97.067	NYS Division of Homeland Security and Emergency Services	98,302	
Total Homeland Security Grant Program			401,823	
<i>Total Department of Homeland Security</i>				
			593,488	
United States Department of Justice				
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program				
Total Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580		15,000	
State Criminal Alien Assistance Program				
State Criminal Alien Assistance Program	16.606		10,421	
Total State Criminal Alien Assistance Program			10,421	
Edward Byrne Memorial Justice Assistance Grant Program				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Direct	56,379	
Edward Byrne Memorial Justice Assistance Grant Program	16.738	NYS Division of Criminal Justice Services	39,292	39,292
Total Edward Byrne Memorial Justice Assistance Grant Program			95,671	
DNA Backlog Reduction Program				
DNA Backlog Reduction Program	16.741	NYS Division of Criminal Justice Services	183,936	
DNA Backlog Reduction Program	16.741	NYS Division of Criminal Justice Services,DN-BX-K009	111,042	
Total DNA Backlog Reduction Program			294,978	

County of Onondaga, New York
 Schedule of Expenditures of Federal Awards By Grant
 For the Year Ended December 31, 2016

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures</i>	<i>Expenditures to Subrecipients</i>
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	NYS Division of Criminal Justice Services	35,517	
Total Paul Coverdell Forensic Sciences Improvement Grant Program			<u>35,517</u>	
<i>Total United States Department of Justice</i>			<u>35,517</u>	
Department of Labor				
Senior Community Service Employment Program				
Senior Community Service Employment Program	17.235	NYS Office for the Aging	95,300	
Total Senior Community Service Employment Program			<u>95,300</u>	
<i>Total Department of Labor</i>			<u>95,300</u>	
Department of Transportation				
Highway Planning and Construction				
Highway Planning and Construction	20.205	NYS Department of Transportation	11,702,329	217,448
Total Highway Planning and Construction			<u>11,702,329</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		1,081,466	1,081,466
Total Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research			<u>1,081,466</u>	
State and Community Highway Safety				
State and Community Highway Safety	20.600	NYS Governors Traffic Safety Committee	142,498	
Total State and Community Highway Safety			<u>142,498</u>	
Interagency Hazardous Materials Public Sector Training and Planning Grants				
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	NYS Department of Transportation	1,890	
Total Interagency Hazardous Materials Public Sector Training and Planning Grants			<u>1,890</u>	
<i>Total Department of Transportation</i>			<u>12,928,183</u>	
Department of Education				
Special Education Grants to States				
Special Education Grants to States	84.027	Syracuse City School District	54,749	
Total Special Education Grants to States			<u>54,749</u>	
Special Education-Grants for Infants and Families				
Special Education-Grants for Infants and Families	84.181	Pass Through Department of Health,C027495	42,779	
Special Education-Grants for Infants and Families	84.181	Pass Through Department of Health	182,691	
Total Special Education-Grants for Infants and Families			<u>225,470</u>	
<i>Total Department of Education</i>			<u>280,219</u>	
United States Environmental Protection Agency				
State Indoor Radon Grants				
State Indoor Radon Grants	66.032	NYS Department of Health,C022169	2,789	
Total State Indoor Radon Grants			<u>2,789</u>	
<i>Total United States Environmental Protection Agency</i>			<u>2,789</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 14-0020	165	
Medical Reserve Corps Small Grant Program	93.008	National Association of County and City Health Officials,MRC 13-0020-C	126	
Medical Reserve Corps Small Grant Program	93.008	National Association of County and City Health Officials,MRC 1120	1,134	
Medical Reserve Corps Small Grant Program	93.008	National Association of County and City Health Officials	112	

County of Onondaga, New York
Schedule of Expenditures of Federal Awards By Grant
For the Year Ended December 31, 2016

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures</i>	<i>Expenditures to Subrecipients</i>
Medical Reserve Corps Small Grant Program	93.008	National Association of County and City Health Officials, MRC 1220		
Total Medical Reserve Corps Small Grant Program			1,537	
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	20,086	20,086
Total Special Programs for the Aging Title III, Part D Disease Prevention and Health Promotion Services			20,086	
National Family Caregiver Support, Title III, Part E				
National Family Caregiver Support, Title III, Part E	93.052	NYS Office for the Aging	161,632	136,995
Total National Family Caregiver Support, Title III, Part E			161,632	
Public Health Emergency Preparedness				
Medicare Enrollment Assistance Program				
Medicare Enrollment Assistance Program	93.071	NYS Office for the Aging	10,927	
Total Medicare Enrollment Assistance Program			10,927	
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	NYS Office of Alcohol and Substance Abuse Services	261,723	
Total Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements			261,723	
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		772,919	14,080
Total Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)			772,919	
Projects for Assistance in Transition from Homelessness (PATH)				
Projects for Assistance in Transition from Homelessness (PATH)	93.150	NYS Office of Mental Health	439,297	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, 028306	73,235	
Total Immunization Cooperative Agreements			73,235	
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 Office of the Aging	387,024	
Total Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program			387,024	
Temporary Assistance for Needy Families				
Temporary Assistance for Needy Families	93.558	NYS Department of Health, C028081	41,521,942	
Temporary Assistance for Needy Families	93.558	NYS Department of Family Assistance	180,551	
Total Temporary Assistance for Needy Families			41,702,493	
Child Support Enforcement				
Child Support Enforcement	93.563	NYS Department of Family Assistance	2,625,526	
Total Child Support Enforcement			2,625,526	
Refugee and Entrant Assistance Voluntary Agency Programs				
Refugee and Entrant Assistance Voluntary Agency Programs	93.567	NYS Department of Family Assistance	2,229,183	
Total Refugee and Entrant Assistance Voluntary Agency Programs			2,229,183	
Low-Income Home Energy Assistance				
Low-Income Home Energy Assistance	93.568	NYS Department of Family Assistance	10,092,917	
Total Low-Income Home Energy Assistance			10,092,917	

County of Onondaga, New York
Schedule of Expenditures of Federal Awards By Grant
For the Year Ended December 31, 2016

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures</i>	<i>Expenditures to Subrecipients</i>
Child Care and Development Block Grant				
Child Care and Development Block Grant	93.575	NYS Department of Family Assistance	14,999,410	
Total Child Care and Development Block Grant			<u>14,999,410</u>	
Stephanie Tubbs Jones Child Welfare Services Program				
Stephanie Tubbs Jones Child Welfare Services Program	93.645	NYS Department of Family Assistance	524,826	
Total Stephanie Tubbs Jones Child Welfare Services Program			<u>524,826</u>	
Foster Care Title IV-E				
Foster Care Title IV-E	93.658	NYS Department of Family Assistance	7,584,652	
Total Foster Care Title IV-E			<u>7,584,652</u>	
Adoption Assistance				
Adoption Assistance	93.659	NYS Department of Family Assistance	3,292,984	
Total Adoption Assistance			<u>3,292,984</u>	
Social Services Block Grant				
Social Services Block Grant	93.667	NYS Department of Family Assistance	3,127,172	
Total Social Services Block Grant			<u>3,127,172</u>	
Chafee Foster Care Independence Program				
Chafee Foster Care Independence Program	93.674	NYS Department of Family Assistance	407,376	
Total Chafee Foster Care Independence Program			<u>407,376</u>	
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations financed in part by Prevention and Public Health Funds				
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations financed in part by Prevention and Public Health Funds	93.752	NYS Department of Health	28,561	
Medical Assistance Program				
Medical Assistance Program	93.778	NYS Office of Mental Health	28,869	
Medical Assistance Program	93.778	NYS Department of Health	550,151,829	
Total Medical Assistance Program			<u>550,180,698</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	39,115	
Total Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations			<u>39,115</u>	
Healthy Start Initiative				
Healthy Start Initiative	93.926		1,115,134	
Total Healthy Start Initiative			<u>1,115,134</u>	
Block Grants for Prevention and Treatment of Substance Abuse				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	NYS Department of Health	2,134,969	2,134,969
Total Block Grants for Prevention and Treatment of Substance Abuse			<u>2,134,969</u>	
Preventive Health Services Sexually Transmitted Diseases Control Grants				
Preventive Health Services Sexually Transmitted Diseases Control Grants	93.977	NYS Department of Health, C027658	28,743	
Preventive Health Services Sexually Transmitted Diseases Control Grants	93.977	NYS Department of Health, C027977	150,070	
Total Preventive Health Services Sexually Transmitted Diseases Control Grants			<u>178,813</u>	
Preventive Health and Health Services Block Grant				
Preventive Health and Health Services Block Grant	93.991	NYS Department of Health	7,504	
Total Preventive Health and Health Services Block Grant			<u>7,504</u>	
Maternal and Child Health Services Block Grant to the States				
Maternal and Child Health Services Block Grant to the States	93.994	Health Research Inc., C026674	22,922	
Maternal and Child Health Services Block Grant to the States	93.994	Health Research Inc., C026523	113,113	
Total Maternal and Child Health Services Block Grant to the States			<u>136,035</u>	
HIV Prevention Activities - Non Governmental Organization Based				
HIV Prevention Activities - Non Governmental Organization Based	93.939		79,206	
Total HIV Prevention Activities - Non Governmental Organization Based			<u>79,206</u>	
<i>Total Department of Health and Human Services</i>			<u>642,614,954</u>	

Continued

County of Onondaga, New York
Schedule of Expenditures of Federal Awards By Grant
For the Year Ended December 31, 2016

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures</i>	<i>Expenditures to Subrecipients</i>
Department of Housing and Urban Development				
Community Development Block Grants/Entitlement Grants				
Community Development Block Grants/Entitlement Grants	14.218		1,199,055	
Total Community Development Block Grants/Entitlement Grants			<u>1,199,055</u>	
Emergency Solutions Grant Program				
Emergency Solutions Grant Program	14.231		214,127	
Total Emergency Solutions Grant Program			<u>214,127</u>	
Home Investment Partnerships Program				
Home Investment Partnerships Program	14.239		357,667	
Total Home Investment Partnerships Program			<u>357,667</u>	
Economic Development Initiative				
Economic Development Initiative	14.251		285,000	285,000
Total Economic Development Initiative			<u>285,000</u>	
Continuum of Care Program				
Continuum of Care Program	14.267		236,101	
Total Continuum of Care Program			<u>236,101</u>	
Lead-Based Paint Hazard Control in Privately-Owned Housing				
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	Direct	1,827,484	
Total Lead-Based Paint Hazard Control in Privately-Owned Housing			<u>1,827,484</u>	
<i>Total Department of Housing and Urban Development</i>			<u>4,119,434</u>	
United States Department of Agriculture				
Special Supplemental Nutrition Program for Women, Infants, and Children				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	NYS Department of Health	6,614,710	
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	NYS Department of Health,C025777	195,422	
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	NYS Department of Health,C025815	1,987,282	
Total Special Supplemental Nutrition Program for Women, Infants, and Children			<u>8,797,414</u>	
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 Family Assistance	5,611,214	
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	NYS Department of Health,C026674	15,840	
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	NYS Department of Health	68,434	
Total State Administrative Matching Grants for the Supplemental Nutrition Assistance Program			<u>5,695,488</u>	
<i>Total United States Department of Agriculture</i>			<u>14,492,902</u>	
U.S. Election Assistance Commission				
Help America Vote Act Requirements Payments				
Help America Vote Act Requirements Payments	90.401		4,570	
Total Help America Vote Act Requirements Payments			<u>4,570</u>	
<i>Total U.S. Election Assistance Commission</i>			<u>4,570</u>	
Total Other Programs			<u>675,583,426</u>	
Total Expenditures of Federal Awards			<u>\$ 677,326,741</u>	

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, 2016

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, 2016, the County distributed \$6,614,710 of Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) food instruments to eligible persons participating in the WIC Program (CFDA 10.557), \$9,701,447 of energy assistance to eligible persons under the Low-Income Home Energy Assistance Program (CFDA 93.568) and \$539,183,476 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 Schedule 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, 2016

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 to determine Type A programs was \$3,000,000.

The major federal programs of the County for the year ended December 31, 2016 were as follows:

U.S. Department of Agriculture

- State Administrative Matching Grants for Supplemental Nutrition Assistance Program (10.561)

U.S. Department of Health and Human Services

- 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)
- The County was not considered a low-risk auditee for the year ended December 31, 2016.

Part II - Findings and Questioned Costs Relating to Federal Awards

Reference: 2016-001

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: 2016

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, 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 eligibility requirements according to the Uniform Guidance.

Cause/Condition:

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

- In 5 of these 40 instances, the case file was missing proper medical information when the child turned 18 years old, resulting in known questioned costs of \$26,879.

Questioned Costs:

\$26,879 known questioned costs.

Effect:

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

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. In addition, the County should retain all appropriate signed documents as evidence to support eligibility determination.

Management's Response:

The Department of Children and Family Services transferred the adoptions subsidy work into its Eligibility Unit and away from program staff in May of 2017. In addition to the experience and expertise of this unit in collecting and retaining documentation, the Department also added an additional Clerk 2 staff position to the team to handle this increased workload. The current Supervisor of that unit is familiar with all federal and state guidelines in regards to eligibility, records retention, claiming and internal case reviews that address several of the recommendations in the report and will organize updated training for staff in her unit.

Reference: 2016-002

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: 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 2 of 40 cases tested, the LDSS 2970 Service Authorization Forms were not retained in accordance with policies and procedures.
- In 9 of 40 cases tested, the worker or supervisor did not date or fully date the LDSS 2970 Authorization Forms.
- In 1 of 40 cases tested, appropriate signatures were not found on LDSS 2970 Service Authorization Form.

Foster Care – Title IV-E

- In 3 of 40 cases tested, the LDSS 2970 Service Authorization Forms were not retained in accordance with policies and procedures.
- In 20 of 40 cases tested, appropriate signatures were not found on LDSS 2970 Service Authorization Forms.

Adoption Assistance

- In 4 of 40 cases tested, the LDSS 2970 Service Authorization Forms were not retained in accordance with policies and procedures.
- In 7 of 40 cases tested, appropriate signatures were not found on either the LDSS 2970 Service Authorization Forms or the Services Financial Eligibility Display/Turnaround Document (SFED/T)

Social Services Block Grant

- In 2 of 40 cases tested, the LDSS 2970 Service Authorization Forms were not retained in accordance with policies and procedures.
- In 11 of 40 cases tested, appropriate signatures were not found on LDSS 2970 Service Authorization Forms.

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

Reference: 2016-002 (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 material weaknesses 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:

Accounting will review the LDSS 2970's process including review for proper signatures and dating. Any missing information on the LDSS 2970 will be sent back to the Department for proper authorization to make the LDSS 2970 valid.

Reference: 2016-003
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: 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 10 of 40 cases tested, the LDSS-3912 Adoption Assistance Eligibility Checklist was not completed properly.
- In 1 of 40 cases tested, the LDSS-3912 Adoption Assistance Eligibility Checklist was not found on file for the applicant.
- In 9 of 40 cases tested, appropriate signatures were not found on the LDSS-3912 Adoption Assistance Eligibility Checklist.
- In 9 of 40 cases tested, the LDSS-3912 Adoption Assistance Eligibility Checklist financial section was not approved by the Income Maintenance Specialist
- In 1 of 40 cases tested, the case file could not be found to be tested.

The County does not have adequate controls in place to retain supporting documentation showing financial need.

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

Reference: 2016-003 (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 claims for Title IV-E funding are done 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:

The Department of Children and Family Services transferred the adoptions subsidy work into its Eligibility Unit and away from program staff in May of 2017. In addition to the experience and expertise of this unit in collecting and retaining documentation, the Department also added an additional Clerk 2 staff position to the team to handle this increased workload. The current Supervisor of that unit is familiar with all federal and state guidelines in regards to eligibility, records retention, claiming and internal case reviews that address several of the recommendations in the report.

Reference: 2016-004
U.S. Department of Health and Human Services
Pass-through entities: NYS Department of Family Assistance
Child Care and Development Block Grant 93.658
Onondaga County Department of Social Services
Program Year: 2016

Criteria:

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 appropriate review and determination of a child's eligibility. Specifically the following deficiencies in internal control over compliance were identified:

- In 5 of 40 cases tested, appropriate documentation supporting payment amounts could not be found.

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 all appropriate documentation in relation to payment determination and entry into the CCTA System. In addition, the County should retain all appropriate signed documents as evidence to support payment determination.

Management's Response:

County policy in regards to attestation letters will be reviewed internally. Files will be reviewed for proper supporting documentation.

Reference: 2016-005
U.S. Department of Health and Human Services
Pass-through entities: NYS Department of Family Assistance
Foster Care – Title IV-E 93.658
Onondaga County Department of Social Services
Program Year: 2016

Criteria:

According to Uniform Guidance in CFR Part 200, Part IV Activities Allowed or Unallowed, para (1)(a) funds may be expended for Foster Care maintenance payments on behalf of eligible children, in accordance with the Title IV-E agency's Foster Care maintenance payment rate schedule and in accordance with 45 CFR section 1356.21.

According to the Uniform Guidance in CFR Part 200, Part IV, Eligibility para. (1) (d), the provider, whether a foster family or a child-care institution must be fully licensed by the proper State responsible for licensing such homes or child care institutions.

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 payment is made in accordance with payment rate schedule. Specifically the following deficiencies in internal control over compliance were identified:

- In 2 of 40 cases tested, rates used to determine payment were not documented or did not match documentation.

The County's current policies and procedures are not operating effectively to ensure appropriate payment is made to eligible individuals. Specifically the following deficiencies in internal control over compliance were identified:

- In 1 of 40 cases tested, necessary documentation to determine if individual or institution is licensed/approved by New York State could not be obtained.

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

Reference: 2016-005 (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 review its existing policies and procedures over eligibility and activities allowed or unallowed as it specifically relates to the calculation of benefit amounts. We recommend that policies and procedures be developed, documented and implemented that require benefit amount calculations to be documented and retained as well as all individual or institution approval by NYS to be documented and retained.

Management's Response:

Policies pertaining to payment rates to non-licensed providers will be reviewed. Accounting will ensure proper documentation supporting payments is kept on file.

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

Reference: 2015-001

Status: See current year finding 2016-001.

Reason for Recurrence:

Management developed a correct action plan in the fiscal year ending December 31, 2015. Proper and thorough implementation of this plan is ongoing and therefore deficiencies still occurred during this period.

**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***

June 26, 2017

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, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 26, 2017. Our report includes a reference to other auditors who audited the financial statements of Onondaga County Community College, Onondaga Civic Development Corporation and Friends of the Rosamond Gifford Zoo 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.

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(Continued)

**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.

Bonadio & Co., LLP