

New York State Office for the Aging

Monitoring of Select Programs

Report 2020-S-47 | January 2022

OFFICE OF THE NEW YORK STATE COMPTROLLER

Thomas P. DiNapoli, State Comptroller

Division of State Government Accountability



Audit Highlights

Objective

To determine if the New York State Office for the Aging's policies and procedures for select programs are adequate to ensure Area Agencies on Aging are appropriately monitored and the older New York population is adequately served. The audit covered the period from April 2017 to July 2021.

About the Program

The New York State Office for the Aging (NYSOFA) helps New York residents aged 60 or older be as independent as possible for as long as possible through advocacy and the development and delivery of person-centered, consumer-oriented, cost-effective policies and programs. NYSOFA's overall goal is to improve access to, and availability of, non-medical support services for older individuals to maximize their ability to age in their community and avoid higher levels of care and publicly financed care. Programs are administered at the county level through a network of 59 Area Agencies on Aging (AAAs). NYSOFA directs AAA operations in part through program instructions and monitors performance through annual on-site program and tri-annual fiscal evaluations.

NYSOFA's Community Services Program encompasses a range of specialized programs for the elderly, including the Expanded In-Home Services for the Elderly Program (EISEP) and Community Services for the Elderly Program (CSE). If an AAA is unable to fulfill a client's request for EISEP or CSE services, the client is placed on a wait list. AAAs report Unmet Need (based on wait list data) to NYSOFA as part of their annual on-site evaluation.

A 2015 Office of Community Living Feasibility Study by NYSOFA identified long wait lists for services as an area of concern among stakeholders. As noted in the study, the wait for some services can last as long as 1 year. In some cases, clients have had to resort to nursing home placement. According to written testimony by the Association on Aging in New York at the 2020-21 New York State Joint Legislative Budget Hearing on Human Services, the 59 AAAs reported that more than 10,000 older New Yorkers are currently waiting for services. In response, the 2019-20 enacted budget contained an appropriation of \$15 million, based on AAAs' reported Unmet Need in 2017-18, to specifically fund services for clients who are eligible for but not receiving services. The 2020-21 New York State budget allocation of \$261,541,500 for NYSOFA's Community Services Program included appropriations of \$65,120,000 and \$29,801,000 to EISEP and CSE, respectively, including a \$15 million annual appropriation to Unmet Need. NYSOFA also received the additional \$15 million appropriation to Unmet Need in 2021-22.

Key Findings

Despite \$15 million in appropriations for each of the years 2019-20, 2020-21, and 2021-22, intended to reduce or eliminate reported Unmet Need, weaknesses in NYSOFA's methodology for allocating Unmet Need funds to AAAs and its oversight of AAAs may undermine this goal.

- While the initial fund allocation in 2019-20 was based on AAAs' reported Unmet Need in 2017-18, for 2020-21 and 2021-22 – when more senior citizens likely required home services due to the isolation and restrictions imposed with the COVID-19 pandemic – NYOFA did not reassess AAAs' Unmet Need and revise its allocation plan based on AAAs' most current reported Unmet Need.
- Of the \$30 million in Unmet Need appropriations for 2019-20 and 2020-21, a total of \$5.9 million allocated to 29 AAAs remained unspent as of July 30, 2021. Contrary to its own program

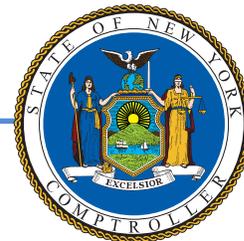
instructions, NYSOFA did not make allocation adjustments for those AAAs that did not spend or need their full allocation, nor did it redistribute the unused funds to AAAs most in need.

- NYSOFA did not always adhere to its policies and procedures for program and fiscal monitoring of the AAAs' administration of EISEP and CSE programs. For the 4 years of our audit period, only in 2017-18 did NYSOFA perform on-site evaluations for all 59 AAAs. The number of evaluations performed decreased each year thereafter: to 54 in 2018-19, 50 in 2019-20, and 0 in 2020-21. As such, NYSOFA has no assurance that AAAs are adequately monitoring the services provided on behalf of older adults.

Furthermore, NYSOFA officials placed constraints on our audit, including delays in and denial of access to data essential to our audit work. As a result, there is considerable risk that material information concerning NYSOFA's administration of Unmet Need funds was withheld from us, and ultimately limited the scope and depth of the audit conclusions.

Key Recommendations

- Maintain documentation to support the allocation of Unmet Need funds among the AAAs and promote transparency.
- Periodically reassess Unmet Need allocations based on the AAAs' most current information available.
- Take steps to strengthen monitoring efforts of the AAAs to ensure both program and fiscal reviews are conducted according to NYSOFA policies.



**Office of the New York State Comptroller
Division of State Government Accountability**

January 21, 2022

Greg Olsen
Acting Director
New York State Office for the Aging
2 Empire State Plaza, 5th Floor
Albany, NY 12223

Dear Acting Director Olsen:

The Office of the State Comptroller is committed to helping State agencies, public authorities, and local government agencies manage their resources efficiently and effectively. By so doing, it provides accountability for the tax dollars spent to support government operations. The Comptroller oversees the fiscal affairs of State agencies, public authorities, and local government agencies, as well as their compliance with relevant statutes and their observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving operations. Audits can also identify strategies for reducing costs and strengthening controls that are intended to safeguard assets.

Following is a report of our audit entitled *Monitoring of Select Programs*. This audit was performed pursuant to the State Comptroller's authority under Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law.

This audit's results and recommendations are resources for you to use in effectively managing your operations and in meeting the expectations of taxpayers. If you have any questions about this report, please feel free to contact us.

Respectfully submitted,

Division of State Government Accountability

Contents

- Glossary of Terms** **5**
- Background**..... **6**
- Audit Findings and Recommendations** **8**
 - Unmet Need **9**
 - Program and Fiscal Monitoring..... **13**
 - Recommendations **16**
- Audit Scope, Objective, and Methodology** **17**
- Statutory Requirements** **18**
 - Authority..... **18**
 - Reporting Requirements..... **18**
- Exhibit**..... **19**
- Agency Comments and State Comptroller’s Comments**..... **21**
- Contributors to Report**..... **26**

Glossary of Terms

Term	Description	Identifier
AAA	Area Agency on Aging	<i>Key Term</i>
CAP	Corrective Action Plan	<i>Key Term</i>
CSE	Community Services for the Elderly Program	<i>Program</i>
EISEP	Expanded In-Home Services for the Elderly Program	<i>Program</i>
IE&G	Information Exchange and Guidance	<i>Key Term</i>
Evaluation	Annual Evaluation and Progress Report	<i>Key Term</i>
NYSOFA	New York State Office for the Aging	<i>Auditee</i>
PCI	Personal care level I services: some or total assistance with tasks such as housekeeping, preparing meals, essential errands	<i>Key Term</i>
PCII	Personal care level II services: bathing, dressing, toileting in addition to PCI services	<i>Key Term</i>
Representative	Aging Services Representative	<i>Key Term</i>
SFS	Statewide Financial System, the accounting and financial management system supporting the business of New York State government	<i>System</i>
Unmet Need	Refers to situations where clients are eligible for but not receiving services	<i>Key Term</i>

Background

The mission of the New York State Office for the Aging (NYSOFA) is to help New York residents aged 60 or older be as independent as possible for as long as possible through advocacy and the development and delivery of person-centered, consumer-oriented, and cost-effective policies, programs, and services that support and empower older adults and their families. NYSOFA's overall goal is to improve access to, and availability of, appropriate and cost-effective non-medical support services for older individuals to maximize their ability to age in their community and avoid higher levels of care and publicly financed care. Programs are administered at the county level through a network of 59 Area Agencies on Aging (AAAs), which provide services either directly or through contracted providers. NYSOFA directs AAA operations in part through program instructions and monitors performance through annual on-site program and tri-annual fiscal evaluations.

NYSOFA's Community Services Program encompasses a range of specialized programs for the elderly, including the Expanded In-Home Services for the Elderly Program (EISEP) and Community Services for the Elderly Program (CSE) – which are the focus of this audit.

EISEP provides frail older adults with access to a well-planned, coordinated package of in-home and other services designed to support and supplement informal care (e.g., care provided by family members or unpaid caregivers). The purpose of EISEP is to provide flexible services to individuals so they can maintain daily living in their own home. Approximately 51,000 New Yorkers are served annually with the following EISEP services:

- Personal Care
- Consumer Directed In-Home Services
- Case Management
- Home Delivered Meals
- Congregate Meals/Community Food
- Nutrition Counseling
- Transportation
- In-home Contact and Support
- Personal Emergency Response System
- Social Adult Day Services
- Non-Institutional Respite

CSE provides community-based supportive services to frail, low-income older adults who need assistance to maintain their independence at home. The CSE program encompasses the same services as EISEP but also offers a range of other services, such as health promotion, home health aides, and legal services.

If an AAA is unable to fulfill a client's request for services, the client is placed on a wait list. AAAs report Unmet Need (based on wait list data) to NYSOFA as part of their annual on-site evaluation. AAAs reported Unmet Need in the following services: personal care level I (PCI; e.g., assistance with housekeeping, preparing meals, essential errands) and personal care level II (PCII; e.g., PCI tasks plus bathing, dressing, toileting) services, case management, home-delivered meals, consumer-directed in-home services, personal emergency response system, caregiver respite, transportation, legal services, in-home contact and support, nutrition counseling, social adult day services, residential repair, and home modifications.

A 2015 Office of Community Living Feasibility Study by NYSOFA identified long wait lists for services as an area of concern among stakeholders. As noted in the study, the wait for some services can be as long as 1 year. In some cases, clients who cannot withstand the wait have had to resort to nursing home placement. As of 2022, nearly 7 years later, wait lists – or Unmet Need – continue to be an issue. According to written testimony by the Association on Aging in New York at the 2020-21 Joint Legislative Budget Hearing on Human Services, the 59 AAAs reported that more than 10,000 older New Yorkers are currently waiting for services.

NYSOFA's 2019-20 enacted budget contained an appropriation of \$15 million to specifically fund services for clients who are eligible for but not receiving services. The 2020-21 New York State budget allocation of \$261,541,500 for NYSOFA's Community Services Program included appropriations of \$65,120,000 and \$29,801,000 to EISEP and CSE, respectively, including a \$15 million annual appropriation to Unmet Need. NYSOFA also received the additional \$15 million appropriation to Unmet Need in 2021-22.

Audit Findings and Recommendations

NYSOFA's administration of Unmet Need allocations and monitoring of AAAs' administration of EISEP and CSE needs improvement to ensure older New York residents are adequately served. Despite substantial appropriations for each of 3 years intended to reduce or eliminate reported Unmet Need, weaknesses in NYSOFA's funding allocations and its oversight of AAAs may undermine this goal. As a result, there is no assurance that funding is being allocated to AAAs based on Unmet Need, in accordance with program instructions, and that AAAs are adequately monitoring services provided to older New Yorkers.

NYSOFA's enacted budget for State fiscal years 2019-20, 2020-21, and 2021-22 contained annual appropriations of \$15 million to specifically fund services for clients who were eligible for but not receiving services. While the initial appropriation in 2019-20 was based on AAAs' reported Unmet Need in 2017-18, for 2020-21 and 2021-22 – when more senior citizens likely required home services due to the isolation and restrictions imposed with the COVID-19 pandemic – NYSOFA did not reassess AAAs' Unmet Need and revise its allocation plan accordingly. Consequently, NYSOFA had no assurance that allocations for these latter years were appropriate. NYSOFA also did not establish standards for how AAAs should maintain their wait lists to ensure that they reported Unmet Need uniformly and, thus, that funds would be allocated appropriately and equitably. Of the \$30 million in Unmet Need appropriations for 2019-20 and 2020-21, a total of \$5.9 million allocated to 29 AAAs remained unspent as of July 30, 2021. NYSOFA did not make allocation adjustments for those AAAs that did not spend or need their full allocation, nor did it redistribute the unused funds to AAAs most in need.

In addition, NYSOFA did not always adhere to its established policies and procedures for monitoring AAAs' administration of the EISEP and CSE programs. For the audit period, NYSOFA did not conduct annual evaluations and fiscal reviews on all 59 AAAs as required. Furthermore, NYSOFA does not have formal policies or procedures in place to follow up with the AAAs to ensure any required corrective actions have been taken to address and prevent deficiencies.

NYSOFA officials imposed constraints on our audit that impacted the scope, including months-long delays in and denial of access to information necessary to perform the audit. These obstructions forced us to scale down our audit scope and sampling in order to progress the audit. Additionally, if the information was intentionally withheld from the auditors, this compromises NYSOFA's transparency and accountability. According to professional audit standards, we are required to report on the constraints imposed on us by NYSOFA (including delays in and denial of access to records) and their effect on our audit conclusions. We consider these constraints to be an impairment of our audit scope. As a result, we cannot be sure the information NYSOFA officials provided to us is reliable, which ultimately limited the scope and depth of the audit conclusions.

Unmet Need

Pursuant to NYSOFA's Program Instruction 19-PI-29, Unmet Need appropriations were to be allocated to AAAs that reported Unmet Need to NYSOFA in State fiscal year 2017-18. AAAs' wait lists serve as the basis for their reported Unmet Need – and thus their funding allocation. However, NYSOFA did not provide specific guidance to the AAAs regarding how wait lists should be maintained to ensure that they reported data uniformly and accurately. We found that the AAAs used different methods for maintaining their wait lists and for reporting Unmet Need data on their supplemental data sheets. The lack of uniformity across AAAs creates the risk that any allocation based on wait list data may not reflect actual Unmet Need. In addition, NYSOFA was unable to provide support for the methodology used to allocate Unmet Need funds; therefore, we were unable to verify whether funds were allocated in compliance with program instructions. Further, NYSOFA does not have procedures in place to proactively review AAA's annual use of the Unmet Need funding, reassess allocations as necessary, and redistribute unused funds.

Without accurate, uniform wait list information from all 59 AAAs used as a basis for allocation of Unmet Need funds, NYSOFA's allocations may not accurately reflect actual need at each AAA. Additionally, wait lists have fluctuated each year since the initial allocation of Unmet Need funding was made to the AAAs; however, any changes in Unmet Need were not appropriately reflected through reallocations. Furthermore, by not reassessing Unmet Need at the AAAs and redistributing unused funds to where they are needed most, NYSOFA may be depriving some AAAs of much-needed funds to which they are entitled. In so doing, NYSOFA runs the risk of creating longer wait times for, in some cases, life-sustaining services – and of not addressing the wait list concerns reflected in the legislative appropriation.

Wait Lists Not Maintained Uniformly

NYSOFA's 19-PI-29 states that “[a] uniform method of establishing wait list numbers currently exists through the Annual Evaluation monitoring process and the completion of the Supplemental Data Sheets.” NYSOFA provided no other specific instructions to the AAAs guiding them on how to maintain wait lists and, as a result, Unmet Need data is being recorded inconsistently.

To assess AAAs' methodology for reporting Unmet Need, we interviewed officials from 12 judgmentally selected AAAs (downsized from our originally planned sample of 20 due to NYSOFA-imposed audit delays): Albany, Dutchess, Erie, Monroe, Nassau, Ontario, Orange, Rensselaer, Rockland, Suffolk, Warren/Hamilton, and Yates. Of this sample of 12 AAAs, two (Rensselaer and Warren/Hamilton) do not maintain any wait lists. For the remaining 10 AAAs, we found their reporting methods were inconsistent. For example, some AAAs maintain their wait lists in PeerPlace, the statewide client data system, some maintain their wait lists using Excel spreadsheets, and others rely on their contractors to maintain wait lists. Furthermore, for some AAAs, their wait lists record Unmet Need as units of unfilled service, whereas others use the number of clients with unfilled service needs. However, one

client on the wait list does not always equate to one unfilled unit of service, as one client may need multiple units of service to fulfill their needs. During our interviews, we also found some AAAs underreport their wait list, or report no wait list at all, to comply with requests from their county officials. Because we had to decrease our sample size to 12 AAAs, we have less insight regarding the extent to which these findings may have impacted the appropriateness of NYSOFA's allocation of Unmet Need funding across all AAAs.

The AAAs also indicated that clients have been on the wait lists for extended periods of time. Based on wait list details provided by six of the 12 AAAs in our sample (two AAAs do not maintain wait lists and four did not respond to our request for information), we calculated the average wait time for services to be 187 days, including for one client a wait of more than 5 years (1,840 days) for PCI.

Unmet Need Allocations

Questionable Methodology

NYSOFA allocated the initial \$15 million of Unmet Need funding received in 2019-20 to 50 of 59 AAAs based on wait list numbers reported on their supplemental data sheets for 2017-18, including 10 of 12 AAAs in our sample. According to 19-PI-29 and NYSOFA officials, AAAs are given a lump sum allocation and are able to apply the funds at their discretion – and not necessarily to an Unmet Need. The amount of Unmet Need funding allocated to an AAA is calculated by multiplying the number of clients eligible for but not receiving that particular service by the AAA's annual expense for that service.

In April 2021, we requested support from NYSOFA for the methodology used to determine the initial allocations of the Unmet Need funding for the 10 AAAs in our sample. NYSOFA responded in July, providing only an example of the calculations based on a hypothetical "County A," citing confidentiality concerns over county-specific data as the reason for not sharing actual numbers. It was only after we issued our preliminary finding on September 2, 2021 documenting this hypothetical data that NYSOFA provided additional information about the allocation methodology for the 10 AAAs in our sample that received funding. This set of data included the number of clients waiting for each service, as reported on the 2017-18 supplemental data sheets, and the corresponding Unmet Need funding received by those AAAs for each service.

For the 10 AAAs in our sample that received funding, we used this information to calculate an annual cost per client for each service with a wait list reported (i.e., amount of allocation for a given service divided by the number of clients wait-listed for that service). For multiple services, we found large variances in the cost per client across and within AAAs (as shown in Table 1), leading us to question the validity of the data NYSOFA provided in support of its allocation methodology.

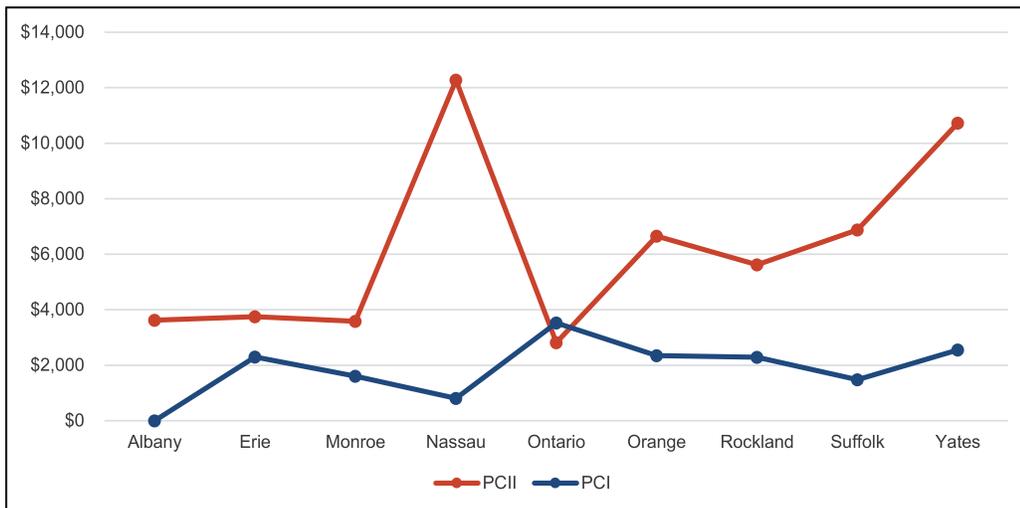
Table 1 – Annual Cost per Reported Wait List Client

County	CD	CM	HDM	PCI	PCII	PERS	SADS
Albany					\$3,626		
Dutchess							
Erie	\$3,128			\$2,296	3,747	\$137	\$3,335
Monroe			\$1,395	1,604	3,580		
Nassau		\$511		807	12,274	88	2,617
Ontario				3,524	2,814		
Orange				2,347	6,652		
Rockland				2,290	5,617	188	
Suffolk		3,124	1,897	1,475	6,875		
Yates	2,000			2,551	10,726		
High-Low Variance	\$1,128	\$2,613	\$502	\$2,717	\$9,460	\$100	\$718

Note: CD = consumer-directed in-home services; CM = case management; HDM = home-delivered meals; PCI = personal care level I; PCII = personal care level II; PERS = Personal Emergency Response System; SADS = social adult day services.

The variance was especially notable for PC services. As illustrated in Figure 1, the per client cost for both levels of service (PCI and PCII) varied widely across and within AAAs. For example, for PCII, the annual cost per client ranged from \$2,814 for the Ontario AAA to \$12,274 for the Nassau AAA – a 336% difference. In addition, for the Nassau AAA, there is a marked difference in the annual cost per client for PCII services compared with PCI services: \$12,274 versus \$807, respectively. We acknowledge that PCII services are generally more expensive; however, in this instance, a difference of 1,421% for somewhat similar services is highly questionable.

Figure 1 – Cost per Client for PCI and PCII Services for Sampled AAAs Based on NYSOFA’s Allocation Methodology



Note: Two AAAs in our sample do not maintain wait lists and a third, Dutchess, did not report Unmet Need for PCI or PCII services.

We requested that NYSOFA provide detailed information about the annual cost per client for the AAAs in our sample, but NYSOFA repeatedly refused our requests. Consequently, for the AAAs in our sample, we were unable to verify that NYSOFA's allocations were based on the Unmet Need data the AAAs reported on their 2017-18 supplemental data sheets. Furthermore, we also note that the Albany AAA did not submit a 2017-18 supplemental data sheet but nevertheless was allocated \$330,910 in Unmet Need funds, contrary to the criterion established in 19-PI-29. NYSOFA's refusal to provide information essential to our audit, in concert with the lack of support for any of these allocations, causes us to question the propriety of its allocation methodology, the transparency of its operations, and the possibility of preferential treatment. Again, NYSOFA's delays and access restrictions necessarily limited the depth/scope of our audit work to only 12 AAAs.

Ongoing Annual Allocations Based on Outdated Needs

We requested that NYSOFA provide supplemental data sheets for the 12 AAAs in our sample for the period 2017 to 2021. Although NYSOFA was unable to provide supplemental data sheets for all 4 years for our sample, based on our analysis of the data provided, we found wait list data fluctuated significantly from year to year. For example, one AAA's wait list for PCII services increased from 12 in 2018-19 to 140 in 2019-20, while another's wait list for PCII decreased from 127 in 2017-18 to 58 in 2018-19.

As 19-PI-29 states, and NYSOFA officials acknowledge, Unmet Need as initially reported in 2017-18 represented only a snapshot in time and was subject to fluctuations in the number of people in need of services and type of service needed. However, after the initial allocation of Unmet Need funding in 2019-20, NYSOFA did not recalculate allocations for the next 2 years – and instead followed the same allocation for 2020-21 and 2021-22, based on 2017-18 reported Unmet Need. Thus, AAAs that reported Unmet Need in 2017-18 received the same allocation for 3 years. Likewise, excluding Albany, the AAAs that did not report Unmet Need in 2017-18 did not receive any allocation for 3 years, even if they had reported Unmet Need during that period. Given the wide variations from year to year and lack of predictability, in deciding to repeat an already outdated allocation plan (vs. proactively reassessing needs each year), NYSOFA has no assurance that the 2 years' allocations aligned with reported Unmet Need across all AAAs – especially given the heightened risk brought on by the COVID-19 pandemic. As mentioned, because we had to curtail our audit work, we did not analyze the impact of COVID on Unmet Need for each AAA; however, it is reasonable to conclude that for State fiscal years 2020-21 and 2021-22, Unmet Need for some services likely increased.

According to officials, NYSOFA did not recalculate funding for 2020-21 and 2021-22 because the updated Unmet Need, as reported by the AAAs, continued to grow and costs substantially exceeded the original \$15 million. NYSOFA anticipates that the cost of Unmet Need will be approximately \$34 million in 2021-22. This notwithstanding, it is likely that those AAAs that did not report Unmet Need for 2017-18 experienced a spike with the onset of the COVID-19 pandemic. That they were

excluded from funding for 2020-21 and 2021-22 may have prevented them from responding to emergent needs.

We requested that NYSOFA officials provide their calculations so we could confirm their predicted cost of \$34 million for the upcoming 2021-22 need; however, officials did not provide this information and we are, thus, unable to verify the accuracy of their estimated additional cost of Unmet Need.

Unmet Need Expenditures

According to 19-PI-29, where AAAs demonstrate, through reporting, that they do not spend or need their full allocation, the allocation is to be adjusted downward in future years, and NYSOFA is to redistribute unused funds to AAAs that show Unmet Need or an increase in Unmet Need.

Based on our analysis of data in the Statewide Financial System (SFS), which is the accounting and financial management system supporting the business of New York State government, we determined that, as of July 2021, \$1.7 million from the 2019-20 appropriation and \$4.2 million from the 2020-21 appropriation remained unspent by 29 AAAs (see Exhibit). NYSOFA officials attributed delays in spending to the additional time that was needed for start-up, the lengthy process for obtaining county-level legislative approval to accept and expend the funds (a process typically followed in most counties), and changes in client service needs within the counties. At the close of our audit, at the end of September 2021, NYSOFA officials provided SFS information indicating additional funds had been spent: \$1.3 million from the 2019-20 appropriation and \$1.4 million from the 2020-21 appropriation, with \$356,553 and \$2.8 million, respectively, remaining unspent. Contrary to 19-PI-29, NYSOFA did not make any subsequent adjustments to allocations for AAAs that did not spend or need their full allocation, nor did it redistribute unused funds.

Program and Fiscal Monitoring

NYSOFA's Program Instruction 99-PI-20 established minimum standards for monitoring programs that receive NYSOFA-administered funding to ensure that programs are operating in compliance with federal and State requirements. According to 99-PI-20, AAAs must establish and maintain ongoing systems for monitoring both subcontracted and directly provided services. Formal on-site program monitoring must be carried out at least once a year for most of the AAAs' programs. On-site fiscal monitoring must be conducted at least once every 2 years. Findings from formal on-site monitoring visits must be shared with service providers or program managers at the conclusion of the on-site visit and through a written report summarizing the findings. AAAs must also establish effective procedures for follow-up of formal on-site monitoring to ensure that required corrective actions are implemented. There must be close monitoring and documentation of the provider's progress in implementing corrective actions. Further, the next cycle of formal on-site monitoring should review prior noted deficiencies and the corrective actions taken to address them. Although the requirements set out in 99-PI-20 are directed at

AAAs, the requirements provide a framework for best practices that may pertain to NYSOFA's monitoring of the AAAs.

Based on our review of annual evaluations for a sample of AAAs, we determined that NYSOFA does not adhere to its policies and procedures for program and fiscal monitoring of the AAAs' administration of programs, including EISEP and CSE. As a result, NYSOFA cannot be assured that AAAs are adequately monitoring their contracted and directly provided services on behalf of older adults. Moreover, where its evaluations have identified deficiencies that require corrective action, NYSOFA provided no evidence of follow-up on actions taken by the AAAs to ensure noted deficiencies are addressed prior to the next on-site review.

Annual Evaluations and Progress Reports

To ensure AAAs are operating in compliance with 99-PI-20, NYSOFA monitors them through an annual evaluation called the Annual Evaluation and Progress Report (Evaluation), which is a formal on-site review conducted by an Aging Services Representative (Representative). The Evaluation includes a review of the AAA's administration and operations, monitoring of both contracted and directly provided services, reporting, and a case file review. Once the Evaluation is conducted, any deficiencies are documented in a written report, and the AAA is requested to create a Corrective Action Plan (CAP) and submit it to NYSOFA. Deficiencies, such as inaccurately reported data, untimely submission of annual updates, inadequate documentation for case file reviews, and monitoring of contractors, can impact NYSOFA's ability to monitor AAAs to ensure older New Yorkers are adequately served.

For the 4 years of our audit period, only in 2017-18 (the year that served as the basis for funding allocations) did NYSOFA perform on-site Evaluations for all 59 AAAs, with the number of Evaluations performed decreasing each year thereafter: to 54 in 2018-19, 50 in 2019-20, and 0 in 2020-21. NYSOFA officials attributed the missing Evaluations in 2018-19 and 2019-20 to Representative retirements. In 2020-21, NYSOFA did not complete Evaluations for any of the 59 AAAs due to the COVID-19 pandemic.

According to NYSOFA officials, in response to the COVID-19 health and safety crisis, NYSOFA immediately moved to real-time oversight and assessment of AAA service delivery status, focusing on support, assistance, and guidance. However, NYSOFA did not take other actions, such as desk reviews, to compensate for the inability to conduct formal monitoring of the AAAs. According to officials, NYSOFA opted not to conduct desk audits to avoid pulling limited AAA staff resources away from critical health and safety activities. NYSOFA developed an Information Exchange and Guidance Questionnaire (IE&G) to gauge the needs of the aging population during the pandemic. The goal of the IE&G was to formalize interactions and communication with AAAs, better assess their service delivery status, and enable timely, individualized guidance and support. Officials stated that NYSOFA maintained real-time support and oversight through this evolving process. NYSOFA also developed a standardized tool for interviews with AAAs, which provided information

on service disruptions and the AAAs' ability to provide needed services. However, NYSOFA officials recognize the IE&Gs did not take the place of the Evaluations and did not cover the same monitoring areas.

We selected a judgmental sample of 20 AAAs for an in-depth review of the Evaluations completed for each year of the audit period. Most of the Evaluations identified deficiencies that required the AAA to submit a CAP. However, we found that not all AAAs submitted the CAP to NYSOFA. Without a written CAP and adequate follow-up, NYSOFA cannot be assured that appropriate corrective actions are planned and implemented to address noted deficiencies.

According to NYSOFA, the Evaluation process includes providing immediate follow-up on any matters concerning health and safety and exit interviews to indicate preliminary findings. Additionally, officials stated that Representatives are involved in ongoing communication with AAAs before, during, and after formulation and submission of any CAP. However, we found no evidence that NYSOFA followed up on actions taken by the AAAs to implement the CAPs until the next Evaluation, typically about 1 year later. Additionally, we found that the deficiencies identified during the Evaluations often recurred each year, including inaccurately reported data, untimely submission of annual updates, inadequate documentation for case file reviews, and monitoring of contractors not performed within the required time frame.

Fiscal Reviews

According to 99-PI-20, NYSOFA has an approved policy of conducting on-site fiscal monitoring for each AAA at least once every 2 years. However, NYSOFA officials stated there is an internal policy that requires all AAAs to undergo a fiscal review once every 3 years. During our audit period, NYSOFA did not perform on-site fiscal reviews for all 59 AAAs once every 3 years. For the period April 1, 2017 through March 31, 2020, six AAAs did not receive an on-site fiscal review. Additionally, in 2020-21, NYSOFA did not complete any on-site fiscal reviews due to the COVID-19 pandemic.

The fiscal reviews we examined for the sample of 20 AAAs noted various deficiencies related to the AAAs' fiscal procedures:

- Vouchers did not include income and expenditures from subcontractors, as required.
- Processes to adjust payments to subcontractors based on results of fiscal monitoring visits did not exist.
- Multiple AAAs had inadequate or missing time studies.
- Vouchers were not completed and submitted timely to NYSOFA.

NYSOFA does not create CAPs for fiscal reviews but follows up on noted deficiencies at the next fiscal review. Therefore, any fiscal deficiencies identified may not be addressed for 3 years.

Without routine and consistent monitoring, NYSOFA cannot be assured that AAAs are adequately monitoring their contracted and directly provided services on behalf of older adults. Moreover, due to the lack of adequate follow-up on AAAs' CAPs and fiscal deficiencies, there is a risk that noted deficiencies will not be addressed until the next on-site review.

Recommendations

1. Provide guidance to the AAAs regarding the collection and reporting of wait list information to ensure that Unmet Need data is accurate and reported uniformly, including but not limited to a single reporting system that would give NYSOFA the ability to monitor Unmet Need.
2. Maintain documentation to support the allocation of Unmet Need funds among the AAAs and promote transparency.
3. Periodically reassess Unmet Need allocations based on the AAAs' most current information available.
4. Take steps to strengthen monitoring efforts of the AAAs to ensure both program and fiscal reviews are conducted according to NYSOFA policies.
5. Establish follow-up procedures for both program and fiscal reviews to ensure corrective actions are taken and noted deficiencies are addressed.

Audit Scope, Objective, and Methodology

The objective of our audit was to determine if NYSOFA's policies and procedures for select programs are adequate to ensure AAAs are appropriately monitored and the older New York population is adequately served. The audit covered the period from April 2017 to July 2021.

To accomplish our objective and assess related internal controls, we reviewed relevant laws, regulations, and program instructions. We met with NYSOFA officials as well as officials from the AAAs. Additionally, we reviewed budget hearing testimony and the Office of Community Living Feasibility Study. We did not obtain computer-generated data from NYSOFA and, therefore, did not test for reliability. However, we analyzed data from SFS. We determined that the SFS data was sufficiently reliable for our use in accomplishing our audit objective. As a result of the COVID-19 pandemic, we were limited in our ability to visit NYSOFA's office as well as the AAA locations; however, we conducted Microsoft Teams and WebEx meetings. We also reviewed the wait list details that were provided by six of the 12 AAAs and supplemental data sheets that were provided by NYSOFA for the period 2017 through 2021 (not all supplemental data sheets for the scope period were provided). We were able to gather information to sufficiently support our audit conclusions.

To assess NYSOFA's monitoring activities, we judgmentally selected 20 of the 59 AAAs to determine if NYSOFA appropriately monitored the AAAs. The judgmental sample represents different areas of the State as well as high-, medium-, and low-budget appropriations for fiscal year 2018-19. To progress our audit, we reduced our sample due to delays in obtaining information from NYSOFA. We selected 13 AAAs from our sample of 20 for further review because those AAAs were missing at least one Evaluation or CAP during our audit period; however, we excluded New York City AAA from our sample, for a total of 12 AAAs. We did not design our samples to be projected to the populations from which they arose, nor did we project them to the related populations.

As discussed throughout this report, NYSOFA officials hindered auditors' progress in obtaining information for this audit timely. In order to meet government auditing standards, auditors require unfettered access to documents relevant to the audit. However, NYSOFA officials failed to provide information that was requested multiple times – for example, the supplemental data sheets for all years for the sample of 12 AAAs, which were critical to our audit. The supplemental data sheets include wait list information needed to perform a thorough audit of NYSOFA's monitoring of select programs and deliver appropriate, effective recommendations. Additionally, NYSOFA officials deterred auditors' progress by presenting hypothetical information in lieu of actual data required to form audit conclusions. These actions injected significant delays in the audit process and, in turn, forced constraints upon our audit work to the extent that auditors necessarily had to limit their audit work – and ultimately limited the scope and depth of the audit conclusions.

Statutory Requirements

Authority

The audit was performed pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law.

We conducted our performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

In addition to being the State Auditor, the Comptroller performs certain other constitutionally and statutorily mandated duties as the chief fiscal officer of New York State. These include operating the State's accounting system; preparing the State's financial statements; and approving State contracts, refunds, and other payments. These duties could be considered management functions for purposes of evaluating organizational independence under generally accepted government auditing standards. In our professional judgment, these duties do not affect our ability to conduct this independent performance audit of New York State Office for the Aging's oversight and administration of select programs.

Reporting Requirements

We provided a draft copy of this report to NYSOFA officials for their review and formal comment. We considered their comments in preparing this final report and have included them in their entirety at the end of it. In their response, NYSOFA officials disagreed with many of our audit conclusions and recommendations. Our State Comptroller's Comments addressing certain remarks are embedded within NYSOFA's response.

Within 180 days after final release of this report, as required by Section 170 of the Executive Law, the Director of the New York State Office for the Aging shall report to the Governor, the State Comptroller, and the leaders of the Legislature and fiscal committees, advising what steps were taken to implement the recommendations contained herein, and where recommendations were not implemented, the reasons why.

Exhibit

AAAs' Unmet Need Allocations and Expenditures for 2019-20 and 2020-21

AAA	Annual Allocation*	2019-20		2020-21	
		Expense	Remainder	Expense	Remainder
Albany	\$330,910	\$330,910	\$0	\$385,887	-\$54,977
Allegany	111,753	111,753	0	111,753	0
Broome	94,875	94,875	0	94,875	0
Cattaraugus	182,878	182,878	0	138,356	44,522
Cayuga	0	0	0	0	0
Chautauqua	478,965	478,965	0	346,491	132,474
Chemung	110,428	110,428	0	90,321	20,107
Chenango	24,718	24,718	0	24,718	0
Clinton	0	0	0	0	0
Columbia	31,056	31,056	0	31,056	0
Cortland	78,746	78,746	0	78,746	0
Delaware	41,243	41,243	0	0	41,243
Dutchess	2,652	11,579	-8,927	0	2,652
Erie	766,247	326,746	439,501	302,549	463,698
Essex	0	0	0	0	0
Franklin	336,925	336,925	0	336,925	0
Fulton	91,617	64,024	27,593	53,653	37,964
Genesee	243,432	243,452	-20	71,536	171,896
Greene	36,494	36,494	0	36,494	0
Herkimer	43,688	43,688	0	43,688	0
Jefferson	14,387	14,387	0	14,387	0
Lewis	36,650	36,650	0	15,387	21,263
Livingston	20,153	20,153	0	20,153	0
Madison	60,624	60,624	0	46,077	14,547
Monroe	127,213	127,211	2	127,213	0
Montgomery	209,028	209,028	0	209,028	0
Nassau	348,395	312,014	36,381	0	348,395
New York City	4,106,511	3,323,922	782,589	3,901,185	205,326
Niagara	323,217	323,217	0	194,322	128,895
Oneida	317,455	185,338	132,117	45,928	271,527
Onondaga	54,573	54,573	0	54,573	0
Ontario	153,506	153,506	0	122,552	30,954
Orange	75,908	75,908	0	17,940	57,968
Orleans	33,652	33,652	0	25,959	7,693
Oswego	114,108	114,108	0	57,089	57,019
Otsego	46,056	46,056	0	46,056	0

AAA	Annual Allocation*	2019-20		2020-21	
		Expense	Remainder	Expense	Remainder
Putnam	648,480	648,480	0	648,480	0
Rensselaer	0	0	0	0	0
Rockland	439,060	439,060	0	327,983	111,077
Saratoga	0	0	0	0	0
Schenectady	224,732	77,211	147,521	0	224,732
Schoharie	365,643	365,643	0	240,371	125,272
Schuyler	41,467	41,467	0	31,294	10,173
Seneca	0	0	0	0	0
Seneca Nation	0	0	0	0	0
St. Lawrence	28,206	28,206	0	28,206	0
St. Regis Mohawk	0	0	0	0	0
Steuben	47,179	35,492	11,687	11,687	35,492
Suffolk	2,570,727	2,570,727	0	2,101,058	469,669
Sullivan	49,806	49,806	0	12,452	37,354
Tioga	89,164	78,865	10,299	43,904	45,260
Tompkins	85,803	85,803	0	57,715	28,088
Ulster	246,540	134,834	111,706	74,811	171,729
Warren/Hamilton	0	0	0	0	0
Washington	56,152	56,152	0	56,152	0
Wayne	17,376	17,376	0	17,376	0
Westchester	951,658	951,658	0	0	951,658
Wyoming	43,562	43,562	0	43,562	0
Yates	46,382	46,382	0	46,454	-72
Totals	\$15,000,000	\$13,309,551	\$1,690,449	\$10,786,402	\$4,213,598

Note: Data obtained from SFS.

*Based on 2017-18 reported Unmet Need.

Agency Comments and State Comptroller's Comments



KATHY HOCHUL
Governor

GREG OLSEN
Acting Director

New York State Office for the Aging's Response to the Office of the State Comptroller's Audit of the Expanded In-Home Services for the Elderly Program (EISEP) and Community Services for the Elderly Program (CSE) and Unmet Need

Report 2020-S-047

The New York State Office for the Aging (NYSOFA) offers the following comments regarding the Key Findings and Key Recommendations from the audit of the Expanded In-home Services for the Elderly (EISEP) and Community Services for the Elderly (CSE) Programs and Unmet Need:

- 1) The audit noted that that the initial Unmet Need fund allocation in 2019-20 was based on AAAs' reported Unmet Need in 2017-18, but that for 2020-21 and 2021-22 – when the auditors thought that more older adults likely required home services due to the isolation and restrictions imposed with the COVID-19 pandemic – NYOFA did not reassess AAAs' Unmet Need and revise its allocation plan based on AAAs' most current reported Unmet Need.

Despite expectations that there would be an increase in in-home services due to the pandemic, in reality, many older adults refused in-home services for fear of contracting the virus from aides (if they were available) and due to increase in informal support from family and friends who were home during the pandemic period.

State Comptroller's Comment – The term “home services” encompasses home-delivered meals. In our interviews with the 12 AAAs, all but two indicated that home-delivered meals were an issue. Several AAAs noted that the need for home-delivered meals doubled as a result of the pandemic. In reviewing one AAA's supplemental data sheets, we found 35 individuals were on the wait list for home-delivered meals in 2017-18, but by 2020-21 that number rose to 160 – an increase of 357%.

Unmet Need is an initiative authorized in the Budget Bill language which provided that *“notwithstanding any inconsistent provision of law to the contrary...the funds appropriated herein shall be used to address the unmet needs of the elderly as reported to the office for the aging through the reporting requirements set forth in state elder law section 214.”* As NYSOFA advised the auditors during two separate one hour meetings, one over the phone and one in OSC offices, the funding was not recalculated for the two years following the initial provision of Unmet Need funding because that was the agreement negotiated with the legislature to secure the funding, with the understanding that the necessary county contracting process takes time, including obtaining approval through the county legislatures, amending existing contracts, procuring new providers and reassessing individuals to see if they are still eligible for services. Further, the updated need as reported by the counties continued to grow and exceeded substantially the original \$15 million in base funding that recognized that when services are turned on, individuals receive services for 3-7 years rather than on a one-time, annual basis. The base funding provided is designated for existing clients and any new individuals that were in need during the two-year period of this program's implementation. As was further explained to the auditors, Unmet Need

is an annual initiative negotiated between the executive branch and the legislature. While the specific details of these negotiations were and are confidential, the auditors were informed that part of the agreement with the legislature was that the initial allocations would not be re-assessed until after the end of the second year of the program, as agreed upon with the Legislature and implemented by NYSOFA.

State Comptroller's Comment – At no point during the audit was OSC informed that initial Unmet Need allocations were not reassessed until after the second year of the program because of a confidential agreement with the Legislature. Even in response to our preliminary findings report, NYSOFA officials failed to include this information. Further, as indicated in our report, allocations for State fiscal year 2021-22 were also based on the 2017-18 information.

The audit recommended that NYSOFA maintain documentation to support the allocation of Unmet Need funds among the AAAs and promote transparency. NYSOFA has advised the auditors that this recommendation, to maintain documentation and transparency concerning the Unmet Need funds, is implemented annually. A specific provision of the Unmet Need funding authorization was that “the office for the aging shall provide an annual report to the governor, the temporary president of the senate, and the speaker of the assembly by September 1, 2020 that shall include the area agencies on aging that have received these funds, the amount of funds received by each area agency on aging, the number of participants served, and the services provided.” This has been done to the apparent satisfaction of the legislature, as shown by the Unmet Need initiative being continued in the succeeding State budget.

State Comptroller's Comment – NYSOFA officials are missing the point: We sought to determine how the initial allocation was made to the individual AAAs, and NYSOFA's annual “by the numbers” reporting – of AAAs that received funds, amount received by each AAA, number of participants served, and services provided – does not address this.

According to NYSOFA's own program instructions, the amount of Unmet Need funding allocated to a AAA is calculated by multiplying the number of clients eligible for but not receiving a particular service by the AAA's annual expense for that service. As noted in our audit report, NYSOFA officials did not provide us with this information, and instead offered a hypothetical example. NYSOFA did not provide the annual cost per service for the AAAs to support its allocation. NYSOFA's refusal to provide this information during the course of the audit – and its defunctive tactic now in its response – causes us to question the propriety of its allocation methodology as well as the transparency of its operations and the possibility of preferential treatment.

- 2) The audit noted that, of the \$30 million in Unmet Need appropriations for 2019-20 and 2020-21, a total of \$5.9 million allocated to 29 AAAs remained unspent as of July 30, 2021. It also noted that contrary to its own program instructions, NYSOFA did not make allocation adjustments for those AAAs that did not spend or need their full allocation, nor did it redistribute the unused funds to AAAs most in need. NYSOFA previously informed the auditors that all 2019-20 Unmet Need funds have been expended. The expenditure of funds for 2020-21 has experienced delays due to the pandemic and is in the process of reconciliation. Funds for Unmet Need are provided to the AAAs as reimbursement grants, meaning that expenses for a budgeted service must be incurred and

paid by the grantee before payment can be made to the grantee. This reimbursement method can result in payment of claims up to six months from the end of the State Fiscal Year (September). It is for this reason state Aid to Locality appropriations have a lapsing date of the first September 15th after the end of the state fiscal year for that program period. This is a significantly longer close-out period than for personal and non-personal service appropriations, which have a June 30th lapsing date, and thus, payment status will not be fully reflected in the Statewide Financial System which was the system accessed by the auditors in making the above-noted claim of underspending. It should also be noted that the Covid-19 Pandemic created new and difficult challenges for AAAs in providing myriad and diverse services. Those challenges, combined with an influx of federal emergency funds, have required the AAA network to reprioritize their drawdown of funding sources to align with the timeframe of the funding availability while responding to the urgency of the critical health and safety needs brought about by the COVID-19 pandemic.

The audit recommended that NYSOFA periodically reassess Unmet Need allocations based on the AAAs' most current information available. The base funding received by the AAAs' was designated for existing customers and any new individuals that were in need during the two year period of this initiative's implementation. The initial funding in 2019-20, based on 2017-18 reported unmet need was also used to provide funds in 2020-21 and again in 2021-22. AAAs who reported unmet need in 2017-18 received the same base funding for two years, and AAAs who did not report unmet need in 2017-18 received no funds for the first two years but are receiving funding in year three due to an \$8 million investment in the SFY 21-22 budget. The audit's recommendation could result in the removal of services from people already receiving services under this initiative.

State Comptroller's Comment – As stated in our audit report, AAAs that received funding in 2019-20 based on 2017-18 reported Unmet Need received the same funding in 2020-21 and 2021-22. AAAs that did not report Unmet Need in 2017-18 did not receive any of the \$15 million in Unmet Need funding for 3 years (2019-20, 2020-21, and 2021-22). The additional \$8 million investment included in the 2021-22 budget was not part of our audit. Therefore, we did not examine the allocation methodology used to distribute the funds to the AAAs and cannot comment on its propriety.

Further, we fail to see how reassessing Unmet Need allocation based on the most current information available could result in the removal of services from people already receiving services under this initiative.

- 3) The audit noted that NYSOFA did not always adhere to its policies and procedures for program and fiscal monitoring of the AAAs' administration of EISEP and CSE programs, and that for the 4 years of the audit period, only in 2017-18 did NYSOFA perform on-site evaluations for all 59 AAAs. The number of evaluations performed decreased each year thereafter: to 54 in 2018-19, 50 in 2019-20, and 0 in 2020-21. As such, NYSOFA has no assurance that AAAs are adequately monitoring the services provided on behalf of older adults.

The decision to not conduct the specific AEs noted above were made in alignment with the most

recent Division of Local Program Operations Annual Evaluation and Progress Report document, which allows for the AE process to be waived by the Deputy Director on a case-by-case basis. In 2020-21, NYSOFA pivoted from a traditional in-person AE to remote oversight activities due to the COVID-19 pandemic which disproportionately impacted older adults and greatly taxed the existing aging network. Public health guidance prohibiting large gatherings, in addition to social distancing directives, imposed statewide recommendations for older adults to remain at home, resulted in widespread closure of congregate meal sites and interruptions to nutrition-related services. Overnight, the critical health and safety concern for older New Yorkers became access to food and other basic necessities. Responding to this health and safety crisis, NYSOFA moved immediately to real-time oversight and assessment of AAA service delivery status focusing on support, assistance, and guidance.

NYSOFA opted not to conduct desk audits to avoid pulling limited AAA staff resources away from critical health and safety activities. This decision to forgo desk audits was based on the following impact of the COVID public health emergency on AAA staff resources:

- County based staff reductions
- Staff shifted to other county disaster response assignments (COVID hotlines, food delivery to quarantined individuals, etc.)
- Meal delivery is typically supported by older adult volunteers who were no longer available
- Staffing of local Emergency Operations Centers to assist emergency response to meet needs of older adults
- AAA disaster-response involvement in coordinating and staffing local vaccination sites

As the pandemic continued, NYSOFA maintained real time support and oversight through an evolving process of Information Exchange and Guidance (IE&G). The goal of IE&G was to formalize interactions and communication with AAAs, to better assess their service delivery status, and to enable timely, individualized guidance and support. A standardized tool was developed, and 1-2 hour long structured interviews were conducted with all 59 AAAs by Aging Services Representatives which provided information on AAA service disruptions/barriers and ability to provide needed services. Technical assistance was provided immediately as appropriate.

Additional oversight efforts by program specialists included:

- Advocacy Specialist calls to all 59 AAAs focused on gathering information on their efforts to reach and serve communities in greatest social & economic need during the pandemic and provide guidance for enhancement of such efforts.
- Nutrition Consultant calls to AAAs with Nutrition Coordinators to check on status of their nutrition programs and provide technical assistance and support.

As previously stated to the auditors and repeated here, NYSOFA had and has a plan to make sure all AAA's programs are monitored on an on-going basis.

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- 4) Finally, the audit recommended that that NYSOFA take steps to strengthen monitoring efforts of the AAAs to ensure both program and fiscal reviews are conducted according to NYSOFA policies.

Programmatically, prior to the COVID pandemic, NYSOFA was in the process of re-evaluating its programmatic monitoring activities, to include those associated with the Annual Evaluations. Given the onset of the pandemic, NYSOFA's monitoring practices had to be modified (as detailed above) to work within the constraints of the pandemic while maintaining the priority of supporting AAAs in the delivery of services to older adults across the State.

NYSOFA has resumed reviewing its standard programmatic monitoring activities as historically conducted through the Annual Evaluation process. Through this effort, NYSOFA will modernize the approach to monitoring utilizing a blend of remote and in-person strategies, ultimately meeting our mission to support the services provided to older adults through local agencies on aging.

Fiscally, NYSOFA previously informed auditors that when the federal OMB circulars were replaced with Part 200 of Title 2 of the Code of Federal Regulations, NYSOFA fiscal staff reconsidered their existing subrecipient monitoring policies and procedures to determine how best to comply with Section 200.332 of that guidance (Subrecipient Monitoring and Management Requirements for pass-through entities). NYSOFA evaluated the balance between the agency resources required for compliance with that section and the individual requirements of that section; one outcome of this evaluation was that NYSOFA determined that a 3-year cycle was the appropriate choice for the agency. NYSOFA's monitoring program involves regularly scheduled formal reviews, with informal fiscal monitoring also occurring every time an AAA submits budgetary information as part of a grant application or contract/ program renewal. Due to the sensitivity and importance NYSOFA associates with its responsibilities to the state and federal funds entrusted to its care, any discrepancies identified in either formal or informal fiscal monitoring are corrected immediately, before proceeding any further. This practice of immediately requiring correction of any identified fiscal issues addresses any concerns about not having formal fiscal corrective action plans.

State Comptroller's Comment – As noted in our report, we found that NYSOFA did not always complete fiscal reviews within the 3-year cycle that it had determined to be appropriate for the agency. Furthermore, NYSOFA asserts that any discrepancies identified in either formal or informal fiscal monitoring are corrected immediately. However, aside from the tri-annual fiscal reviews, NYSOFA officials could not provide any documentation of any other formal or informal fiscal monitoring or of any immediate follow-up of discrepancies noted in their fiscal reviews. As indicated on page 15, NYSOFA's only follow-up of deficiencies occurs at the next fiscal review – 3 years after the fact.

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