

# Genesee County

## Ethics Oversight

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DECEMBER 2020

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OFFICE OF THE NEW YORK STATE COMPTROLLER  
Thomas P. DiNapoli, State Comptroller

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# Report Highlights

## Genesee County

### Audit Objective

Determine whether Genesee County (County) officials used resources to meet certain ethics oversight standards.

### Key Findings

County officials did not meet certain ethics oversight standards:

- The County's code of ethics did not address one of the four statutorily required provisions within article 18 of New York State General Municipal Law (GML).

The Board of Ethics (Ethics Board) did not:

- Adequately administer the County's disclosure system that is intended to foster transparency and help identify potential conflicts of interest.
  - 28 officer and employee (22 percent) and three other required filer (4 percent) annual statements of financial disclosure (disclosure statements) were not filed.
  - Six Legislator (33 percent), 21 officer and employee (17 percent) and 22 other required filer (34 percent) disclosure statements were filed late and/or had questions left blank.
- Review disclosure statements for potential conflicts of interest or completeness.

### Key Recommendations

- Update the code of ethics to address all four statutory requirements.
- Ensure that all required annual disclosure statement filers file complete and timely disclosure statements that are carefully reviewed for potential conflicts of interest.

County officials agreed with our recommendations and have initiated or indicated they planned to initiate corrective action.

### Background

The County is located in the Finger Lakes region of New York. The County is governed by the County Legislature (Legislature) composed of nine elected Legislators, one of whom serves as the Chair.

The County Manager is the County's chief executive officer (CEO) and is responsible, along with other administrative staff, for day-to-day management under the Legislature's direction.

The Legislature established an Ethics Board responsible for providing ethics oversight.

#### Quick Facts

Population	60,079
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Officers and Employees	577
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#### Required Disclosure Statement Filers

2017	105
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2018	104
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### Audit Period

January 1, 2017 – September 30, 2018

# Ethics Oversight

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## How Can Local Governments Establish Proper Ethics Oversight?

A county's governing body must establish a code of ethics to set forth the standards of ethical conduct reasonably expected of county officers and employees. The code of ethics must include certain provisions including disclosure of interest in legislation before the governing body, holding of investments in conflict with official duties, private employment in conflict with official duties and future employment.

To reduce risk that officers' and employees' actions could violate a county's code of ethics and public assets could be subject to misuse, the governing body should adopt a code of ethics that addresses each of the four required statutory provisions of GML and vigorously enforce the code provisions.<sup>1</sup>

Within the code of ethics, the governing body may also set forth other standards of ethical conduct such as provisions addressing nepotism, public disclosures for recusals and abstentions and the proper use of municipal resources.<sup>2</sup> The county's CEO is responsible for distributing a copy of the code of ethics to every county officer and employee. Although not required, the county could also post the code of ethics on the county website.

In addition to establishing a code of ethics, counties with a population of 50,000 or more are required to have certain individuals annually complete a financial disclosure statement. Filing annual disclosure statements helps increase transparency about the private interests and activities of officers and employees, which may identify potential conflicts of interest.

A board of ethics may be established by the governing body to administer a system to maintain the financial disclosure statement filings.<sup>3</sup> The board of ethics, if established, should develop procedures to review and examine the financial disclosure statements filed with the county, to promote compliance with the filing requirement, and verify that officials and employees are impartial and free from conflicts of interest in fulfilling their public responsibilities. A board of ethics can help ensure that the local government operates in a transparent and ethical manner, and local government officers and employees act in the best interests of taxpayers and are not conflicted by personal interests.

The governing body may also develop additional standards of conduct to provide more comprehensive ethical guidance to meet a county's specific circumstances. For instance, the governing body may establish procedures to ensure that county

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1 New York State General Municipal Law (GML), Section 806

2 State Comptroller's Model Code of Ethics – Local Governments available at: <https://www.osc.state.ny.us/localgov/pubs/ethics.htm>

3 GML provides that the board of ethics, if established by the governing body, is responsible for receiving the annual financial disclosure statements.

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officers and employees receive ethics compliance training, including notifying officers and employees of the whistleblower provisions provided by State Law. In addition, the governing body could require that every officer and employee attest to receiving and reviewing the code of ethics at the time of their election or appointment and at least once every five years.

To help ensure proper ethics oversight, the CEO is responsible for posting a copy of certain portions of the conflict of interest statute in each county building.<sup>4</sup> The statute must be posted in a place visible to its officers and employees.

### **The County Established an Ethics Board and Adopted a Code of Ethics**

The County established an Ethics Board, which is composed of members appointed by the Legislature. The Ethics Board is responsible for receiving and reviewing the financial disclosure statements. The County adopted a code of ethics that provides general authority for the Ethics Board to ensure that the financial disclosure statements are filed and complete.

### **The Code of Ethics Did Not Comply With GML and the CEO Did Not Post the Conflict of Interest Statute**

The Legislature adopted a code of ethics that did not include provisions addressing restrictions on future employment, one of the four statutorily required provisions set forth in GML.<sup>5</sup> The CEO told us that he was unaware of the required provisions and unsure of why the required provision was excluded from the County code of ethics. Furthermore, while not required to do so under GML, the code of ethics is not posted on the County's website.

While the CEO was required to visibly post certain sections of GML in each County building, we found that the statutory provisions were not posted in the three buildings tested. The CEO told us that he was unaware that posting the conflict of interest statute is a statutory requirement.

### **The County Did Not Provide Ethics Training or Enforce Code of Ethics Attestation**

County officers and employees did not receive ethics compliance training, such as an overview of the code of ethics and whistleblower protection. In addition, the Ethics Board did not receive similar training. In an effort to help ensure proper ethics oversight, the County may wish to have Ethics Board members complete

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<sup>4</sup> GML, Section 807 requires the posting of GML Sections 800 through 809 in each public building.

<sup>5</sup> GML, Section 806, refer to Appendix A, Figure 4

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training on the provisions of law relating to conflicts of interest and ethics. For example, training could relate to the provisions of Article 18 of GML, codes of ethics, annual financial disclosure and decisional law relating to conflicts of interest and ethics.

The code of ethics provides that annually every officer and employee is required to attest (by March 31) that they have reviewed the code of ethics. However, the human resource specialist told us that only newly hired employees are provided with a copy of the code of ethics and required to sign an acknowledgement of receipt (attestation) as part of the new hire process.

We reviewed code of ethics attestations for 20 newly hired employees during our audit period to determine whether these employees attested to receiving and reviewing the code of ethics. We found that 11 did not attest to reviewing the code of ethics. Furthermore, the attestations signed and the copy of the code of ethics received is a one page document (entitled, code of ethics) that addresses only prohibited activities, not the code of ethics in its entirety, which is a 12-page document.

In addition, the Ethics Board Chair told us that individuals required to file a disclosure statement pursuant to the code of ethics also attest to having reviewed the code of ethics by signing the disclosure statement. The disclosure statement includes a disclaimer that states *“I hereby attest that I have reviewed the Code of Ethics of the County of Genesee.”*

However, we found that the County code of ethics was composed of several local laws, rather than one easily accessible code of ethics document. To perform our review of the code of ethics, we had to review the original local law creating the County Ethics and Disclosure Law (code of ethics) and two subsequent local laws amending the code of ethics.<sup>6</sup> Under these circumstances, it was unclear during our review which document or documents an individual would have reviewed before attesting to having read the code of ethics.

To address this concern, the Legislature may wish to review the current state of the code of ethics and, if appropriate, adopt a new code of ethics that incorporates the three local laws into a single document. Although not required by law, the Legislature could also reinforce code of ethics awareness of officers and employees by posting the entire code of ethics visibly in all County buildings.

Unless the Legislature adopts a code of ethics that addresses each of the four required statutory provisions, vigorously enforces the code provisions, reinforces employee awareness of the code of ethics and ensures that the conflict of

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<sup>6</sup> The code of ethics was initially adopted by local law #4 in 1990, and subsequently amended by local laws #3 in 1991 and #1 in 1992.

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interest statute is posted in each building, there is a higher risk that officers' and employees' actions may violate the code of ethics and public assets could be subject to misuse.

## **What Are the Responsibilities of a Board of Ethics for Reviewing the Code of Ethics and Disclosure Statements?**

A board of ethics is responsible for making recommendations with respect to drafting, adopting or amending the code of ethics, upon the request of the governing body. Therefore, a periodic review of the code of ethics by the board of ethics may be appropriate to help ensure the code continues to comply with GML. If requested, the board of ethics may also provide recommendations to the governing body as it relates to other ethical considerations that may help ensure ethical awareness for officers and employees.

In addition, the responsibilities of a board of ethics include administering a system to receive annual financial disclosure statements. The board of ethics may also develop procedures to review and examine the financial disclosure statements to help ensure that the filings are complete.

When a board of ethics is established by the governing body to administer an annual financial disclosure system, the board of ethics should establish a process to verify that all required filers have submitted their disclosure statements with the board of ethics. In addition, the board of ethics should ensure that the disclosure statements submitted by the required filers are complete.

To help verify the filing and completeness of the disclosure statements, the governing body could include procedures for an appointed official or support staff to assist the board of ethics in ensuring that each financial disclosure statement is filed, reviewed, all questions are addressed and any inconsistencies or missing information are followed-up on.

In addition, the board of ethics should develop procedures to help ensure that disclosure statements are reviewed to identify transactions that could pose conflicts of interest. For example, boards of ethics could maintain a list of filers' outside business interests, and supply the list to appropriate purchasing department personnel for their use in identifying potential interests in contracts that would be prohibited by GML.

Further, the board of ethics could obtain a list of vendors from the accounts payable department to reference during their review of the disclosure statements to help it identify potential conflicts of interest. If local governments' boards of ethics do not ensure compliance with filing requirements or review the information on disclosure statements to identify any conflicts of interest, taxpayers have less

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...[T]he responsibilities of a board of ethics include administering a system to receive annual financial disclosure statements.

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assurance that officers and employees in policy-making positions are free from conflicts of interest.

Although not specifically required by the County's code of ethics, the Ethics Board should meet at least once a year to review the filed disclosure statements. As part of its review, the Ethics Board should verify all annual disclosure statements are filed on time, are complete and address actual or implied conflicts of interest identified in the disclosure statements, if any.

The County code of ethics provides that the Ethics Board is responsible for receiving and reviewing completed annual statements of financial disclosure and establishes certain procedures for the Ethics Board to administer the annual financial disclosure system. For instance, the code of ethics includes a list of certain positions held by officers and employees of the County that are to file the disclosure statement by May 31 each year, unless an extension is requested by the filer and granted by the Ethics Board. In addition, the Legislature, by resolution, annually identifies additional individuals who qualify as a policymakers. Such individuals, are required to file a disclosure statement with the County.

The code of ethics also provides that each appointing authority or department head is to determine each year (by January 31) whether there are any other officers or employees within their departments who hold policy-making positions. If so, a list of such individuals is to be forwarded by the appointing authority or department head to the Chair of the Legislature. Officers and employees identified in the list are then included in the Legislature's annual list of individuals required to file a disclosure statement.

Further, the code of ethics states that County officers and employees, who become subject to the disclosure filing requirements after March 15 each year (e.g., newly hired or change in reporting level), are to file their disclosure statements within 30 days of the date of employment.

### **The Ethics Board and the Clerk Did Not Adequately Monitor the Filing of Disclosure Statements**

The Ethics Board met annually during our audit period. However, the Ethics Board, did not adequately administer the County's disclosure system by ensuring all financial disclosure statements were actually filed, filed on time or complete. We found that more than one-third of the required disclosure statements were not filed, were filed late and/or had questions left blank. Under these circumstances, there is an increased risk that potential conflicts of interest were not identified and/or not reported to the Ethics Board.

The Legislature assigned certain responsibilities for administering the disclosure statement system to the Ethics Board. For example, the code of ethics generally

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We found that more than one-third of the required disclosure statements were not filed, were filed late and/or had questions left blank.

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states that the Ethics Board is responsible for receiving and reviewing completed financial disclosure statements. However, we found that the Clerk of the Legislature (Clerk), not the Board of Ethics, was responsible for verifying that individuals required to file a disclosure statement actually filed a disclosure statement with the Ethics Board.

In 2017 and 2018, neither the Clerk nor the Ethics Board ensured that all individuals, required to file a disclosure statement, submitted a timely and complete disclosure statement. In 2017 and 2018, 33 percent of Legislators (Figure 1), 39 percent of officer and employee (Figure 2) and 38 percent of other required filers (Figure 3)<sup>7</sup> disclosure statements were not filed, were filed late and/or had questions left blank.

In 2017 and 2018, nine Legislators were required to file and did so. However, in 2017, four filed late. In 2018, one filed late and one filed late with questions left blank.

In 2017, 63 officers and employees were required to file. However, 13 did not file, one filed a disclosure statement with questions left blank and seven filed late. In 2018, 63 officers and employees were required to file. However, 15 did not file, six filed disclosure statements with questions left blank, five filed late and two filed late with questions left blank.

In 2017, 33 other individuals associated with the County were required to file. However, two individuals did not file, two filed disclosure statements with questions left blank and nine filed late. In 2018, 32 other individuals associated with the County were required to file. However, one individual did not file, five filed disclosure statements with questions left blank and six filed late.<sup>8</sup>

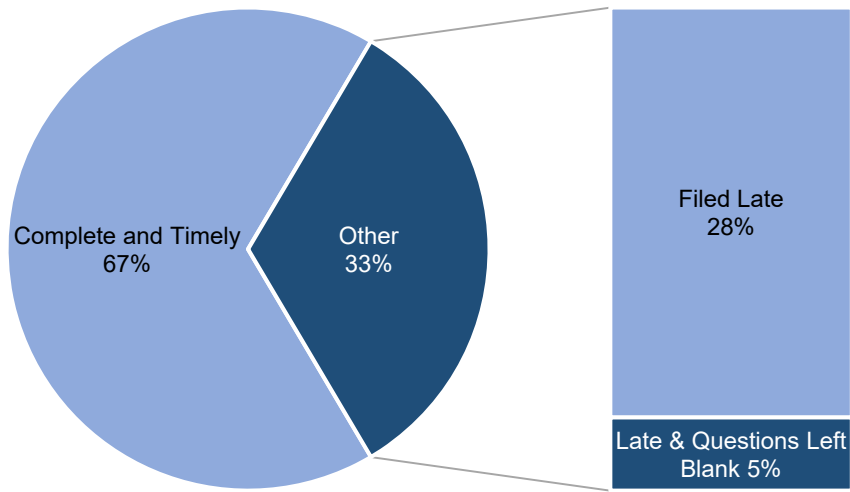
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<sup>7</sup> Other required disclosure statement filers included the following individuals associated with the County: members of the Ethics Board, Health Board, Mental Health Board, Planning Board and Water Resources Agency.

<sup>8</sup> Refer to Appendix A for details on individuals who did not file in 2017 and 2018.

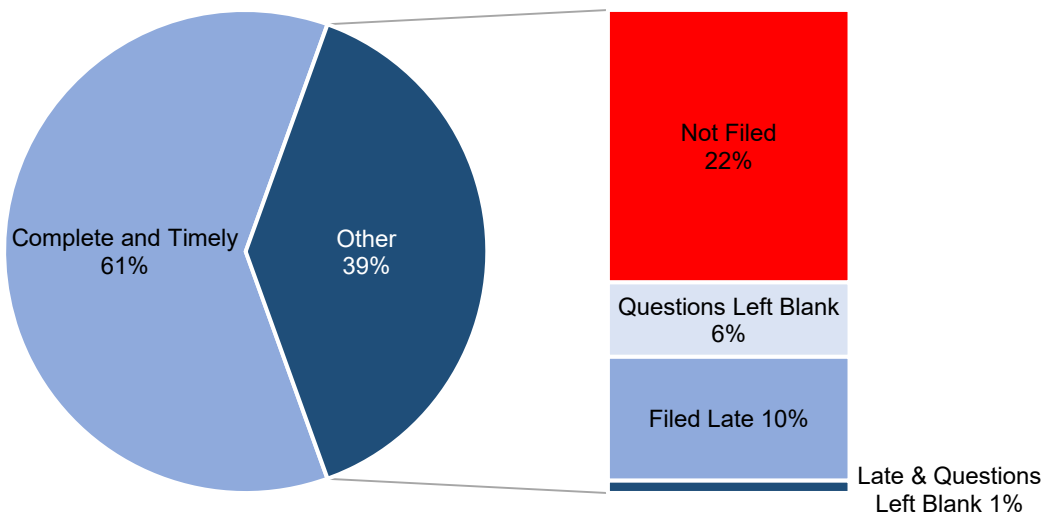
**FIGURE 1**

**County Legislature  
Annual Financial Disclosures  
2017 and 2018**



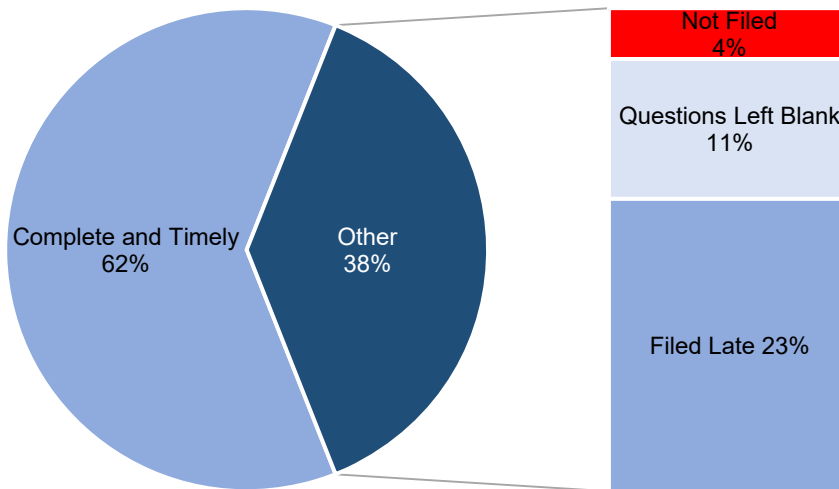
**FIGURE 2**

**Officers and Employees  
Annual Financial Disclosures  
2017 and 2018**



**FIGURE 3**

**Other Individuals Associated With the County  
Annual Financial Disclosures  
2017 and 2018**



The Clerk told us that she notified required disclosure statement filers based on a list she received from her predecessor. However, the list provided by her predecessor did not include all individuals required to file disclosure statements, as identified in the code of ethics and resolutions passed by the Legislature.

The Clerk told us that she received the individual disclosure statements, logged them as being received and sorted them in alphabetical order. The Clerk told us that she only notes the disclosure statements as being received and that the Ethics Board subsequently reviews the disclosure statements for completeness.

The Ethics Board Chair told us that the Ethics Board divides the disclosure statements among members in attendance at its annual meeting and reviews the disclosure statements to determine whether all questions have been answered and the disclosure statements are signed. Ethics Board members record notes relative to their review, whether deficiencies are identified and return the disclosure statements to the Clerk for additional follow-up. The Clerk then either calls or sends letters to the individuals identifying the deficiencies in the disclosure statement and requests revisions.<sup>9</sup>

<sup>9</sup> County officials told us that if the individual is an officer or employee, the Clerk calls the person and if the person is in a volunteer position, the Clerk sends a letter.

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The Clerk told us that she contacted individuals from the list of required filers that she maintains, who either had not filed by the due date or filed incomplete or unsigned disclosures statements as identified by the Ethics Board during its review. However, 49 of the 209 required disclosure statements for 2017 and 2018 were filed late and/or had questions left blank and 31 were not filed. The Clerk told us the disclosure statements filed incomplete were from a lack of follow-up to ensure all disclosure statements were properly filed without questions left blank.

Of the 31 disclosure statements not filed, 28 were for officers and employees who were not notified that they were required to file. The Clerk told us that she used an outdated list of required filers, which did not include these individuals. In 2017, 13 officers and employees required to file disclosure statements were not notified and, in 2018, 15 were not notified. In addition, three other individuals – two in 2017 and one in 2018 – were notified of their requirement to file a disclosure statement but did not file a disclosure statement.

Furthermore, five officers and employees – two in 2017 and three in 2018 – (of the previously discussed 28 officers and employees who were not notified) assumed the duties of a required filer position after the March 15 deadline. As a result, these individuals were not added to the list of required filers and did not submit a disclosure statement within 30 days of employment in the new position, as required by the code of ethics.

The first page of the County’s annual statement of financial disclosure clearly states **“Please fill each section out completely, do not leave blanks. Print N/A if they do not apply.”**

We recognize that an individual who leaves one or more questions blank on the disclosure statement, may have done so because the question was not applicable to that individual. However, without a definitive response to each question, it remains unclear to a reviewer of the disclosure whether that particular section was not applicable or the filer chose not to provide the information.

For example, the Mental Health Director signed the 2018 disclosure statement but left many questions blank. She filed a timely and complete disclosure statement in 2017. The Mental Health Director’s 2018 disclosure statement did not include the following:

- Spouse’s name and children’s names and ages
- Financial interests including business positions, outside employment, or future employment or those of her spouse or partner or dependent children
- Past employment where she is currently receiving income in excess of \$1,000
- Investments exceeding \$5,000 or 5% of the value of any business

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The first page of the County’s annual statement of financial disclosure clearly states, **“Please fill each section out completely, do not leave blanks. Print N/A if they do not apply.”**

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- Interests in Trusts or Estates exceeding \$2,000 (excluding those of a relative and IRS eligible retirement plans)
  - Other income exceeding \$1,000 including that of his spouse and dependent children
  - Gifts and Honorariums exceeding \$250 including that of his spouse and dependent children excluding gifts from a relative
  - Third-Party Reimbursements for travel-related expenditures in excess of \$250 for any matter related to his official duties
  - Debts exceeding \$5,000 including those of his spouse and dependent children
  - Interests in Contracts including those of his spouse and dependent children involving the County or any municipality within the County
  - Political Parties – positions held within the last 5 years as an officer of a political party, political committee or political organization

Not completing a disclosure statement in its entirety could be a misrepresentation to the Ethics Board and creates a risk that potential conflicts could go undetected. In accordance with the filing instructions, the disclosure statement must be completed in its entirety. To avoid an incomplete filing or misunderstanding, when a question does not apply, the filer should write “none” or “not applicable” on the disclosure statement to satisfy the requirement that each section be filled out completely without leaving questions blank.

The Ethics Board Chair told us that while the Ethics Board reviews the submitted disclosure statements to determine whether all questions are answered and to ensure they are signed, it does not review the information reported in the disclosure statements.

Although not required to do so, the Ethics Board did not compare disclosed business interests to vendor payments or compile a list of filers’ outside business interests for the purchasing department to identify potential interests in contracts that would be prohibited by GML. Lack of procedures that require reviewing the submitted information reduces its usefulness.

Without careful review of the information reported on disclosure statements, and procedures to identify transactions that could pose a conflict of interest, taxpayers have less assurance that the County has a strong stance on transparency and can identify potential conflicts of interest of officers and employees that could compromise impartiality in decision-making.

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## The Ethics Board Did Not Review the Code of Ethics

The code of ethics does not require the Ethics Board to conduct a review of the code of ethics and the Ethics Board did not review the code of ethics during our audit period. As a result, the Ethics Board was unaware that the code of ethics did not address future employment, one of the four statutory requirements set forth in GML.

As a best practice, a review of the code of ethics, at least every five years or when deemed necessary, would help to ensure it adequately addresses the expected conduct for all officers and employees including the required standards stipulated by law.

### What Do We Recommend?

The Legislature should:

1. Adopt a code of ethics that addresses each of the four statutory requirements as set forth in GML and, if appropriate, include other ethical considerations and best practices.
2. Visibly post the code of ethics in each County building and on the County's website.
3. Require ethics compliance training for all officers and employees, including an overview of the code of ethics and whistle-blower protections.
4. Have Ethics Board members complete training on the provisions of law relating to conflicts of interest and ethics.
5. Ensure all officers and employees attest in writing to the review of the code of ethics at the time of their elections or appointment annually, by May 31, as required, and upon amendment to the code.
6. Define expectations and responsibilities for the administration of the disclosure statement system, including identifying individuals hired or promoted into required filer positions mid-year and the careful review of contents reported in the disclosure statements to identify interests that could pose a conflict of interest.
7. Review and, if appropriate, consolidate the local laws on ethics into one distributable document.
8. Review or request the Ethics Board to review the code of ethics, at least every five years or sooner, if deemed necessary.

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The code of ethics does not require the Ethics Board to conduct a review of the code of ethics...

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The County Manager should:

9. Visibly post GML Sections 800-809 of the conflict of interest statute in each County building.

The Ethics Board should:

10. Obtain a list of vendors from the accounts payable department to reference during its review of the disclosure statements to help identify potential conflicts of interest and maintain a list of filers' outside business interests to supply to appropriate purchasing department personnel for their use in identifying potential interests in contracts that would be prohibited by GML.
11. Verify all individuals covered by annual financial disclosure requirements file a complete and timely disclosure statement and review the information contained on the statements to identify interests that could pose a conflict of interest.

# Appendix A: County Code of Ethics Information

**Figure 4: Required Code of Ethics Provisions<sup>a</sup> and Other Ethical Considerations<sup>b</sup>**

Required Provisions	Included in the County's Code of Ethics?	
Disclosure of Interests in Legislation Before the Local Governing Body	Yes	
Future Employment		No
Holding of Investments in Conflict With Official Duties	Yes	
Private Employment in Conflict With Official Duties	Yes	
Other Ethical Considerations		
Applicability	Yes	
Confidential Information	Yes	
Definitions	Yes	
Enforcement	Yes	
Effective Date	Yes	
Establishing a Board of Ethics	Yes	
Gifts	Yes	
Interests in Contracts	Yes	
Nepotism		No
Political Solicitations		No
Posting and Distributing the Code of Ethics	Yes	
Prohibition on Use of Municipal Position for Personal or Private Gain	Yes	
Purpose of the Code of Ethics	Yes	
Recusal and Abstention	Yes	
Ethics Board Members Term Limits <sup>c</sup>		No

<sup>a</sup> GML, Section 806

<sup>b</sup> Refer to OSC's Model Code of Ethics for Local Governments available at: <https://www.osc.state.ny.us/localgov/pubs/ethics.htm>.

<sup>c</sup> Not included within OSC's Model of Code of Ethics but should be considered as a best business practice



**Figure 5: Officers and Employees and Other Individuals Associated With the County Who Did Not File Annual Financial Disclosure Statements**

Job Title	2017	2018
<b>Officers and Employees</b>		
Administrative Officer	Not Filed	Not Filed
Assistant County Attorney	Not Filed	Not Filed
Assistant District Attorney (4)	Not Filed	
Assistant District Attorney (5)		Not Filed
Commissioner of Social Service	Not Filed	
Deputy Director of Information Technology		Not Filed
Deputy Director, RPTS III	Not Filed	Not Filed
Deputy Election Commissioner (2)	Not Filed	Not Filed
Director of Weights & Measures		Not Filed
Director of Emergency Communication	Not Filed	Not Filed
Director of Children With Special Needs	Not Filed	Not Filed
Director of Environment Health	Not Filed	Not Filed
<b>Other Individuals Associated With the County</b>		
Health Board Member	Not Filed	Not Filed
Mental Health Community Service Board	Not Filed	
<b>( ) represents the number of individuals that did not file a disclosure statement</b>		

# Appendix B: Response From County Officials

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## Genesee County Legislature

Old Courthouse  
7 Main Street  
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(585) 344-2550 Ext. 2202  
Fax: (585) 345-3078

Rochelle M. Stein, Chair  
Marianne Clattenburg, Vice Chair  
Andrew Young, 2<sup>nd</sup> Vice Chair

Pamela LaGrou, Clerk  
pam.lagrou@co.genesee.ny.us

### LEGISLATORS

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Christian Yunker	Dist. 2
Gordon L. Dibble	Dist. 3
Andrew Young	Dist. 4
Rochelle Stein	Dist. 5
Gregg Torrey	Dist. 6
John Deleo	Dist. 7
Marianne Clattenburg	Dist. 8
Gary T. Maha	Dist. 9

September 30, 2020

Julie Landcastle, Chief Examiner  
Statewide Audit Unit  
NYS Office of the State Comptroller  
Binghamton State Office Building  
44 Hawley Street, Rm 1702  
Binghamton, NY 13901

Dear Ms. Landcastle:

Genesee County experienced an Ethics Oversight audit in May 2019. The draft report of examination (S9-19-11) was received September 2, 2020 with an exit discussion held on September 9, 2020.

Genesee County welcomes the opportunity to revisit and enhance our Ethics Program by implementing strategies and training that will result in a heightened awareness and compliance with requirements of the Code of Ethics.

The statutory provision of future employment will be addressed when our Ethics Code and financial disclosure statement are updated. A consolidation of local laws on Ethics will reduce the time spent on cross-checking the list of those required to complete the financial disclosure statement as well as clarify and consolidate the Code. Having multiple lists of required filers caused some confusion and accounted for situations discovered in your audit where boards or positions long eliminated were still technically required to have a financial disclosure filing.

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Historically, the Ethics Board met at least annually to review the list of those who were filing a financial disclosure statement and review for completeness. Future efforts will include Ethics Board training and the Board will be provided with a current list of vendors. Ethics & conflict of interest training, clearly posting the Code of Ethics and annual attestation by employees will enhance efforts to ensure financial disclosure statements are filed on time and completely.

The audit conducted on Genesee County's Ethics program brought to light opportunities to further enhance and develop processes and systems as they relate to Ethics Oversight.

Sincerely,

Rochelle M. Stein,  
Legislature Chair  
Genesee County Legislature

## Appendix C: Audit Methodology and Standards

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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. To achieve the audit objective and obtain valid audit evidence, our audit procedures included the following:

- We interviewed County officials, employees and Ethics Board members to gain an understanding of the governing and ethics oversight.
- We reviewed policies, procedures and Legislature and Ethics Board minutes related to ethics.
- We reviewed all 178 disclosure statements filed for 2017 and 2018 to determine whether they were completely and properly filed on time and any potential conflict of interests were reported to the Ethics Board.
- We reviewed procedures to receive ethical complaints from the public, which consist of complaints being forwarded to the Legislative Clerk on behalf of the Ethics Board.
- We used our professional judgment to select a sample of three buildings from a list of 28 building locations provided by the County Manager. We walked through these buildings to determine whether the conflict of interest statute was posted. For our sample, we selected the building where we conducted a majority of our fieldwork and two additional nearby County buildings, with no expectations of greater or lesser results.
- We used our professional judgment to select a sample of 20 of 265 newly hired employees during our audit period to determine whether they executed an acknowledgement that they had received a copy of the County's code of Ethics, with no expectations of greater or lesser results.

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.

Unless otherwise indicated in this report, samples for testing were selected based on professional judgment, as it was not the intent to project the results onto the entire population. Where applicable, information is presented concerning the value and/or relevant population size and the sample selected for examination.

The Legislature 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

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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 County Clerk's office.

## Appendix D: Resources and Services

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### **Regional Office Directory**

[www.osc.state.ny.us/sites/default/files/local-government/documents/pdf/2018-12/regional\\_directory.pdf](http://www.osc.state.ny.us/sites/default/files/local-government/documents/pdf/2018-12/regional_directory.pdf)

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

[www.osc.state.ny.us/local-government/publications?title=&body\\_value=&field\\_topics\\_target\\_id=263196&issued=All](http://www.osc.state.ny.us/local-government/publications?title=&body_value=&field_topics_target_id=263196&issued=All)

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

[www.osc.state.ny.us/local-government/fiscal-monitoring](http://www.osc.state.ny.us/local-government/fiscal-monitoring)

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

[www.osc.state.ny.us/local-government/publications?title=&body\\_value=&field\\_topics\\_target\\_id=263206&issued=All](http://www.osc.state.ny.us/local-government/publications?title=&body_value=&field_topics_target_id=263206&issued=All)

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

[www.osc.state.ny.us/local-government/resources/planning-resources](http://www.osc.state.ny.us/local-government/resources/planning-resources)

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

[www.osc.state.ny.us/sites/default/files/local-government/documents/pdf/2020-05/cyber-security-guide.pdf](http://www.osc.state.ny.us/sites/default/files/local-government/documents/pdf/2020-05/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.state.ny.us/local-government/required-reporting](http://www.osc.state.ny.us/local-government/required-reporting)

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

[www.osc.state.ny.us/local-government/publications?title=&body\\_value=&field\\_topics\\_target\\_id=263211&issued=All](http://www.osc.state.ny.us/local-government/publications?title=&body_value=&field_topics_target_id=263211&issued=All)

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

[www.osc.state.ny.us/local-government/academy](http://www.osc.state.ny.us/local-government/academy)

## Contact

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