

**COUNTY OF ONONDAGA, NEW YORK**

**REPORT REQUIRED BY THE SINGLE AUDIT ACT**

**DECEMBER 31, 2012**

**COUNTY OF ONONDAGA, NEW YORK**

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HELPING OUR CLIENTS'  
VISIONS ADD UP

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB  
CIRCULAR A-133**

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To the Honorable County Executive, Joanne M. Mahoney  
and Honorable Members of the County Legislature  
County of Onondaga, New York

**Report on Compliance for Each Major Federal Program**

We have audited County of Onondaga, New York's (the "County") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget ("OMB") Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2012. 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 County Convention Center/War Memorial Complex Management Corporation, 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, 2012. Our audit, described below, did not include the federal awards of the above entities as these entities conducted audits in accordance with OMB Circular A-133, if required.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the 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.

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.

### ***Basis for Qualified Opinion on Adoption Assistance - 93.659***

As described in the accompanying schedule of findings and questioned costs, the County did not comply with Eligibility compliance requirements regarding Adoption Assistance - 93.659 as described in finding number 12-01. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

### ***Qualified Opinion on Adoption Assistance - 93.659***

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, 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 Adoption Assistance - 93.659 for the year ended December 31, 2012.

### ***Unmodified Opinion on Each of the Other Major Federal Programs***

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 other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2012.

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 12-02. Our opinion on each major federal program is not modified with respect to this matter.

The County's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

## 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 procedure 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 OMB Circular A-133, 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 preceding paragraph 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. *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 12-01 through 12-03 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 deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 12-04 to be a significant deficiency.

The County's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. 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 Onondaga County, New York as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated May 8, 2013, 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. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 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.

September 19, 2013  
Syracuse, New York

**COUNTY OF ONONDAGA, NEW YORK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

Federal Grantor/Program Title	CFDA #	Pass-Through Grantor ID #	Federal Expenditures
<b>U.S. Department of Agriculture:</b>			
Direct Program:			
Urban and Community Forestry Program	10.675		\$ <u>37,277</u>
Pass-Through New York State (NYS) Education Department:			
Child Nutrition Cluster:			
School Breakfast Program	10.553		9,216
National School Lunch Program	10.555		<u>16,178</u>
Total Child Nutrition Cluster			<u>25,394</u>
Pass-Through NYS Department of Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	C025777	1,769,137
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	C025815	260,907
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557		<u>7,268,551</u>
Total WIC			<u>9,298,595</u>
Pass-Through New York State (NYS) Department of Family Assistance:			
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561		3,411,655
Pass-Through NYS Department of Health:			
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561	C026674	<u>35,066</u>
Total State Administrative Matching Grants for Supplemental Nutrition Assistance Program			<u>3,446,721</u>
Total U.S. Department of Agriculture			<u>12,807,987</u>
<b>U.S. Department of Defense:</b>			
Direct Program:			
Protection of Essential Highways, Highway Bridge Approaches, and Public Works	12.105		<u>87,735</u>
Total U.S. Department of Defense			<u>87,735</u>
<b>U.S. Department of Housing and Urban Development:</b>			
Direct Programs:			
Community Development Block Grants/Entitlement Grants	14.218		<u>1,861,565</u>
Emergency Solutions Grants Program	14.231		<u>91,555</u>
Home Investment Partnerships Program	14.239		<u>165,526</u>
Lead-Based Paint Hazard Control in Privately - Owned Housing	14.900		2,136,192
Pass-Through City of Syracuse:			
Lead-Based Paint Hazard Control in Privately - Owned Housing	14.900	04811	<u>27,626</u>
Total Lead-Based Paint Hazard Control in Privately Owned Housing			<u>2,163,818</u>
Direct Program:			
ARRA - Homeless Prevention and Rapid Re-Housing Program	14.257		144,089
Pass-Through City of Syracuse:			
ARRA - Homeless Prevention and Rapid Re-Housing Program	14.257		<u>361,070</u>
Total ARRA - Homeless Prevention and Rapid Re-Housing Program			<u>505,159</u>
Total U.S. Department of Housing and Urban Development			<u>4,787,623</u>
<b>U.S. Department of Justice:</b>			
Direct Programs:			
State Criminal Alien Assistance Program	16.606		<u>45,926</u>
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580		<u>27,304</u>
Public Safety Partnership and Community Policing Grants	16.710		<u>424,463</u>

(Continued)

**COUNTY OF ONONDAGA, NEW YORK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

Federal Grantor/Program Title	CFDA #	Pass-Through Grantor ID #	Federal Expenditures
<b>U.S. Department of Justice (Continued):</b>			
Direct Programs (Continued):			
Edward Byrne Memorial Justice Assistance Grant Program	16.738		79,145
Pass-Through NYS Division of Criminal Justice Services:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738		97,388
Edward Byrne Memorial Justice Assistance Grant Program	16.738	T632320	3,540
Edward Byrne Memorial Justice Assistance Grant Program	16.738	C632351	<u>22,237</u>
Total Edward Byrne Memorial Justice Assistance Grant Program			<u>202,310</u>
DNA Backlog Reduction Program	16.741	DN-BX-K047	82,258
DNA Backlog Reduction Program	16.741	DN-BX-0001	28,540
DNA Backlog Reduction Program	16.741	DN-BX-K467	<u>130,151</u>
Total DNA Backlog Reduction Program			<u>240,949</u>
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	C118160	<u>59,896</u>
Pass-Through NYS Police:			
ARRA - Internet Crimes against Children Task Force Program (ICAC)	16.800		<u>4,479</u>
Total U.S. Department of Justice			<u>1,005,327</u>
 <b>U.S. Department of Labor:</b>			
Pass-Through NYS Office for the Aging:			
Senior Community Service Employment Program	17.235		<u>96,950</u>
Total U.S. Department of Labor			<u>96,950</u>
 <b>U.S. Department of Transportation:</b>			
Pass-Through NYS Department of Transportation:			
Highway Planning and Construction	20.205		<u>7,885,654</u>
Metropolitan Transportation Planning	20.505		<u>172,584</u>
Pass-Through NYS Governor's Traffic Safety Committee:			
State and Community Highway Safety	20.600		<u>128,577</u>
Total U.S. Department of Transportation			<u>8,186,815</u>
 <b>Institute of Museum and Library Services:</b>			
Pass-Through NYS Department of Education:			
Museums for America	45.301		<u>2,920</u>
Grants to States	45.310		<u>28,761</u>
Total Institute of Museum and Library Services			<u>31,681</u>
 <b>U.S. Environmental Protection Agency:</b>			
Direct Programs:			
Congressionally Mandated Projects	66.202		<u>9,772,576</u>
ARRA - Construction Grants for Wastewater Treatment Works	66.418		<u>2,950,000</u>
Pass-Through NYS Environmental Facilities Corporation:			
ARRA - Capitalization Grants for Clean Water State Revolving Funds	66.458		<u>52,431</u>
Pass-Through NYS Department of Health:			
State Indoor Radon Grants	66.032	T027073	<u>1,436</u>

(Continued)

**COUNTY OF ONONDAGA, NEW YORK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

Federal Grantor/Program Title	CFDA #	Pass-Through Grantor ID #	Federal Expenditures
<b>U.S. Environmental Protection Agency (Continued):</b>			
Pass-Through Central NY Regional Planning & Development Board: Climate Showcase Communities Grant Program	66.041		<u>60,000</u>
Total U.S. Environmental Protection Agency			<u>12,836,443</u>
<b>U.S. Department of Energy:</b>			
Direct Program: ARRA - Energy Efficiency and Conservation Block Grant Program	81.128		<u>691,508</u>
Total U.S. Department of Energy			<u>691,508</u>
<b>U.S. Department of Education:</b>			
Pass-Through Syracuse City School District: Special Education Grants to the States (IDEA, Part B)	84.027		<u>37,647</u>
Pass-Through Department of Health: Early Intervention Cluster: Special Education - Grants for Infants and Families	84.181	C027495	329,803
ARRA - Special Education - Grants for Infants and Families	84.393	C025231	<u>2</u>
Total Early Intervention Cluster			<u>329,805</u>
Total U.S. Department of Education			<u>367,452</u>
<b>U.S. Election Assistance Commission:</b>			
Direct Programs: Help America Vote Act Requirements Payments	90.401		<u>54,390</u>
Total U.S. Election Assistance Commission			<u>54,390</u>
<b>U.S. Department of Health and Human Services:</b>			
Direct Programs: Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances	93.104		<u>2,309,356</u>
Voting Access for Individuals with Disabilities - Grants to States	93.617		<u>47,898</u>
Healthy Start Initiative	93.926		<u>969,785</u>
Pass-Through National Association of County and City Health Officials: Medical Reserve Corps Small Grant Program	93.008	MRC 1120	4,907
Medical Reserve Corps Small Grant Program	93.008	MRC 1220	<u>5,000</u>
Total Medical Reserve Corps Small Grant Program			<u>9,907</u>
Pass-Through NYS Office of Mental Health: Projects for Assistance in Transition from Homelessness	93.150		<u>468,936</u>
Pass-Through NYS Office for the Aging: Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043		<u>33,077</u>
Aging Cluster: Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044		471,819
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045		910,484
Nutrition Services Incentive Program	93.053		<u>233,344</u>
Total Aging Cluster			<u>1,615,647</u>
National Family Caregiver Support, Title III, Part E	93.052		<u>211,464</u>
Medicare Enrollment Assistance Program	93.071		<u>12,876</u>

(Continued)

**COUNTY OF ONONDAGA, NEW YORK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

Federal Grantor/Program Title	CFDA #	Pass-Through Grantor ID #	Federal Expenditures
<b>U.S. Department of Health and Human Services (Continued):</b>			
Pass-Through NYS Office for the Aging (Continued):			
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779		<u>27,929</u>
Low-Income Home Energy Assistance	93.568		121,191
Pass-Through NYS Department of Family Assistance:			
Low-Income Home Energy Assistance	93.568		<u>16,680,057</u>
Total Low-Income Home Energy Assistance			<u>16,801,248</u>
Pass-Through NYS Department of Family Assistance (Continued):			
ARRA - Child Support Enforcement	93.563		536,827
Child Support Enforcement	93.563		<u>1,518,267</u>
Total Child Support Enforcement			<u>2,055,094</u>
Child Care and Development Block Grant	93.575		<u>12,040,983</u>
Refugee and Entrant Assistance - Voluntary Agency Programs	93.567		<u>1,820,377</u>
Stephanie Tubbs Jones Child Welfare Services Program	93.645		<u>429,919</u>
ARRA - Foster Care - Title IV-E	93.658		40,778
Foster Care - Title IV-E	93.658		<u>5,168,602</u>
Total Foster Care - Title IV-E			<u>5,209,380</u>
ARRA - Adoption Assistance	93.659		62,392
Adoption Assistance	93.659		<u>3,384,598</u>
Total Adoption Assistance			<u>3,446,990</u>
Social Services Block Grant	93.667		<u>3,358,597</u>
Chafee Foster Care Independence Program	93.674		<u>240,493</u>
Temporary Assistance for Needy Families	93.558		42,094,385
Pass-Through NYS Department of Health:			
Temporary Assistance for Needy Families	93.558	C028081	<u>240,090</u>
Total Temporary Assistance for Needy Families			<u>42,334,475</u>
Immunization Cooperative Agreements	93.268	C023258	76,026
Immunization Cooperative Agreements	93.268	C023001	<u>3,610</u>
Total Immunization Cooperative Agreements			<u>79,636</u>
Children's Health Insurance Program	93.767	C021715	1,245
Children's Health Insurance Program	93.767	C027842	<u>74,996</u>
Total Children's Health Insurance Program			<u>76,241</u>
Preventive Health Services - Sexually Transmitted Disease Control Grants	93.977	C021838	50,478
Preventive Health Services - Sexually Transmitted Disease Control Grants	93.977	C027658A	44,550
Preventive Health Services - Sexually Transmitted Disease Control Grants	93.977	T028064	26,535
Preventive Health Services - Sexually Transmitted Disease Control Grants	93.977	C027977	<u>53,570</u>
Total Preventive Health Services - Sexually Transmitted Disease Control Grants			<u>175,133</u>
Preventive Health and Health Services Block Grant	93.991	C026674	27,128
Preventive Health and Health Services Block Grant	93.991	C023001	<u>18,886</u>
Total Preventive Health and Health Services Block Grant			<u>46,014</u>

(Continued)

**COUNTY OF ONONDAGA, NEW YORK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

Federal Grantor/Program Title	CFDA #	Pass-Through Grantor ID #	Federal Expenditures
<b>U.S. Department of Health and Human Services (Continued):</b>			
Pass-Through NYS Department of Health (Continued):			
Maternal and Child Health Services Block Grant to the States	93.994	C023001	10,321
Maternal and Child Health Services Block Grant to the States	93.994	C021148	13,878
Maternal and Child Health Services Block Grant to the States	93.994	C026674	12,383
Maternal and Child Health Services Block Grant to the States	93.994	C026523	<u>115,009</u>
Total Maternal and Child Health Services Block Grant to the States			<u>151,591</u>
Pass-Through Health Research, Inc.:			
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	C-3487-04	103,332
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	C-3487-05	<u>68,923</u>
Total Centers for Disease Control and Prevention - Investigations and Technical Assistance			<u>172,255</u>
Public Health Emergency Preparedness	93.069	1578-08	17,113
Public Health Emergency Preparedness	93.069	1578-09	142,347
Public Health Emergency Preparedness	93.069	1578-10	<u>86,089</u>
Total Public Health Emergency Preparedness			<u>245,549</u>
Pass-Through NYS Office of Alcohol and Substance Abuse Services:			
Block Grant for Prevention and Treatment of Substance Abuse	93.959		<u>1,814,996</u>
Medical Assistance Program	93.778		101,359
Pass-Through NYS Office of Mental Health:			
Medical Assistance Program	93.778		640,768
Pass-Through NYS Department of Health:			
Medical Assistance Program	93.778	C021374	86,459
Medical Assistance Program	93.778	C027842	74,995
Medical Assistance Program	93.778	C021715	1,246
Medical Assistance Program	93.778		<u>390,094,330</u>
Total - Medical Assistance Program			<u>390,999,157</u>
Total U.S. Department of Health and Human Services			<u>487,205,003</u>
<b>U.S. Department of Homeland Security and Emergency Services:</b>			
Pass-Through NYS Division of Homeland Security and Emergency Services:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		<u>195,833</u>
Hazardous Material Assistance Program	97.021		<u>147</u>
Emergency Management Performance Grants	97.042		<u>125,957</u>
Interoperable Emergency Communications	97.055		<u>134,624</u>
Homeland Security Grant Program	97.067		2,920,045
Homeland Security Grant Program	97.067	C176505	31,256
Homeland Security Grant Program	97.067	C834575	<u>22,953</u>
Total Homeland Security Grant Program			<u>2,974,254</u>
Total U.S. Department of Homeland Security and Emergency Services			<u>3,430,815</u>
<b>Total Expenditures of Federal Awards</b>			<b><u>\$ 531,589,729</u></b>

See Accompanying Notes

**COUNTY OF ONONDAGA, NEW YORK**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

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**1. BASIS OF PRESENTATION**

**Pass-Through Programs**

Where 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.

**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, 2012, the County distributed \$7,268,551 of Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) food instruments to eligible persons participating in the WIC Program (CFDA 10.557), \$15,767,954 of energy assistance to eligible persons under the Low-Income Home Energy Assistance Program (CFDA 93.568) and \$378,833,033 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 schedule of expenditures of federal awards is presented on the modified accrual basis of accounting and the amounts presented are 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 schedule of expenditures of federal awards up to such amounts.

**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.

**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.

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**COUNTY OF ONONDAGA, NEW YORK**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

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**5. SUBRECIPIENTS**

A summary of the federal programs that pass-through federal monies to a subrecipient entity is provided below.

<b>Federal Programs with Subrecipients</b>	<b>CFDA #</b>	<b>Amount</b>
Edward Byrne Memorial Justice Assistance Grant Program	16.738	\$ 97,388
Highway Planning and Construction	20.205	1,179,344
Metropolitan Transportation Planning	20.505	172,584
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043	22,696
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	312,074
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	762,926
National Family Caregiver Support, Title III, Part E	93.052	211,464
Nutrition Services Incentive Program	93.053	233,344
Low-Income Home Energy Assistance	93.568	116,316
Block Grant for Prevention and Treatment of Substance Abuse	93.959	1,814,996

(Concluded)

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

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**Part I - Summary of Auditor's Results**

- The Independent Auditor's Report on the Basic Financial Statements expressed an unqualified opinion.
  - No material weaknesses or significant deficiencies in internal control were disclosed during the audit of the financial statements as required to be reported in accordance with *Government Auditing Standards*.
  - No instances of noncompliance material to the basic financial statements were disclosed during the audit.
  
- The Independent Auditor's Report on Compliance with Requirements Applicable to Major Federal Award Programs expressed a qualified opinion on Adoption Assistance - 93.659 and an unqualified opinion on each of the other major federal programs. The audit disclosed findings which are required to be reported under Section 510(a) of OMB Circular A-133.
  - Material noncompliance with requirements applicable to a major federal program was identified as required to be reported in accordance with OMB Circular A-133.
  - An instance of noncompliance with requirements applicable to a major federal program was identified as required to be reported in accordance with OMB Circular A-133.
  - Material weaknesses in internal control over compliance with requirements applicable to major federal award programs were identified as required to be reported in accordance with OMB Circular A-133.
  - A significant deficiency in internal control over compliance with requirements applicable to major federal award programs was identified as required to be reported in accordance with OMB Circular A-133.

(Continued)

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

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**Part I - Summary of Auditor's Results (Cont'd)**

- 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, 2012 were as follows:

**U.S. Department of Agriculture**

- Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) (10.557)
- State Administrative Matching Grants for Supplemental Nutrition Assistance Program (10.561)

**U.S. Department of Transportation**

- Highway Planning and Construction (20.205)

**Environmental Protection Agency (EPA)**

- Congressionally Mandated Projects (66.202)

**U.S. Department of Health and Human Services**

- Low-Income Home Energy Assistance (93.568)
- 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)
- Temporary Assistance for Needy Families (93.558)
- Medical Assistance Program (93.778)

- The County is not considered a low-risk auditee for the year ended December 31, 2012.

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

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**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**

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**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)

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

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

**Reference: 12-02 (Cont'd)**

**Cause/Condition:**

In one instance of forty tested, a payment agreement was not retained for one childcare provider. As a result, total payments of \$3,513 made to this provider during the 2012 program year are considered questioned costs.

In one instance of forty tested, a case file could not be provided with proper documentation to support compliance with OMB Circular A-133 activities allowed or unallowed, allowable costs/cost principles and eligibility requirements. As a result, total payments during the program year 2012 of \$2,111 made on behalf of this child are considered questioned costs.

All payments made to one childcare provider during the 2012 program were overstated by either \$1 or \$2 due to rate input errors in KinderTrac. A percentage of the instances of overpayments by \$1 and \$2 were calculated and applied across the population for a total \$4,526 of likely questioned costs and \$2,900 of known questioned costs.

**Questioned Costs:**

\$8,524

**Effect:**

The County was not in compliance with activities allowed or unallowed, allowable costs/cost principles and eligibility requirements that resulted in questioned costs.

**Recommendation:**

We recommend that the County reinforce existing policies and procedures and require documentation and retention of all supporting documentation related to vendor contracts and eligibility determination. In addition, the County should review all provider rates in KinderTrac for accuracy.

**Management's Response:**

The Department has proper controls in place to ensure eligibility decisions are made appropriately and that related costs are allowable. Department staff responsible for these activities will be apprised of the importance of following the procedures and policies in place to ensure compliance with program guidelines.

(Continued)

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

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

**Reference: 12-03**

**U.S. Department of Health and Human Services**

**Pass-through entity: NYS Department of Family Assistance**

**Social Services Block Grant (93.667)**

**Onondaga County Department of Social Services**

**Program Year: 2012**

**Criteria:**

Internal controls should provide reasonable assurance that the County complies with allowability requirements according to the OMB Circular A-133.

**Cause/Condition:**

The County did not follow current policies and procedures in place to ensure all expenditures charged to the Social Services Block Grant are allowable. The following internal control deficiencies were identified during testing:

- In two of forty-one instances the service billing referenced the wrong client.
- In five of forty-one instances the SYSAK Authorization 2970 approving and verifying the service was allowable could not be located.
- In one of forty-one instances a court order to support the reason for the psychiatric evaluation could not be provided.

**Questioned Costs:**

None.

**Effect:**

We noted no noncompliance with allowability requirements. By not following established internal controls, a potential for noncompliance with federal guidelines exists.

(Continued)

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

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

**Reference: 12-03 (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 related to allowability.

**Management's Response:**

Staff associated with this function will be apprised of the importance of maintaining accurate documentation. All files will be retrievable and contain necessary paperwork.

**COUNTY OF ONONDAGA, NEW YORK  
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**Part II - Findings and Questioned Costs Relating to Federal Awards (Cont'd)**

**Reference: 12-04**

**U.S. Department of Agriculture**

**Pass-through entity: NYS Department of Health**

**Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) (10.557)**

**Onondaga County Department of Health**

**Program Year: 2012**

**Criteria:**

Internal controls should provide reasonable assurance that the County complies with reporting requirements according to the OMB Circular A-133.

**Cause/Condition:**

The County has policies and procedures in place to ensure proper completion, accuracy, and review of the WIC Program Budget Statement and Report of Expenditures ("BSROE") and the WIC Vendor Management BSROE. In one of six instances, the Accountant II did not sign off on the WIC Program BSROE or the WIC Vendor Management BSROE as evidence they reviewed the expenditure amounts provided to the New York State Department of Health.

The County has policies and procedures in place to ensure the Nutritionist In-Charge reviews and signs off as evidence of their review of the *Equipment Checklist Outlying Clinic Supplies Form*. In five of fifty-eight instances the Nutritionist In-Charge did not sign the *Equipment Checklist Outlying Clinic Supplies Form* indicating that all equipment had been returned to the secure area in the WIC Office after employees were working at an offsite WIC clinic.

**Questioned Costs:**

None.

**Effect:**

We noted no noncompliance with reporting requirements. By not following established internal controls, a potential for noncompliance with federal guidelines exists.

**Recommendation:**

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

(Continued)

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

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

**Reference: 12-04 (Cont'd)**

**Management's Response:**

One of the six months of the WIC Program Budget Statement and Report of Expenditures (BSROE) reviewed did not have the Accountant II sign off: OCHD fiscal grant staff indicate that review and sign off of the monthly BSROE is done each month by the Accountant II but agree that the October 2012 signed documents could not be located. Documentation of the Accountant II sign off was on file for the remaining eleven months of claims.

Five of fifty-eight Equipment Checklist Outlying Clinic Supplies Forms were not signed by the Nutritionist In-Charge: All WIC staff have been in-serviced on the policies and procedures for appropriately filling out the Equipment Checklist form. Further, the individual Nutritionist In-Charge for the five instances of missing signatures was independently counseled and educated on policy/procedure compliance.

(Continued)

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

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

**Reference: 11-04**

**Status:** Management has taken corrective action.

**Reference: 11-05**

**Status:** See current year finding 12-04.

**Reference: 11-06**

**Status:** See current year finding 12-01.

**Reference: 11-07**

**Status:** See current year finding 12-01.

**Reference: 11-08**

**Status:** Management has taken corrective action.

**Reference: 11-09**

**Status:** Management has taken corrective action.