



Town of Lancaster

Town Supervisor's Financial Duties

2024M-32 | July 2024

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Report Highlights

Town of Lancaster

Audit Objective

Determine whether the Town of Lancaster (Town) Supervisor (Supervisor) adequately performed his financial duties.

Key Findings

The former Supervisor did not perform his financial duties and did not monitor the work performed by the firm he improperly contracted with to act as Director of Finance, resulting in incomplete and inaccurate financial records and significant control weaknesses:

- Monthly financial reports were not generated and provided to the Town Board (Board) and bank reconciliations were not completed promptly.
- 86 budget lines were overspent by nearly \$9.2 million and 21 budget transfers totaling \$483,122 were completed without Board approval.
- 76 percent of non-recurring journal entries were made 70 days after the transaction took place.
- 60 percent of journal entries were recorded and approved by the firm without the Supervisor’s review or oversight.

The Supervisor also compromised the security of the Town’s resources by granting unrestricted access to the financial system and online banking to a third party and by not ensuring proper segregation of duties or other mitigating controls were in place. For perspective, the firm was allowed to disburse \$2.5 million of the Town’s cash without any Town official’s approval. The Supervisor and other Board members were unaware of these deficiencies and continued to pay the firm even though the contract terms were not fulfilled because they did not monitor the Town’s financial activity and the Supervisor did not monitor the firm.

Key Recommendations

The audit report includes 16 recommendations to Town officials.

Town officials agreed with our recommendations and indicated that they have already begun implementing corrective action.

Audit Period

January 3, 2023 – October 12, 2023

We extended our audit period back to review 2021 external audit recommendations. See Appendix B for additional information.

Background

The Town, located in Erie County, is governed by an elected Board composed of five Council members, including the Supervisor. The Board is responsible for the general oversight and management of the Town’s operations and finances and the Supervisor, chief financial officer, is responsible for the day-to-day financial operations. The term for the Supervisor in office during our audit period ended December 31, 2023.

Quick Facts

2023 Budgeted Appropriations	\$40 million
Payments to the firm for services January 2023 through July 2023	\$77,719

Town Supervisor's Financial Duties

The Supervisor recommended, and the Board authorized the Supervisor to enter into a contract with, a certified public accounting firm (firm) to assist with the Supervisor's financial duties.

What Are a Town Supervisor's Financial Responsibilities?

As the chief financial officer, a town supervisor (supervisor) is responsible for collecting money belonging to or due to the town, paying board-approved claims, maintaining complete and accurate accounting records and providing detailed monthly financial reports to the town board (board). These reports should include a detailed accounting of all money received and disbursed in the current period and year to date, current cash balances and budget-to-actual comparisons of revenues and expenditures for each fund. A monthly budget status report should include the original budget, any authorized amendments or board approved transfers, actual transactions to date and the differences between the amended budget and actual transactions. These reports should be prepared and current as of the end of each month (up to date) and be submitted to and reviewed by the board.

A supervisor may appoint a director of finance to assist in the administration of fiscal operations for which the supervisor is responsible; if such an appointment is made, the supervisor is responsible for ensuring that the appointment is appropriate and that tasks assigned to a director of finance are monitored and properly carried out. The supervisor should also ensure duties are properly segregated so that one employee is not responsible for all phases of a transaction (e.g., recordkeeping, billing, collecting and depositing cash receipts and performing bank reconciliations). If it is not practical to adequately segregate the financial duties because of limited staff resources, the board must establish compensating controls. Such controls could consist of reviews of activity and transactions by an official not involved in the recording of financial activity such as the supervisor or the board.

A supervisor may grant a director of finance access to the financial system in order to carry out the assigned duties. When access to the financial system is granted, each user should have their own unique username and password to gain access to the financial system. This helps ensure accountability over work performed and data changed or deleted and limits the possibility of data being compromised by unauthorized users. Users' access should also be limited to only those modules needed for their job function while considering separation of duties requirements as no one person should be able to perform all aspects of a transaction.

The Supervisor Inappropriately Appointed a Firm as Director of Finance

In January 2023, the Supervisor entered a contract with a certified public accounting firm to perform the duties of the Director of Finance through December 31, 2023, at a cost of \$8,250 a month or \$99,000 a year. The firm designated an individual from the firm to act as the main contact;¹ this individual told us that she periodically assigned duties and tasks to other individuals from the firm to assist her in performing the financial duties required by the contract. According to the contract, the firm was responsible for performing certain tasks including, but not limited to:

- Monthly bank reconciliations and financial reports,
- Assisting with banking functions to provide adequate segregation of duties,
- Review of general ledger, post necessary adjustments and identify/record necessary budget transfers.

While the Board may hire an individual or contract with a firm to assist the Supervisor in carrying out bookkeeping or ministerial² duties, the position of Director of Finance is a public office which must be filled by an individual person, not a firm, because the office requires exercising judgment with minimal direction. Furthermore, Town Code requires the individual appointed to the position of Director of Finance to be a Town resident, which a firm cannot fulfill.

In this particular case, the firm was specifically contracted to perform discretionary duties – duties left to individual choice or judgment – and did so without oversight. For example, the firm was responsible for identifying and recording necessary budget transfers. In addition, the firm representative told us she carried out additional discretionary duties that were not specified in the contract. For example, the firm representative was also determining the need to make bank transfers and carrying out the transfers; entering and approving bank transfer journal entries, disbursements, journal entries including cash receipts; and applying the Supervisor’s electronic signature to checks. Because the firm was carrying out functions without oversight and had the authority to make financial transactions without the Supervisor or other Town officials’ approval, their role was well beyond ministerial in nature. The Supervisor and three Board members told us that they were unaware that a firm could not be appointed as the Director of Finance.

1 For the purposes of this report, when referencing the firm representative, we are referring to the individual designated by the firm to act as the main contact.

2 Ministerial duties include functions that involve direct adherence to specific instructions/directions from local officials with no/minimal exercise of judgment/discretion/latitude of choice by the contracting entity.

The Supervisor Did Not Ensure Financial Records and Reports Were Complete and Accurate, and the Board Authorized Payments for Services Not Rendered

Although the Supervisor contracted with the firm for certain services, the Supervisor relied on the firm to perform all of the Supervisor's financial duties and did not monitor or review the work to ensure the services were being completed. For example, the Supervisor did not ensure the firm maintained adequate records, documented financial activity accurately or timely, performed bank reconciliations, provided useful monthly financial reports to the Board and prepared and filed financial reports as required. However, even though the work contracted for was not being completed, the Board authorized payments to the firm for the contract amount plus additional amounts billed by the firm.

Journal Entries – Five hundred forty-three of 713 (76 percent) non-recurring journal entries reviewed were recorded on average more than 70 days after the date the transaction took place. The Town's Board-adopted journal entry policy states that all the entries should be made within 10 days. Because these financial transactions were not recorded in a timely manner, the accounting records were not complete, accurate or up to date.

The journal entry policy also lists specific job titles that are authorized to record entries and those that are authorized to approve entries. For example, if the entry is prepared by the Director of Finance, the Assistant to the Supervisor is to review and approve the entry. The firm representative stated that she was unaware that the Town had a journal entry policy and had previously told us that she generally entered and approved her own journal entries typically within the same month they were entered.

The financial system showed that the firm representative recorded and approved 425 (60 percent) of the 713 journal entries. While the firm representative stated that she shared her username and password for the financial system – a significant internal control deficiency which is discussed later in this report – with other individuals at the firm so that they could record journal entries that she would then review and approve, the firm representative was not able to provide documentation to support that someone other than herself entered the journal entries. The remaining 288 entries were generally approved by the accounts payable clerk; however, according to the Town's policy, these entries should have been approved by the Assistant to the Supervisor.

Furthermore, the 2021 external audit results included a recommendation that the Town record and accrue all journal entries before whichever comes first: commencement of the external audit or filing the Annual Update Document

(AUD)³ which was completed May 1st. However, the firm representative told us that the 2022 books were not completed as of July 10, 2023 because she might have adjusting journal entries to complete and that it was a time-consuming process. As a result, the books remained open 70 days after the AUD was filed and 84 days after the 2022 external audit started.

The Supervisor told us that he was not aware that the journal entries were not being made in a timely manner, because he never reviewed journal entries. Without accurate and complete accounting records, the Board cannot make informed financial decisions or properly manage the Town.

Budget Transfers – Eighty-six budget lines were overspent collectively by nearly \$9.2 million. While the firm representative stated that it was not her duty to monitor the budget and identify transfers needed to increase the budget line, these duties were specifically stated in the contract.

In addition, the firm representative entered and approved 21 budget transfers totaling \$483,122 without Board approval. When we inquired about the process for initiating and completing budget transfers, the firm representative stated that she received requests for budget transfers via email from department heads and that she believed Board approval was not necessary. However, because the Board is responsible for adopting and monitoring the budget, all budget transfers require Board approval prior to the transfer being made. In addition, the firm representative was unable to produce email documentation to support department head requests for 11 of the 21 budget transfers she completed. Furthermore, while the firm representative was able to produce documentation for 10 of the budget transfers, only five represented a request from a department head. Of the remaining five budget transfer requests, three were from clerk typists in the departments requesting the budget transfer, one from the Deputy Highway Superintendent and one we were unable to determine from the handwritten note.

The Supervisor and three Board members stated that they relied on the firm to identify and present budget transfers to the Board as this was a duty outlined in the contract. However, while the overall budget was not overspent, the Supervisor did not monitor the work being performed by the firm and the Board did not monitor the budget and were, therefore, unaware of the budget transfers made, the overspent budget lines or their impact on the overall budget. In addition, the Supervisor did not ensure the Board-approved budget was entered accurately into the accounting system, which contributed to the overspent budget lines.

3 Starting in 2023, the AUD is referred to as the Annual Financial Report (AFR).

Bank Reconciliations – Monthly bank reconciliations were not completed in a timely manner. When we requested 2023 monthly bank reconciliations in early June 2023, the firm representative stated that the bank reconciliations were complete and that she would provide them. However, subsequently the firm representative stated that monthly bank reconciliations were not complete, and it was not until mid-July 2023, about a month and a half later, that the firm representative provided us with the completed bank reconciliation for January 2023, five months after the bank reconciliation should have been completed. As of September 2023, the firm had provided us with completed bank reconciliations through June 2023.

The Supervisor stated that he did not review bank reconciliations and that he believed the monthly bank reconciliations were being completed. When bank reconciliations are not performed, differences between a bank balance and accounting records cannot be identified and investigated. As a result, the occurrence of unidentified accounting errors and the risk that fraudulent transactions could occur and go undetected increases significantly. Additionally, if the Supervisor and/or Board routinely reviewed and compared the adjusted bank balances to recorded cash balances, they would have been aware that transactions were not being recorded in the financial system in a timely manner.

The firm also completed all aspects of the bank reconciliation process without any oversight. For example, the firm representative stated that she assigned individuals from the firm to record cash receipts in the financial system, using her login credentials, and to complete bank reconciliations that she would then review. The firm representative also stated that she initiated online bank transfers and entered and approved them in the financial system, all with no approval or oversight from the Supervisor. In addition, although the Board updated its bank reconciliation process to require the preparer and reviewer to sign the bank reconciliations, as recommended by the accounting firm that conducted the Town's 2021 external audit, the firm representative did not indicate who prepared and reviewed the reconciliations.

Allowing the firm representative to enter and approve her own journal entries and prepare and review bank reconciliations is not a proper segregation of duties, which is a crucial control intended to ensure that one individual does not control all phases of a transaction. In instances where it is not practical to adequately segregate the financial duties, the Supervisor should have ensured there were mitigating controls related to bank reconciliations to ensure differences were promptly identified and resolved.

Monthly Reports – The Supervisor did not ensure that monthly financial reports were prepared and provided to the rest of the Board. While the firm representative provided the Board with an abstract – a list of claims to be paid – to approve each month, financial reports, including a detailed list of cash receipts and

disbursements for the month, current cash balances and monthly budget-versus-actual reports were not prepared or provided.

Although the contract between the Town and the firm required the firm to produce monthly financial reports, the firm representative stated that she did not prepare or provide such reports to the Board. The Supervisor stated that the Board can access the Town's financial system to view monthly reports; however, three Board members told us that they do not know how to access the financial system and training was not requested or provided; and one Board member did not return our calls or emails. In addition, the Supervisor stated that although he had access to the Town's financial system, he did not use the system to review reports.

We obtained read-only access to the financial system and were unable to run budget-versus-actual reports for 2023. In July 2023, when we inquired why we were unable to generate a budget-versus-actual report, the firm representative stated that the 2022 fiscal year had not yet been closed and because of this we would not be able to run any reports from the financial system for 2023. Therefore, it is unrealistic to believe that Board members would have been able to obtain financial reports by accessing the financial system. Furthermore, because bank reconciliations were not completed and journal entries were not entered in a timely manner, any such financial reports would not have accurately reflected Town finances.

Without timely and accurate financial reports, the Board's ability to monitor the Town's financial condition is greatly impaired and could prevent the Board from ensuring revenues are adequate to meet expenditures and developing reasonable budgets based on historical trends.

Payments for Services Not Rendered – The Board authorized seven monthly payments of \$8,250, totaling \$57,750, to the firm contracted with to act as Director of Finance even though the firm was not fulfilling the tasks included in the contract (see *Journal Entries, Budget Transfers, Bank Reconciliations and Monthly Reports* previously discussed). In addition, although the firm did not complete its contractual duties, the Board authorized additional payments to the firm totaling \$19,969⁴ for 144 hours billed by the firm for time spent on accounts payable duties that were not part of the contract. The Supervisor stated that while he was aware the firm was providing additional services the Town would be billed for, he did not anticipate a principal at the firm, who bills at a higher rate, spending nearly 50 hours on accounts payable tasks when a staff member could have completed the tasks and the firm could have billed at a lower rate. The Supervisor discussed

4 Initially, the Town was billed \$31,487 for additional duties provided. However, after the Supervisor discussed the additional costs with the firm, they applied a credit to the Town's account.

this issue with the firm who then revised and resubmitted the bill. Subsequently, the Supervisor assigned the accounts payable duties to a Town employee.

While the firm representative and a partner at the firm stated that the firm was dedicating over 70 hours a week to fulfill its contract with the Town and that the firm went beyond the terms of the contract to assist the Town, documentation obtained from the firm indicated that individuals of the firm worked an average combined total of 23 hours per week on contracted duties. The Supervisor and three Board members stated that they did not ask questions or monitor the work of the firm, because they believed the individuals involved understood the duties to be completed and that the firm would have communicated with the Supervisor or Board if they were unable to fulfill the duties in the contract.

Because the Supervisor did not monitor the work being performed by the firm representative and did not ensure that complete, accurate and timely financial information was prepared and provided to the Board, and the Board did not request such information, the Board's ability to monitor the Town's financial operations, make sound financial decisions and detect and correct errors in a timely manner was significantly compromised. Furthermore, using taxpayer money to pay for services not rendered is fiscally irresponsible and wasteful.

The Supervisor Granted Unrestricted Access to the Town's Financial System and Online Banking with No Oversight

The Supervisor compromised the security of the Town's resources by providing the firm representative, a third party, with administrative access to the Town's financial system and unrestricted online access to the Town's bank accounts without providing any oversight.

Financial System – The Supervisor granted the firm representative administrative access to the Town's financial system; such access allows a user to create new users, delete users, adjust access rights of users, apply the Supervisor's electronic signature to payments and also provides access to all areas of the Town's financial system. Because the firm representative had administrative access to the financial system, the utmost care should have been taken in protecting their username and password, which should not be shared with others. However, the firm representative authorized individuals at the firm to access the Town's financial system using her username and password. She told us that she did not create separate usernames and passwords for the individuals at the firm that conducted Town work, because the contract with the Town was only for one year and that those individuals would not be conducting Town work for long periods of time. When we questioned whether the firm representative considered that the audit trail would only show that she completed Town tasks and was approving her own work, the firm representative stated that she had not considered that when she shared her financial system login credentials.

The firm representative also had access to the Supervisor's signature in the financial system. Generally, check signing authority cannot be outsourced to any other individual or organization. To prevent unauthorized use of facsimile signatures, the official with signatory authority should review all checks after they are prepared and his or her signature is applied.

The Supervisor did not oversee disbursements by reviewing and signing checks. Rather, the Supervisor had the firm representative prepare abstracts (i.e., a list of claims to be paid), affix his electronic signature to the checks and print and mail the payments. While the abstracts were provided to the Board for review and approval, we determined that the firm representative did not include 186 disbursements totaling more than \$2.5 million on an abstract, meaning these payments were made without review and approval by the Board. Although we did not find any of these disbursements to be improper, allowing claims to be paid without audit and approval increases the risk that inappropriate payments could be made without detection. We also identified 427 nonpayroll disbursements totaling nearly \$1,272,000 in which the firm representative was the final approver for payment of the claim in the financial system; of these, 33 totaling \$762,420 were entered and approved by the firm representative. Allowing an individual to enter and approve payments and affix an authorized signature to checks without oversight increases the risk that funds could be misappropriated and improper transactions could be concealed.

When users have unneeded administrative access to financial systems, the Town has a significantly greater risk that its financial data could be changed intentionally or unintentionally and/or be used inappropriately.

Online Bank Transfers – The Supervisor allowed the firm representative to transfer funds from one Town bank account to another with no oversight. During our audit period, the firm representative made 34 bank transfers totaling more than \$27.7 million from one Town bank account to another. Furthermore, the firm representative did not record 18 bank transfers totaling \$103,868 that were processed between January 4 through June 29, 2023, resulting in inaccurate financial records for those months. The firm representative was unable to explain why the corresponding journal entries were not completed. We verified that each of the 18 bank transfers were made to another Town bank account. The firm representative told us that she determined when a bank transfer was needed and processed the transfer between bank accounts with no oversight or approvals from the Supervisor. Generally, the individual who executes bank transfers should not also prepare or approve journal entries or reconcile bank accounts. When it is not practical to segregate these duties, a compensating control such as supervisory review of journal entries and bank reconciliations should be considered. Adopting and following a written online banking policy describing the procedures and authorized access would be beneficial.

By providing administrative financial system and banking access to an individual who has the ability to control all aspects of a transaction including entering and approving transactions in the financial system, signing checks, making payments, performing bank transfers and bank reconciliations with no oversight or other mitigating controls in place, the Supervisor put the Town's resources at great risk for misuse without detection.

What Do We Recommend?

The Board should:

1. Ensure that if an individual or firm is contracted to assist the Supervisor with the financial duties, that the duties assigned are ministerial in nature and the appointment complies with applicable Town policies.
2. Ensure it requests and receives accurate, detailed monthly financial reports that can be used to monitor and manage financial operations.
3. Require all budget transfers to be presented to the Board for approval.
4. Consult with legal counsel to determine and recover amounts remitted for services not rendered.
5. Properly audit and approve all claims for payment.
6. Adopt a written online banking policy to clearly describe the procedures for processing, authorizing and reviewing online banking transactions, including who will initiate, approve, transmit, record, review and reconcile such transactions.

The Supervisor should:

7. Properly appoint an individual to serve as Director of Finance and monitor the individual performing their financial duties by periodically reviewing journal entries, records and reports, online banking activity and bank reconciliations to ensure that the Supervisor's records are complete and accurately maintained.
8. Provide, or direct the Director of Finance to provide, detailed monthly financial reports to the Board which include a list of all money received and disbursed, budget-to-actual comparisons of revenues and expenditures, fund balance amounts and reconciled cash balances for each fund.
9. Ensure journal entries are completed in a timely manner.

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10. Identify all necessary budget transfers and present them to the Board for approval before the transfers are made.
 11. Ensure bank reconciliations are prepared and reviewed in a timely manner.
 12. Ensure the appropriate bank transfers are made and the accounting records are adjusted to reflect the correct account balances.
 13. Restrict user access to the financial system and grant only those permissions necessary to perform job duties while considering separation of duty objectives.
 14. Maintain control of the Supervisor's electronic signature and review all checks after they are prepared and the signature is applied.
 15. Discontinue granting third parties access to the Town's bank accounts.
 16. Attend applicable and beneficial training sessions to better understand and perform their financial duties. Training provided by OSC can be found at www.osc.state.ny.us/localgov/academy/index.htm.

Appendix A: Response From Town Officials



Town of Lancaster

OFFICE OF THE SUPERVISOR

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ROBERT E. LEARY
Supervisor

June 26, 2024

Hon. Thomas P. DiNapoli
New York State Comptroller
110 State Street, 15th Floor
Albany, NY 12236

RE: Town of Lancaster: Town Supervisor's Financial Duties
Report 2024M-32
Audit Response

Dear Comptroller, DiNapoli:

Please accept this letter and additional information in response to the Report of Examination 2024M-32, regarding the Town of Lancaster: Town Supervisor's Financial Duties. The Town of Lancaster, New York acknowledges, and does not contest, the findings and recommendations presented following the audit of the former Town Supervisor in 2023.

Under the new Administration, led by the Honorable Town Supervisor, Robert E. Leary, who took office on January 1st, 2024, the Town believes it has, and will continue to, take the necessary actions to address and correct the key findings and recommendations outlined in the report. Supervisor Robert E. Leary started his administration with the goal of addressing and correcting the issues presented to the Town in the informal out briefing in 2023. In conjunction with the information presented to the Town in the informal out briefing and in the draft Report of Examination, 2024M-32, the Town would like to share updates and a few actions it has taken in the fiscal year of 2024 to address the numerous issues found in the examination of the previous administration.

Supervisor Leary prioritized the hiring of a new Director of Administration and Finance the day he stepped into office. On January 16th, 2024, the Town Board appointed Nicholas Swanson to this position. Supervisor Leary has also restaffed the Supervisor's Office, which has eliminated all independent contractors who had previously held positions within the office. In doing so, this will ensure financial integrity and restore financial controls through separation of duties as addressed in the audit findings. At the time of this letter, Supervisor Leary and Director Swanson are happy to report that the Town has remedied 14 of the 16 recommendations presented in the report. Recommendation number four (4) is currently being investigated by legal counsel and a policy to address recommendation number six (6) will be proposed for resolution and adoption by the Town Board on July 15th, 2024.

Additionally, the Finance & Management committee, comprised of three (3) Councilmembers on the Town Board, plans to begin holding quarterly financial review meetings, which will be open to the public, to discuss and evaluate the financial health of the Town and to promote transparency and accountability regarding the Town's finances. Further, the Director of Administration and Finance will be tasked with creating a formal Accounting Manual that outlines all accounting policies and



Town of Lancaster

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ROBERT E. LEARY
Supervisor

procedures for the Town. This manual will be drafted in accordance with the guidelines as prescribed in the Comptroller's Accounting and Reporting Manual, in conjunction with the recommendations and findings from this audit, along with input from the Town's independent auditors and legal counsel. The Accounting Manual will be reviewed annually by the Town Board and published on the Town's website.

The Town of Lancaster acknowledges it is their duty to meet all the legal financial requirements of local, state and federal laws and regulations and will work closely with regulators and auditors to adopt financial best practices to restore the integrity of the Town's financial procedures.

Sincerely,

Robert E. Leary
Town Supervisor

Nicholas C. Swanson
Director of Administration and Finance

Appendix B: Audit Methodology and Standards

We conducted this audit pursuant to Article V, Section 1 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the New York State General Municipal Law. We obtained an understanding of internal controls that we deemed significant within the context of the audit objective and assessed those controls. Information related to the scope of our work on internal controls, as well as the work performed in our audit procedures to achieve the audit objective and obtain valid audit evidence, included the following:

- We interviewed Board members, Town officials and an employee and partner of the firm and reviewed Board meeting minutes, monthly financial reports provided to the Board and the Town's agreements with the firm to gain an understanding of the Town's accounting, financial reporting, financial system access, online banking and oversight practices.
- We requested and reviewed the Supervisor's financial records from January 2023 through June 2023 to determine whether sufficient records existed and whether the Town's financial activity was properly recorded and subsequently reported to the Board.
- We reviewed bank statements and bank reconciliations from January 2023 through June 2023 to determine whether bank reconciliations were properly performed. We also reviewed bank statements from January 2023 through June 2023 to identify interfund transfer activity.
- We reviewed bank statements from January 2023 through June 2023 to identify bank transfers between funds and revenues deposited. We traced bank transfers and revenues to the financial system to determine whether all transactions were recorded. We verified that all internal transfers were between Town bank accounts and reviewed supporting documentation for Automated Clearing House (ACH) payments to verify that the transactions were appropriate.
- We reviewed 713 non-recurring journal entries to determine whether entries made from January 2023 through June 2023 were recorded timely and in accordance with the Town's journal entry policy. We reviewed the Town's 2021 external audit report to determine whether the Town implemented recommendations made.
- We reviewed a budget-to-actual report from July 3, 2023 to identify budget transfers that were made and account codes with negative balances. We reviewed Board meeting minutes to determine whether there was Board approval for budget transfers.
- We reviewed 2,584 nonpayroll disbursements totaling more than \$12.5 million as of July 3, 2023 to determine who entered and approved the payments in the financial system.

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). 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.

The Board has the responsibility to initiate corrective action. A written corrective action plan (CAP) that addresses the findings and recommendations in this report should be prepared and provided to our office within 90 days, pursuant to Section 35 of General Municipal Law. For more information on preparing and filing your CAP, please refer to our brochure, *Responding to an OSC Audit Report*, which you received with the draft audit report. We encourage the Board to make the CAP available for public review in the Town Clerk's office.

Appendix C: Resources and Services

Regional Office Directory

www.osc.ny.gov/files/local-government/pdf/regional-directory.pdf

Cost-Saving Ideas – Resources, advice and assistance on cost-saving ideas

www.osc.ny.gov/local-government/publications

Fiscal Stress Monitoring – Resources for local government officials experiencing fiscal problems

www.osc.ny.gov/local-government/fiscal-monitoring

Local Government Management Guides – Series of publications that include technical information and suggested practices for local government management

www.osc.ny.gov/local-government/publications

Planning and Budgeting Guides – Resources for developing multiyear financial, capital, strategic and other plans

www.osc.ny.gov/local-government/resources/planning-resources

Protecting Sensitive Data and Other Local Government Assets – A non-technical cybersecurity guide for local government leaders

www.osc.ny.gov/files/local-government/publications/pdf/cyber-security-guide.pdf

Required Reporting – Information and resources for reports and forms that are filed with the Office of the State Comptroller

www.osc.ny.gov/local-government/required-reporting

Research Reports/Publications – Reports on major policy issues facing local governments and State policy-makers

www.osc.ny.gov/local-government/publications

Training – Resources for local government officials on in-person and online training opportunities on a wide range of topics

www.osc.ny.gov/local-government/academy

Contact

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<https://www.osc.ny.gov/local-government>

Local Government and School Accountability Help Line: (866) 321-8503

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