



Robert E. Antonacci II, CPA
Comptroller

COUNTY OF ONONDAGA

*Office of the
County Comptroller*

*John H. Mulroy Civic Center, 14th Floor
421 Montgomery Street
Syracuse, New York 13202-2998
(315) 435-2130 • Fax (315) 435-2250
www.ongov.net*

James V. Maturo
Deputy Comptroller/Accounting

Thomas R. Schepp II
Deputy Comptroller/Audit

June 9, 2017

Onondaga County Legislature
401 Montgomery Street, Room 407
Syracuse, New York 13202

Re: Onondaga County Adoption Assistance Program

Dear Legislators:

Following, please find this Office's audit report on the Onondaga County Adoption Assistance Program. This subject matter was chosen due to repeated and uncorrected findings in the Single Audit Reports for years 2011 through 2015. After reviewing and sharing our draft findings with Children and Family Services (the "Department"), I am pleased to report the Department has agreed to make much needed changes.

Thank you for your attention to this matter. Should you have any questions or concerns, please do not hesitate in contacting me directly.

Very Truly Yours,

A handwritten signature in blue ink, appearing to read "Robert E. Antonacci II", is written over a horizontal line.

Robert E. Antonacci II

cc: County Executive
Department of Children & Family Services



Report on
Onondaga County Adoption Assistance Program
By Onondaga County Comptroller Robert E. Antonacci, CPA, Esq.

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SECTION I

Background and Executive Summary

The New York State Office of Children and Family Services (OCFS) oversees New York State's child welfare system, including the Adoption Subsidy Program (Program). The purpose of the program is to locate and maintain stable and permanent alternative homes for hard-to-place and handicapped foster children, thus preventing long, inappropriate stays in foster care. The OCFS Adoption Services Bureau oversees the activities of the 58 county social services districts, including the Onondaga County Department of Children and Family Services' Adoption Assistance Unit (OCAAU), administering the Program.

New York State Social Services Law (18 CRR-NY 421.24) provides for adoption subsidy payments to adoptive parents of handicapped or hard-to-place children. These payments assist adoptive parents in the care and support of the adopted children, many of whom have varied and often costly needs. To be eligible for adoption subsidy payments, the adoptive parent(s) must enter into an adoption subsidy agreement (agreement) with a local social services district (District) or a voluntary authorized agency. The agreement contains Program eligibility criteria, medical documentation, and historical information to support the child is handicapped or hard-to-place with needs or circumstances which may be a barrier to placement or adoption without financial assistance.

The amount of the monthly subsidy payment depends on whether the child's handicap and/or placement history is classified as a basic, special, or exceptional needs level. OCFS periodically sets maximum state aid rates (MSARs) for adoption subsidy payments. The OCAAU sets payment rates within these guidelines. The subsidy payments continue until the child's 21st birthday unless the adoptive parent is no longer legally responsible for the support of the child, or is no longer providing any support to the child. In addition to monthly subsidy payments, the Program provides for a one-time payment of up to \$2,000 per adopted child for non-recurring expenses involved in the adoption process, such as legal and medical costs.

Special needs foster care children can qualify for federal Title IV-E adoption assistance or state (non-IV-E) assistance, but not both. A child's background and special needs determine if the child will receive support and if the support will be federally or state funded. Prior to the time the adoption petition is filed and an application is submitted for an adoption subsidy, the local district completes an *Adoption Assistance Eligibility Checklist (LDSS-3912)*. The checklist aids in the determination of eligibility for Title IV-E funding. If it is determined the child is not eligible for Title IV-E funding, the case is further reviewed to determine eligibility for the State Adoption Subsidy.

If the adoption assistance subsidy is approved by New York State as Title IV-E eligible, the Federal Medical Assistance Program (FMAP) percentage or Federal Financial Participation (FFP) rate is 50 percent. The remaining 50 percent is funded by New York State at 31 percent

and the local district share at 19 percent. For Onondaga County, non-IV-E children (in custody of the local commissioner of the social services district) the New York State share of the adoption subsidy is 62 percent and the local district share is 38 percent.

The Single Audit Report for each of the years 2011-2015 reported findings of non-compliance with federal eligibility requirements in accordance with the Uniform Guidance in respect to Adoption Assistance CFDA 93.659. This audit focused primarily on state and locally funded cases.

Executive Summary of Findings and Recommendations

Over the course of the audit we found the following:

1. The County had a net loss of local dollars in the amount of \$30,529.62 for the period that can still be retroactively corrected (4/1/15-11/30/16) with supplemental claims to New York State. It should be noted this amount was calculated based on examination and assessment of the documentation available for the 40 cases tested. Documentation in some cases was conflicting, and not always definitive as to what the correct eligibility determination should have been. It should also be noted that we did not project a dollar amount prior to 4/1/15 or beyond 11/30/16. The dollar figure would increase significantly if these computations were made as some of these cases were coded incorrectly as far back as 18 years.
2. There are inconsistencies in case files and data entry into the Benefits Issuance Control System (BICS) as compared to the source and level of funding approved in Adoption Subsidy Agreements by NYS OCFS for both Title IV-E/non-IV-E eligibility determinations (errors noted in 8 of 40 cases tested) and levels of difficulty/modifiers (errors noted in 4 of 40 cases tested).
3. The claiming coding transition from IV-E to non-IV-E adoption subsidy during the 18th birthday month was handled incorrectly in 8 of 40 cases tested.
4. Documentation of handicapped status at age 18 for determination of continuation of federal assistance was not present or lacking substance in 2 of 40 cases tested.
5. Various forms pertaining to the adoption subsidy process were improperly or incompletely filled out, or not retained or available for review.
6. The errors noted in 1-4 resulted in overpayments to adoptive parents, under/over charges in Federal/State Aid.
7. Review procedures are inconsistent or lacking.

Our high level recommendations include:

8. We recommend supplemental claims be filed with New York State as appropriate to correct claiming back to the earliest date possible. Cases should also be reviewed for those which extend beyond 11/30/16 and supplemental claims filed and corrections made in the BICS system for those which are ongoing.
9. We recommend all approved adoption subsidy agreements are crosschecked by a supervisor against data entry into the BICS system and supported by records maintained

in the case file to ensure eligibility and level of difficulty determinations are processed as approved by New York State.

10. We recommend the Adoption Eligibility Checklist (LDSS-3912) be completed according to the New York State Office of Children and Family Services (NYS OCFS) Eligibility Manual for Child Welfare Programs, Part B. Adoption Assistance Eligibility.
11. We recommend department management establish procedures to ensure the Adoption and Eligibility Units work cohesively to ensure initial eligibility is correctly established and subsequent eligibility redeterminations at age 18 are properly documented and both units are in agreement.
12. We recommend continued training and emphasis on following stated policies and procedures in addition to proper, complete, and consistent form completion to prevent noncompliance with program guidelines.
13. We recommend implementation and documentation of supervisory review procedures.

SECTION II

SCOPE AND METHODOLOGY

Scope:

The purpose of our audit was to perform testing procedures on non-federal participating (NFP) Adoption Subsidy Cases and any new (2016) cases to determine if adoption subsidy payments to adoptive parents were supported and in compliance with governing regulations. In light of repeated findings in the annual Single Audit for each of the years ending 2011 through 2015 (see Exhibit C), which focuses strictly on payments made under Federal Title IV-E, we elected to focus on non-federal payments in this audit. The audit period selected was January 1, 2016 through June 30, 2016.

A selection of 40 adoption subsidy cases was chosen for testing from the adoption subsidy composite rolls in BICS for the period January 1, 2016 through June 30, 2016. Eight cases were chosen because they were new in 2016. They are coded to federal (Title IV-E). Additionally, 32 cases coded non-Title IV-E were selected, with 10 cases randomly chosen from the entire population and 22 cases chosen involving ages 18 and older. Hard to place and handicapped children were chosen for testing in all categories.

Our objectives were to:

- Determine if established internal control policies and procedures related to the Onondaga County Department of Children and Family Services' Adoption Assistance Unit are in place and operating effectively.
- Ensure recipients' cases are coded correctly to receive the appropriate amount of aid and lessen the impact on local dollars.
- Review specific areas which came to our attention during the course of the engagement.
- Provide and assist management and those charged with governance and oversight with information and recommendations to improve internal controls and overall efficiency and program performance.

Methodology:

In order to complete our objective we:

- Interviewed management and staff responsible for the administration of the Adoption Assistance program.

- Reviewed directives, policies and procedures of the department pertaining to the Adoption Assistance program to ascertain they are operating effectively to ensure appropriate funding is received.
- Analyzed records and data to ensure recipients were properly coded in the Welfare Management System (WMS) and BICS to ensure correct funding.
- Reviewed adoption assistance recipient records and files.
- Sent draft recommendations to management with an offer to meet for discussion and their input. Management declined and provided a written response, Section V herein.
- Finalized recommendations and included them in this report.

SECTION III

FINDINGS AND RECOMMENDATIONS

- A. We noted in 8 of 40 cases tested (3, 5, 6, 7, 8, 9, 10, 14), the Title IV-E/non-Title-IV-E claiming code was misclassified in BICS as compared to the category on the approved adoption subsidy agreement. See Exhibit A for monetary calculations related to these findings.
- In 2 of the 8 cases (3, 8), the adoption subsidy agreement was approved for non-Title IV-E, but the claiming code was entered in BICS as Title IV-E as of the adoption date. In 2016, the Adoption Unit appropriately corrected these cases back two years to 2014 from Title IV-E to non-Title IV-E. (According to the New York State Fiscal Reference Manual, Volume 1, General Claiming Requirements, Chapter 5, Filing of Supplemental Claims for Reimbursement and Two-Year Claiming Deadlines, all retroactive claiming changes must be reported by issuance quarters on a Supplemental Claim. Supplemental Claims may be filed at any time up to twenty-two months after the end of the quarter in which the expenditure was made to meet the two-year limit set by the Federal Government.) The adoption dates for these 2 cases were 1999 and 2000, resulting in a federal overcharge for the past 14 ½ and 13 ½ years, respectively, well beyond the retroactive claiming timeframe.
 - In 6 of the 8 cases (5, 6, 7, 9, 10, 14), the adoption subsidy agreement was approved for Title IV-E and but coded in BICS as non-Title-IV-E.
 - The claiming code was entered in BICS as non-Title IV-E as of the adoption date for 5 of the 6 cases (5, 6, 7, 9, 10).
 - The claiming code error in 4 of these 5 cases (5, 6, 7, 10) was entered in error from inception resulted in federal under claiming for the period 1/1/16-6/30/16 of \$12,097.68.
 - In 1 case (9), the handicapped/hard to place status of the child is in question per Finding E.
 - We also noted in 4 of these 6 cases (5, 6, 7, 9) the Supplement to Referral to Eligibility Unit Form/LDSS-3912 Adoption Assistance Eligibility Checklist intended to be completed prior to the Adoption Subsidy application and serving as the supporting document to the Subsidy Agreement, was signed after the Adoption Subsidy Agreement was approved and did not agree to the Title IV-E status on the Subsidy Agreement.
 - The claiming code was changed to non-Title IV-E subsequent to adoption with no explanation in one case (14).
 - The case (14) which was changed subsequent to adoption from Title IV-E to non-Title IV-E, was corrected back two years by the Adoption Unit; federal revenue was under reimbursed for 1 $\frac{2}{3}$ years before the error was corrected.

Recommendations:

1. *We recommend the data entry for claiming category code for every new adoption case entered in BICS be reviewed and crosschecked by a supervisor to the subsidy type approved in the adoption subsidy agreement.*
 2. *We recommend all cases be reviewed to ensure the claiming category is entered as per the Adoption Subsidy Agreement.*
 3. *We recommend procedures per the NYS OFCS Eligibility Manual for Child Welfare Programs be followed and forms completed in the proper sequence in order to ensure accurate eligibility determinations. According to the manual (Part B. Adoption Assistance Eligibility Section), "Prior to the time the adoption petition is filed and submitting an application for an adoption subsidy, complete the Adoption Assistance Eligibility Checklist (LDSS-3912) and collect the supporting documentation for every child being considered for adoption assistance. Using the checklist is the first step to determine eligibility for the Title IV-E Adoption Assistance funding."*
 4. *We recommend the Adoption Assistance and Eligibility Units work together cohesively to ensure that eligibility determinations as documented in the LDSS-3912 and the Adoption Subsidy Agreement are consistent and accurate.*
- B. We noted in 4 of 40 cases tested (1, 2, 3, 4), the Level of Difficulty (LOD) and/or LOD modifier entered in BICS did not agree with the approved Adoption Subsidy Agreement. The LOD modifier is a suffix added to the LOD which adjusts the subsidy awarded for parent(s)' income over poverty level if appropriate. In all 4 cases the LOD/LOD modifier error resulted in an overpayment to the adoptive parent(s) and an overcharge to the funding sources. See Exhibit A for monetary calculations related to these findings.

The total overpayment to adoptive parents for the period 1/1/16-6/30/16 for these four errors was \$7,324.32. Overpayments to adoptive parents and overcharges for federal and state reimbursements for these four cases go back as far as 16 years. Three cases (1, 3, 4) were entered in error from the adoption date, and one case (2) was changed to a higher LOD in 2014 with no documentation of an amended subsidy agreement.

One case (3) approved for a non-Title IV-E subsidy was classified in error in BICS as a Title IV-E case from the adoption date in 2000. The error was discovered and corrected in 2016 (back only two years as that is the term allowed). The file was not reviewed by OCAAU staff to determine if the LOD was correct, resulting in a continued overpayment at a higher subsidy level 1, instead of level 1D as documented in the Adoption Subsidy Agreement.

Recommendations:

5. *We recommend a procedure be implemented whereby the data entry for LOD/LOD modifiers for every new adoption case entered in BICS be reviewed and crosschecked by a supervisor to the LOD/LOD modifier approved in the adoption subsidy agreement.*

6. *We recommend County program administration determine if recoupment of overpayments is a viable option.*
 7. *We recommend periodic review of files include a review of all pertinent aspects of the adoption subsidy to ensure payments are accurate based upon approved rates and reimbursement requests are made at the correct rate.*
- C. In 22 of the 40 cases selected for testing, the child was at least 18 years old as of 6/30/16. We noted in 8 of these 22 cases (1, 11, 12, 15, 16, 17, 18, 19), the 18th birthday month transition from IV-E to non-IV-E claiming code was not handled correctly. If the coding is changed in advance of the 18th birthday, the split will occur correctly and the portion of the monthly payment until the day before the 18th birthday will be correctly charged to Title-IV-E, and the portion from the birthday through the end of the month will be charged to non-Title IV-E. If the coding is not changed in advance of the birthday month, a retroactive entry is required. Retroactive entries in BICS for partial months do not occur automatically; they require manual intervention.

In these 8 cases, all for which the child's 18th birthday was in 2015 or prior, a retroactive correction for the 18th birthday transition was handled improperly, resulting in an error in the payments during the birthday month. It appears this issue has been addressed by the department; we noted in cases tested in which the 18th birthday occurred in 2016, the transition was properly transacted.

Recommendations:

8. *We recommend the 8 noted cases are reviewed and Supplemental Reimbursement Claims submitted to the State to for those which fall within the acceptable New York State retroactive claiming time frame.*
- D. As noted previously, the Bureau of Financial Services in Albany must receive Social Services Supplemental Reimbursement Claims within twenty-two months after the end of the quarter in which the expenditure was made to be eligible for reimbursement. Therefore, we figured an overpayment/underpayment start date of 4/1/15 with payments through 11/30/16. In this testing, we noted a net overpayment to parents of \$24,430.84; a net loss of Federal reimbursement not claimed of \$55,910.27; net funds owed to the State due to over reimbursement to the County in the amount of \$49,811.49; and a net loss of Local dollars in the amount of \$30,529.62. See Exhibit A.

Recommendation

9. *We recommend Supplemental Reimbursement Claims be submitted to the State to adjust reimbursements as appropriate.*
- E. In 2 of the 40 cases tested (9, 13), there is not clear documentation regarding the handicapped status of a child at age 18. If the Adoption Unit determines, based on review of timely submitted medical documentation prior to the child's 18th birthday, the child has a

mental or physical disability warranting the continuation of federal assistance, the child may remain eligible to receive Title IV-E adoption assistance until the child reaches age 21. See Exhibit A for monetary calculations related to these findings.

In 1 case (9), the adoption subsidy agreement was checked off for both handicapped and hard to place, and it was approved for Title IV-E. The child was coded non-Title IV-E from the adoption date in 1998 and subsequently remained as non-Title-IV-E beyond his 18th birthday in 2013. This is one of the cases noted in Finding A. There is no documentation in the adoption subsidy file or any determination noted by the Adoption Unit regarding continuation of the child's disability. Based on this information it appears the federal adoption assistance was lost from the 1998 adoption date through the child's 18th birthday in 2013, and no attempt was made to determine if the subsidy could have continued as federal from 2013 to the 21st birthday in 2016. The result of this is federal reimbursement was lost for 15 to 18 years.

In the second case (13), the handicapped child's 18th birthday was in 2015. There is a medical letter in the adoption subsidy file stating the child is being treated for a concern in 2015. The child was removed from Title IV-E subsidy the day after her 18th birthday. There is no notation in the file of how the determination was arrived at by the Adoption Unit. Additionally, notes made by the Eligibility Unit in VenTek Live – General Client Inquiry state in 2014-2016 that the child remains IV-E eligible due to permanent disability, in two instances referencing caseworker confirmation. These notes contradict the change in claim category from federal to state funded. See Exhibit B. The result of this is federal adoption subsidy was lost from the child's 18th birthday in 2015 forward.

Recommendation:

10. *We recommend when a child deemed handicapped attains age 18, the Adoption Unit should obtain documentation to allow them to determine if the child has a continued mental or physical disability warranting the continuation of federal assistance. The conclusion should be clearly documented.*

F. In the 40 cases tested we noted the following:

In 3 cases (20, 21, 22), the LDSS-2970 Service Authorization Forms were not retained. According to the New York State Fiscal Reference Manual, Volume 1, Chapter 3, Overview of WMS and BICS, Services Authorization in BICS Districts section, after WMS entry, the LDSS-2970 is forwarded to accounting and should be retained by accounting. At Onondaga County, accounting would be Financial Operations.

In 1 case (23), the LDSS-2970 was signed by the supervisor, but lacking a case worker signature. According to the New York State Fiscal Reference Manual, Volume 1, Overview of WMS (Welfare Management System) and BICS (Benefits Issuance Control System), Chapter 3, Signature Requirements, the worker signs and dates the Authorization in the "Worker" field on the bottom right-hand side of the LDSS-2970. The supervisor reviews the document for accuracy and must also sign the Authorization.

In 2 cases (4, 12), the LDSS-2970 was coded 02 (Title IV-E Adoption Assistance) and should have been 08 (State Adoption Subsidy and Medical Assistance). However, BICS was properly coded 08 for case 4.

In 5 cases (24, 25, 26, 27 28), the Services Financial Eligibility Display/Turnaround (SFED/T) document used for the new cases were signed by the supervisor, but lacking a case worker signature. As is done with the LDSS-2970, best practice would be to have both the supervisor and worker sign as to support services authorization and review.

In 23 cases (1, 3, 4, 5, 6, 7, 11, 12, 13, 14, 15, 16, 17, 18, 19, 23, 26, 27, 29, 30, 31, 32, 33), the LDSS-3912 or Supplement to Referral to Eligibility Unit was not completed properly, such as not always signed by the caseworker, supervisor, and/or not initialed as reviewed by the income maintenance unit supervisor.

In 1 case (8), no LDSS-3912 or Supplement was located in the adoption subsidy file.

In 2 cases (34, 35), the Level of Rate Approved on page 6 of the Adoption Subsidy Agreement by the Local DSS Official's signature was not checked.

Recommendations:

11. *We recommend the Adoption Unit and Financial Operations retain all appropriate documents as evidence to support eligibility determination.*
12. *We recommend all forms and paperwork be filled out completely and all sign-offs and approvals be done consistently.*
13. *We recommend management review these forms for completeness and accuracy, as they are the basis for eligibility determinations.*

- G. We noted the Adoption Unit does not retain parental income documentation to support Part B-Parent(s) income used in calculating the subsidy section of the Adoption Subsidy Agreement Form. In the notes section of Part B it states the adoptive parent(s) must present to the social services district or OCFS evidence of income comprising wage stubs, or the most recent W-2, or an employer's statement of wages or, in the case of income other than wages or salary, a copy of the latest federal income tax return.

According to the New York Codes, Rules and Regulations, 18 CRR-NY 421.24, (b) (9), "Once an agreement to provide a subsidy payment is made, the annual income of the person(s) adopting the child will be considered only for the purpose of determining the amount of the monthly payment to be made according to the provisions of paragraphs (11) and (12) of this subdivision." The Level of Difficulty (LOD) or level of subsidy payment (i.e. basic/normal, special or exceptional) rate is based on the parent(s) income. Since no parent(s) income documentation is retained, verification of the funding level awarded to adoptive parents cannot be performed.

We made a request to the New York State Office of Children and Family Services (NYSOCFS) for clarification of parental income documentation record keeping requirements for the local agency. According to a representative from the NYSOCFS, documentation of income should be maintained in the adoption assistance eligibility file. Regulations applicable to adoption record requirements include: 18 NYCRR (New York Codes, Rules and Regulations) 421.11, 421.12 and 421.20 and 428.5.

Recommendation:

14. We recommend income documentation be retained on file in the department to support the adoption subsidy to comply with the NYCRR.

- H. We noted De-linked cases are not being entered with a Direct Service Type and Services Suffix Code of '01A' in the Welfare Management System (WMS) to appropriately identify children in receipt of Title IV-E adoption assistance based on de-linking provisions.

Recommendation:

15. We recommend the department code these cases to comply with NYSOCFS Administrative Directive 14-OCFS-ADM-03.

- I. We noted 1 case of 40 tested (18), where a fully executed upgraded Adoption Subsidy Agreement for a change in subsidy payment from basic to special was not on file, but payments are being made at the higher rate. This is not in accordance with NYSOCFS Administrative Directive 09-OCFS-ADM-14.

Recommendation:

16. We recommend the department obtain a fully executed upgraded Adoption Subsidy Agreement to be in compliance with NYSOCFS Administrative Directive 09-OCFS-ADM-14.

- J. We noted a Cost-of-Living Adjustment (COLA) of 0.2% applicable to Maximum State Aid Rates (MSARs) effective April 1, 2016-June 30, 2016 (NYS OFCS Administrative Directive 16-OCFS-ADM-12 dated June 2, 2016) was not included in adoption subsidy payments through 12/1/16. We understand from Financial Operations these were to be included by year end December 31, 2016.

The Administrative Directive (ADM) also stated "each LDSS, and voluntary agency, is required separately to submit a written certification to the appropriate OCFS regional office attesting that the applicable rate increases have been implemented in the manner specified in this ADM." To the ADM, the State affixed Attachments G-MSAR Payment Certification for Local Department of Social Services (LDSS) and Attachment H-MSAR Payment Certification for Voluntary Agencies to be completed by the LDSS and Voluntary Agencies and submitted to the OCFS regional (Syracuse) office within 45 days of the issuance of this ADM. The ADM states "reimbursement may be forfeited by those LDSSs and Voluntary

Agencies that do not submit the required certification within 45 days of the issuance of this ADM.” Per a telephone conversation on 2/7/17 with an OCFS representative, we were informed the payment rates should have been increased by the 0.2% within the time frame specified in the ADM. We also received an email dated 2/16/17 from this OCFS representative confirming the information discussed on 2/7/17.

On 2/17/17, Financial Operations staff changed the Adoption Subsidy Rates to include the COLA adjustment. We followed up on 5 of the 40 cases (23, 27, 32, 34, 35), to ascertain they were adjusted to receive the retroactive payments. We noted 3 of 5 were adjusted, however, 2 cases (34, 35), involving Level of Difficulty (LOD) 1-D and LOD 1-E were not.

We also noted the Adoption Subsidy Rates Inquiry Screen in the Benefits Issuance Control System (BICS) for Level of Difficulty (LOD) 2-E was not adjusted. We notified Financial Operations on 2/27/17 and 3/20/17 regarding this matter.

Recommendation:

17. *We recommend MSAR updates be completed within the required time frame noted above to ensure proper adoption subsidy payments are made.*

Conclusion:

In conclusion, due to the many findings in this area, we suggest:

- Policies and procedures of the Adoption Unit and NYS OCFS are reinforced.
- More supervisory review is needed of Adoption Subsidy paperwork and coding on systems.
- Adoption and Eligibility Units work in conjunction with Financial Operations.
- More State training sessions for workers and supervisors.
- In-house training sessions to address specific areas of concern as they become evident through the supervisory review process.

SECTION IV
EXHIBITS

Exhibit A

Case #	Net Over (Under)payment to Parents from 4/1/15-11/30/16	Net Federal Over (Under) reimbursement from 4/1/15-11/30/16	Net State Over (Under) reimbursement from 4/1/15- 11/30/16	Net Loss of Local dollars from 4/1/15- 11/30/16
1	\$ 506.30	\$ -	\$ 313.91	\$ 192.39
2	\$ 10,235.80	\$ -	\$ 6,346.20	\$ 3,889.60
3	\$ 2,970.70	\$ 457.78	\$ 1,558.01	\$ 954.91
4	\$ 10,772.60	\$ 3,205.29	\$ 4,691.73	\$ 2,875.58
5	\$ -	\$ (12,264.05)	\$ 7,603.71	\$ 4,660.34
6	\$ -	\$ (6,376.56)	\$ 3,953.47	\$ 2,423.09
7	\$ -	\$ (8,158.75)	\$ 5,058.42	\$ 3,100.33
8	\$ (54.56)	\$ -	\$ (33.83)	\$ (20.73)
9	\$ -	\$ (8,875.65)	\$ 5,502.90	\$ 3,372.75
10	\$ -	\$ (13,651.58)	\$ 8,463.98	\$ 5,187.60
11	\$ -	\$ 148.33	\$ (91.96)	\$ (56.37)
12	\$ -	\$ 109.12	\$ (67.65)	\$ (41.47)
13	\$ -	\$ (10,504.20)	\$ 6,512.60	\$ 3,991.60
Totals	\$ 24,430.84	\$ (55,910.27)	\$ 49,811.49	\$ 30,529.62

Findings from cases 1-13 noted above:

- 1 The net overpayment to parents is \$ 24,430.84.
- 2 Total net County loss of Federal reimbursement not claimed is \$55,910.27.
- 3 Total net funds owed to the State for reimbursement overclaimed is \$49,811.49.
- 4 Total Net Local dollars lost is \$30,529.62.

Notes:

* Calculations were made only back to the date that supplemental claims can be submitted to New York State.

** Calculations were based on examination and assessment of the documentation available for the 40 cases tested. Documentation in some cases was conflicting and not always definitive as to the correct eligibility determination.

Exhibit B

BICS - Authorization Screen

►LRETEL
DATE 040717

CASE AUTHORIZATION HISTORY

CIN DW6

PAGE 1 OF 1
DIST ONON

CASE-NO	AUTH-NO	CURRENT AND RETRO DATA						CASE	ELIGIBILITY
		SC/FC	CLM-CAT	JD-PINS	TRANS		AUTH-PERIOD	RETRO-PERIOD	
		CUR RET	CUR RET	CUR RET	DATE				
S62484	13643203		08		040416		050116-050117		
	13184359		08		051415		050115-050116		
	13105826		08		031915		032715-032716		
	13097295		02		031315		070114-070115		
	12681980		02		062514		070114-070115		

Claim Category changed from 02 Title IV-E to 08 Non IV-E on 3/27/15 (day after child's 18th birthday).

VENTEK LIVE - GENERAL CLIENT INQUIRY (GCI)

Per notes in GCI, child was deemed permanent disability and should have remained IV-E.



Department of Social Services

CASE COMMENTS

THIS REPORT CONTAINS
CONFIDENTIAL INFORMATION
FOR AUTHORIZED USE ONLY

Case No : X6248401

Case Name :

From Date : 05/04/2012 - 06/14/2016

Date : 06/14/2016 Tuesday)

Time : 1:59:36PM

Unit / Worker : [00016 /]

SA Recert Complete - Child remains IVE Elig. 06/01/16-05/31/17, due to permanent disability.

Date : 06/26/2015 (Friday)

Time : 11:08:48AM

Unit / Worker : [00082 /]

SA/HC until 21st birthday. As per caseworker email response in file: child's disability is permanent. SA Agreement copy in file.

Time : 10:38:05AM

Unit / Worker : [00082 /]

SA/HCL0D2 child turned age 18 in March. Sent email to cswkr to verify if permanent disability. Child remains IVE at this time. New auth period: 6/01/15 to 5/31/16. SA: 6/23/05

Date : 05/21/2014 (Wednesday)

Time : 4:22:38PM

Unit / Worker : [00082 /]

SA Recert Complete - Child remains IVE Elig. 06/01/14-05/31/15.

Date : 05/08/2013 (Wednesday)

Time : 11:59:33AM

Unit / Worker : [00082 /]

6/1/13-5/31/14 SA recert. comp. CH remains IV-E.

Date : 05/04/2012 (Friday)

Time : 9:39:29AM

Unit / Worker : [00082 /]

Adoption MA recert complete; 6/1/12-5/31/13.

Exhibit C
Single Audit Report Findings Relative to Title IV-E Adoption
Assistance
2011 - 2015

2015 Single Audit Findings

Part II - Findings and Questioned Costs Relating to Federal Awards

Reference: 2015-001

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: 2015

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 County's current policies and procedures are not operating effectively to ensure appropriate review of a child's eligibility. Specifically the following deficiencies in internal control over compliance were identified:

- In 14 of 44 cases tested, the LDSS-3912 Adoption Assistance Eligibility Checklist was not completed properly.
- In 3 of 44 cases tested, the LDSS 2970 Service Authorization Forms were not retained in accordance with policies and procedures.
- In 12 of 44 cases tested, appropriate signatures were not found on Authorization Forms.
- In 1 of 44 cases tested, a recertification letter was not found on file for the applicant.

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

- In 1 of these 44 instances, the Level of Difficulty rate used did not agree to the adoption subsidy agreement resulting in known questioned costs of \$974.
- In 1 of these 44 instances, the case file was missing proper medical information when the child turned 18 years old, resulting in known questioned costs of \$3,671.
- In 1 of these 44 instances, the County failed to identify a child no longer eligible for Title IV-E Subsidy due to death of adoptive parents, resulting in known questioned costs of \$12,096.

In 4 of 44 cases tested, due to incorrect coding, the County did not claim Title IV-E funding for those individuals properly determined to be eligible.

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

Reference: 2015-001 (Continued)

Questioned Costs:

\$16,741 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 in response to the findings in the audit will initiate the following corrective actions steps:

Staff Training:

NYS Office of Children and Family Services will retrain all staff, including program administrators, in the regulatory requirements for determining eligibility, required documentation, and record retention requirements. This training will also be provided annually to ensure changes in staffing, policy or protocol are addressed.

Transfer of Subsidy work to the eligibility unit and develop adoption subsidy policy and procedure for Department:

The adoption subsidy work will transition into the Department's eligibility unit and procedures will be codified that will clearly outline the role and responsibility of the case workers and identifying the need for services. The new policy will also detail role of the eligibility unit in supporting compliance with proper documentation, record retention and confirming eligibility.

Internal Case Review:

The Department staff will develop an internal review procedure that will test a sampling of cases on a quarterly basis. The Department will consult with the County Comptroller's office to ensure that the internal review process will effectively monitor the County's obligations to comply with the requirements the Title IV-E Adoption Assistance program.

2014 Single Audit Findings

Part II - Findings and Questioned Costs Relating to Federal Awards

Reference: 2014-001

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: 2014

Criteria:

According to OMB Circular A-133 Part III 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 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 OMB Circular A-133.

Cause/Condition:

The County's current policies and procedures are not operating effectively to ensure the LDSS 2970 Authorization Forms (Authorization Forms) are retained in accordance with policies and procedures. In 8 of 40 cases tested, the Authorization Forms were not retained.

Current policies and procedures are not operating effectively to ensure the County claims all available Title IV-E funding for those cases deemed eligible. This occurred in 8 of 40 cases tested.

- In 2 of these 8 instances, the Level of Difficulty rate used did not agree to the adoption subsidy agreement resulting in the County not claiming all eligible Title IV-E funding.
- In 5 of these 8 instances, Title IV-E fund claiming was discontinued while the case remained eligible.
- In 1 of these 8 instances, as a result of missing medical information, Title IV-E funding was not claimed, despite the permanent nature of the disabled child.

Current policies and procedures are not operating effectively to ensure the County only claims Title IV-E funding for those cases deemed eligible. This occurred in 4 of 40 cases tested.

- In 2 of these 4 instances, the Level of Difficulty rate used did not agree to the adoption subsidy agreement resulting in known questioned costs of \$1,111.
- In 1 of these 4 instances, the case file was missing proper medical information to support disabled status, resulting in known questioned costs of \$7,958.
- In 1 instance, the County failed to properly identify when a child turned 18 years old, resulting in known questioned costs of \$210.

In 2 of 40 cases tested, there was a lack of evidence to demonstrate the County's attempt to make contact with the adopted parent via certification letters and/or telephone.

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

Reference: 2014-001 (Continued)

Questioned Costs:

\$9,279 known questioned costs.

Effect:

The County was not in compliance with eligibility requirements in accordance with OMB Circular A-133 resulting in questioned costs.

Recommendation:

We recommend that the County reinforce existing policies and procedures that require a review of eligibility determination be made 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 LDSS 2970 Authorization Forms and document evidence to support efforts were made to contact adopted parents.

Management's Response:

After the 2013 audit, the Department instituted a number of changes to address the errors identified. The most significant change was the creation and implementation of an electronic case tracking system for the subsidy work. This application has increased significantly our ability to manage cases receiving subsidies. We believe the implementation of this tracking has led to improved oversight of the program.

For the 2014 audit, the specific cases the Department acknowledges as errors were the result of human error. During the year, the supervisor of the area will conduct periodic trainings with staff to reinforce correct interpretations of standards, and will conduct periodic case reviews to determine whether calculations are performed correctly.

The Department respectfully contests the above exception with questioned costs of \$7,958. The case involves a youth with significant disabilities who turned age 18. Most errors involve some action either not taken, missing documentation to substantiate a decision, or an incorrect decision. The issue with this finding appears to be more one of judgment. The explanation is as follows.

The regulations state, once a child is determined eligible to receive Title IV-E Adoption Assistance, s/he remains eligible and the assistance continues until:

- The child reaches age 18 and is hard-to-place, or
- The child reaches age 21 if the social services district determines that the child has a mental or physical disability that warrants the continuation of federal assistance, or
- The LDSS/ACS determines that the adoptive parents are no longer legally responsible for the support of the child or if the LDSS/ACS determines that the child is no longer receiving any support from parents.

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

Reference: 2014-001 (Continued)

Management's Response (Continued):

The regulations further indicate that a redetermination of eligibility is needed, and go on to make a distinction between "handicapped" children and "hard to place" children. The steps for redetermination for "hard to place" are explicit. However, no specific steps are found in the regulations with respect to documentation requirements for "handicapped" children.

The child in the test case was a handicapped child. According to our review of his records, his condition which included subclinical ADHD, adjustment disorder with mixed disturbance of emotions and conduct, oppositional-defiant disorder were permanent in nature. Therefore, in our judgment, his condition met the regulatory criteria for continued 4-E eligibility.

Auditor's Response:

Based upon review of the contested case, the finding is valid. The case file included no indication that this child had been determined to be permanently disabled thus warranting the continuation of Title IV-E assistance without updated medical information following the child reaching age 18. As such, the child was determined to not be eligible for Title IV-E assistance.

**COUNTY OF ONONDAGA, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Part II - Findings and Questioned Costs Relating to Federal Awards (Cont'd)

**Reference: 13-02
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: 2013**

Criteria:

According to OMB Circular A-133 Part III 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 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 OMB Circular A-133.

Cause/Condition:

The County's current policies and procedures are not operating effectively to allow for an appropriate review of a child's eligibility at the point that a child turns the age of 18. Specifically the following deficiencies in internal control over compliance were identified:

- There are no authorizations maintained in any case files.
- In 11 of 40 cases tested, the certifications were not properly filed with other information pertaining to the child's case.
- In 7 of 40 cases tested, certifications were incomplete or missing.
- In 17 of 23 cases involving hard to place children tested, the coding of a child's condition and eligibility was not correctly updated in the BICS or WCS system.
- In 4 of the 17 special needs cases tested, the confirmation of a disability was not properly documented.

(Continued)

**COUNTY OF ONONDAGA, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Part II - Findings and Questioned Costs Relating to Federal Awards (Cont'd)

Reference: 13-02 (Cont'd)

The County's current policies and procedures are not operating effectively to allow for an appropriate review of a child's eligibility at the point that a child turns the age of 18. Specifically the following deficiencies in compliance and internal control over compliance were identified:

- In 1 of 17 special needs cases tested, a parent who no longer had custody of the child was not sent a subsidy termination letter or given a fair hearing. In addition, there was no physician confirmation of the child's disability resulting in a total amount over claimed by the County of \$4,714.
- In 2 of 40 cases tested, payments were made on behalf of a child that was found to be ineligible in their adoption subsidy agreements resulting in a total amount over claimed by the County of \$4,371.
- In 17 of 40 cases tested, retroactive payments were not made prior to the respective cutoff dates. Furthermore, of these 17 cases tested, 8 resulted in a total amount over claimed by the County of \$8,750.
- In 17 of 23 hard to place children tested, unallowable payments were made at one point during the year of which 1 of the 17 cases tested resulted in an amount over claimed by the County of \$22.
- There were 8 additional cases of the 17 children tested with special needs where there was no confirmation of the child's disability from a physician resulting in a total amount over claimed by the County of \$45,099.

In addition, deficiencies in internal control over compliance led to 9 instances where amounts were under claimed for a total of \$2,177.

Questioned Costs:

\$62,956 known questioned costs.

Effect:

The County was not in compliance with eligibility requirements in accordance with OMB Circular A-133 resulting in questioned costs.

(Continued)

**COUNTY OF ONONDAGA, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Part II - Findings and Questioned Costs Relating to Federal Awards (Cont'd)

Reference: 13-02 (Cont'd)

Recommendation:

We recommend that the County reinforce existing policies and procedures that require a review of eligibility determination be made when a child reaches the age of 18. The County should utilize the current software in place that automatically indicates when a child reaches the age of 18 through a system generated report. At this point, eligibility determination should be reviewed, and Title IV-E adoption assistance should be discontinued for those children deemed ineligible.

Management's Response:

The Adoption Subsidy worker currently is the caseworker for 755 children. She does all of the work on their subsidies. This includes opening and closing cases, updating demographics, and recertifying the cases yearly. The annual certification is a labor intensive process, involving the request and tracking of information from adoptive parents, whose ongoing subsidies are not contingent upon their response to our requests. In many instances, repeated requests need to be made to the adoptive parents to gather the necessary documentation to form determination. This worker also processes the amendments for rate increases, death of a parent, etc.

Because of the high volume of work, in 2014, an additional ½ FTE caseworker was reassigned to assist with the duties. Deployment of additional staff resources is now deemed necessary to stay current with the high volume of work. Our action plan will include:

1. Assigning a Caseworker Supervisor B to work with the Adoption Subsidy worker. Besides direct supervisory duties, the Supervisor will be expected to work directly in the completion of the necessary paperwork requirements. The B Supervisor will ensure that the current electronic tracking software used to generate reports when a child reaches the age of 18 and redetermination of eligibility required will be reviewed and that appropriate action will be taken.
2. Improved electronic tracking of information. Because multiple requests for information from adoptive parents need to be made, and the high volume of information handled by through the process, an improved electronic tracking system is necessary.

(Continued)

**COUNTY OF ONONDAGA, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Part II - Findings and Questioned Costs Relating to Federal Awards (Cont'd)

Reference: 13-02 (Cont'd)

Management's Response (Cont'd):

To improve tracking of document requests, receipts, etc., the Supervisor, who has had Excel training, will be creating spreadsheets for use by the Unit. There will also be a spreadsheet to trigger alerts prior to important events such as the 18th birthday so that action can be initiated in advance.

Some of this has already been done. A form has been developed that is now attached to each document transmittal with information showing the child's age, date of adoption, eligibility, any retroactive payment lines, Level of Difficulty, and any case changes. Second, a chart is now posted visibly in the worker's cubicle listing all children who were/are adopted after they turn 16 years old and if they need documentation for their subsidy. Third, the Adoption Subsidy worker is now getting the anticipation future action report from the electronic TREAT system each month that shows children turning 18-21. When the Adoption Subsidy worker receives new cases, they are now double checking information on the subsidy agreement to see if there is consistency in the whole case record.

The Adoption Unit Supervisor and the administrative supervisor overseeing this Unit will be responsible to ensure that all policies and procedures currently in place are adhered to and that the procedures set forth in this response are also followed to prevent further inefficiencies.

During 2014, a quality assurance effort will also be implemented, with a random number of cases selected each month by the administrative supervisor for review. This internal review/audit of records will indicate whether the internal controls developed are being implemented effectively. Additional corrective action will be taken, if necessary, to ensure that proper controls are in place.

Findings from these monthly internal reviews will be communicated to the CFS Commissioner and the Deputy Commissioner of Child Welfare.

(Continued)

2012 Single Audit Findings

**COUNTY OF ONONDAGA, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Part II - Findings and Questioned Costs Relating to Federal Awards

Reference: 12-01

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: 2012

Criteria:

According to the OMB Circular A-133 Compliance Supplement (the "OMB Circular A-133") Part III 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 IV-E agency determines that the child has a mental or physical disability which warrants the continuation of assistance).

Cause/Condition:

The County's current policies and procedures are not operating effectively to allow for an appropriate review of a child's eligibility at the point that child turns the age of 18.

A total of 683 individuals received Title IV-E adoption assistance during 2012, of which 139 were 18 years of age or older. A total of 73 of the 139 individuals were found to be ineligible for Title IV-E adoption assistance. All Title IV-E adoption assistance paid during the 2012 year on behalf of these 73 individuals resulted in questioned costs.

Questioned Costs:

\$189,886

Effect:

The County was not in compliance with eligibility requirements that resulted in questioned costs.

Recommendation:

We recommend that the County reinforce existing policies and procedures that require a review of eligibility determination be made when an individual reaches the age of 18. The County should utilize the current software in place that automatically indicates when an individual reaches the age of 18 through a system generated report. At this point eligibility determination should be reviewed, and Title IV-E adoption assistance should be discontinued for those individuals deemed ineligible.

(Continued)

**COUNTY OF ONONDAGA, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Part II - Findings and Questioned Costs Relating to Federal Awards (Cont'd)

Reference: 12-01 (Cont'd)

Management's Response:

The Department has put in place controls to ensure eligibility decisions are made appropriately and that related costs are allowable. The adoption worker will maintain the proper documentation for ongoing IV-E adoption subsidy claiming. When a child is no longer IV-E eligible the worker will cease federal claiming and terminate subsidy payments. A new procedure has been implemented to verify whether a child is IV-E eligible or not on a monthly basis.

Reference: 12-02

**U.S. Department of Health and Human Services
Pass-through entities: NYS Department of Family Assistance
Child Care and Development Block Grant (93.575)
Onondaga County Department of Social Services
Program Year: 2012**

Criteria:

According to the activities allowed or unallowed compliance requirement in the OMB Circular A-133, funds may be used for child care services in the form of certificates, grants or contracts (42 USC 9858c(c)(2)(A)). The County shall expend and account for funds in accordance with the laws and procedures they use for expending and accounting for their own funds (45 CFR section 98.67) in accordance with allowable costs/cost principles. Furthermore, the County shall have in place procedures for documenting and verifying eligibility in accordance with Federal requirements as outlined in OMB Circular A-133 (42 USC 9858n(4); 45 CFR section 98.20(a) and 98.80(f)), (45 CFR section 98.42) and (45 CFR section 98.43).

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

(Continued)

2011 Single Audit Findings

COUNTY OF ONONDAGA, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011

Part II - Findings and Questioned Costs Relating to Federal Awards (Cont'd)

Reference: 11-06

U.S. Department of Health and Human Services

Pass-through entities: NYS Department of Family Assistance and NYS Department of Health

Adoption Assistance 93.659

Onondaga County Department of Social Services

Program Year: 2011

Criteria:

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

Cause/Condition:

The County has policies and procedures in place to ensure proper completion and accuracy of documentation as it relates to federal requirements including eligibility and allowability as it relates to Adoption Assistance. Policies and procedures were not followed in the instances noted below:

- In one instance the adoption subsidy agreement was missing the signature of the New York State Adoption Subsidy Official,
- In one instance the Form LDSS-4623 supporting the eligibility determination made by New York State was not retained,
- In one instance verification of enrollment in a secondary school or trade school was not done until a previously scheduled recertification date rather than as of the recipient's 18th birthday,
- In one instance an error in the retroactive calculation resulted in the County not utilizing Title IV-E funds the recipient was eligible for.

Questioned Costs:

None noted.

Effect:

Of the cases referenced above, no unallowable payments or payments to ineligible individuals were noted. However, a deviation from prescribed controls results in a risk of noncompliance with federal program guidelines.

(Continued)

**COUNTY OF ONONDAGA, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Part II - Findings and Questioned Costs Relating to Federal Awards (Cont'd)

Reference: 11-06 (Cont'd)

Recommendation:

It is recommended that the County emphasize the importance of following stated policies and procedures to prevent noncompliance with federal program guidelines.

Response:

This individual is IV-E eligible past 18 years old because he is enrolled as a student in college. New (last Fall) regulations allow IV-E continuation for hard-to-place youths if they are attending secondary, vocational, or training school.

This individual continued IV-E adoption subsidy, an annual certification letter that stated the child's enrollment in college that was dated for the current year but after his 18th birthday. He turned 18 in July and the certification letter was for the September college enrollment session.

(Continued)

**COUNTY OF ONONDAGA, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Part II - Findings and Questioned Costs Relating to Federal Awards (Cont'd)

Reference: 11-07

U.S. Department of Health and Human Services

Pass-through entities: NYS Department of Family Assistance and NYS Department of Health

Adoption Assistance 93.659

Onondaga County Department of Social Services

Program Year: 2011

Criteria:

In accordance with Adoption Assistance eligibility requirements per OMB Circular A-133, once a child is determined eligible to receive title IV-E adoption assistance, he or she remains eligible and the subsidy continues until either the age of 18 (or 21 if the IV-E agency determines that the child has a mental or physical disability which warrants the continuation of assistance) (42 USC 673(a)(4)(A) and (B)).

Cause/Condition:

The recipient is over the age of 18 and has not been classified as disabled or handicapped and therefore not eligible for the adoption assistance subsidy.

Questioned Costs:

\$7,390

Effect:

During the fiscal year ending December 31, 2011, there was an overpayment of federal funds that resulted in questioned costs.

(Continued)

**COUNTY OF ONONDAGA, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Part II - Findings and Questioned Costs Relating to Federal Awards (Cont'd)

Reference: 11-07 (Cont'd)

Recommendation:

The County should establish policies and procedures to ensure federal funds are expended in accordance with OMB Circular A-133.

Response:

The individual has been changed from IV-E to Non IV-E and the amount is \$17,354.97. Case was changed to Non-IV-E through the child turning 21, which ended the subsidy.

This review of a child not receiving continued IV-E benefits past age 18 is just a case in error. We apparently did not capture all of the 18 year olds for continued IV-E adoption benefits when legislation changed in October 2011.

(Continued)

<p>SECTION V MANAGEMENT RESPONSE</p>
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County of Onondaga

Children & Family Services

Child Welfare • Juvenile Justice • Youth Bureau • Children's Mental Health • School-Based Initiatives
JOHN H. MULROY CIVIC CENTER
421 MONTGOMERY STREET
SYRACUSE, NY 13202

www.ongov.net

Joanne M. Mahoney
County Executive

Ann Rooney
Deputy County Executive
Acting Commissioner

May 22, 2017

Mr. Robert E. Antonacci, CPA, Esq.
Comptroller, Office of the Onondaga County Comptroller
14th Floor, John H. Mulroy Civic Center
421 Montgomery Street
Syracuse, NY 13202

Reference: Onondaga County 2016 Adoption Assistance Management Response and Corrective Action

Dear Mr. Antonacci:

Please let this letter serve as the Department's Management Response and Corrective Action for the findings of the audit:

Management Response and Corrective Action

The Department of Children and Family Services in response to the findings in the audit will initiate the following corrective actions steps:

1. **Transfer of Subsidy work to the eligibility unit and develop adoption subsidy policy and procedure for Department:** The Department of Children and Family Service recently hired a Clerk 2 and an Income Maintenance Worker in May of 2017 which will allow for the complete transfer of the Adoption subsidy work to the Department's eligibility unit. 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. (Recommendations: A1, A2, A4, B5, B7, F12, F13, G14, H-15, J17).
2. **Staff Training:** NYS Office of Children and Family Services will retrain all staff, including program administrators, in the regulatory requirements for determining eligibility, required

documentation, and record retention requirements. This training will also be provided annually to ensure changes in staffing, policy or protocol are addressed. (Recommendation A3, F11).

3. **Administrative and Finance Review of cases eligible for Supplemental Reimbursement and possible recoupment of overpayments:** The Department Administration will work with the Finance Department and the Eligibility Unit is a review of the cases and put in place a plan within forty-five (45) days to submit additional or supplemental claims for potential reimbursement. (Recommendations B7, C8, D9).

If there are any questions in regards to the corrective action outlined above please feel free to contact me at (315) 435-7017 or via email at JCzarniak@ongov.net.

Regards,



James C Czarniak
Assistant Commissioner Child Welfare
Onondaga County Department of Children & Family Services