

Village of Bemus Point

Clerk-Treasurer

JULY 2022



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

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Report Highlights

Village of Bemus Point

Audit Objective

Determine whether the Village of Bemus Point (Village) Clerk-Treasurer properly deposited, recorded, reported and disbursed Village funds.

Key Findings

The Clerk-Treasurer did not properly deposit, record, report and disburse Village funds and was arrested in February 2021 and charged with grand larceny, falsifying business records, forgery and official misconduct. In December 2021 she pleaded guilty to petit larceny and paid restitution to the Village.

The Board of Trustees (Board) did not monitor the Clerk-Treasurer's work, implement compensating controls, or audit the records as required. Specifically, the Clerk-Treasurer did not:

- Properly deposit, record or report taxes collected.
- Issue duplicate receipts or maintain other adequate supporting documentation, therefore we could not determine whether all money collected was deposited.
- Properly record revenues and expenditures, which misstated actual financial results.
- File payroll tax reports or remit payments totaling \$40,837. As a result, the Village was assessed penalties and interest of \$18,100.
- Provide written financial reports to the Board or file annual financial reports (AUDs) with the Office of the State Comptroller (OSC), as required.

Key Recommendations

- Maintain complete, accurate and proper accounting records.
- Implement compensating controls, including adequate oversight and audit the Clerk-Treasurer's records as required.

Village officials agreed with our recommendations and indicated they plan to initiate corrective action.

Background

The Village is located in the Town of Ellery in Chautauqua County (County). The Village provides various services to its residents including street maintenance and repair, general governmental support and fire protection. These services are primarily funded by sales tax and real property taxes.

The Village is governed by an elected Board composed of a Mayor and four Trustees. The Mayor is the chief executive officer responsible for the day-to-day management of the Village under the Board's direction, including supervision of the Clerk-Treasurer's duties.

The Clerk-Treasurer is the Village's chief financial officer, budget officer and records officer and is responsible for numerous financial, budgeting and recordkeeping duties.

Quick Facts

Population	301
2020-21 Appropriations	\$473,811
Employees ^a	6

Unfiled AUDs as of September 23, 2020

Fiscal Year	Days Late
2015-16 ^b	1,473
2016-17	1,151
2017-18	786
2018-19	421
2019-20	55

a) Full- and part-time as of September 23, 2020.

b) Filed but not accepted by OSC due to errors.

Audit Period

June 1, 2015 – September 23, 2020. We extended our review of certain disbursements to December 31, 2020. See Appendix B for further details. Release of this report was held in abeyance while the matter was under review by outside law enforcement.

Clerk-Treasurer

The Board recognized Jennifer Reid (also known as Jennifer Jaeger) as the Village Clerk on April 20, 2015 in its meeting minutes; however, she also assumed the duties of Treasurer and effectively began serving as Clerk-Treasurer on April 20, 2015. The Clerk-Treasurer also assumed the tax collector duties beginning in the 2016-17 tax collection period. The Clerk-Treasurer's last day working at the Village was October 26, 2020.

The Clerk-Treasurer collects Village revenues including real property taxes, State aid, building permit and zoning fees and vital statistic fees (e.g., birth and death certificates) and processes and pays all of the Village's non-payroll related bills such as utilities, loan payments, fire protection expenditures, garbage collection and reimbursements to individuals as well as all payroll-related payments, including the calculation and remittance of payroll taxes.

How Can the Board Ensure Village Funds Are Properly Deposited, Recorded, Reported and Disbursed?

A board is responsible for the overall management of a village, including establishing internal controls such as written policies and procedures to provide reasonable assurance that cash and other resources are properly safeguarded; transactions are properly recorded; financial reports are accurate, reliable and filed in a timely manner; and duties are adequately segregated. A board should also provide proper oversight and monitoring; this is especially crucial when financial activities are not properly segregated.

A clerk-treasurer is required to keep a complete and accurate account of the receipt and disbursement of all money using proper accounting procedures. Therefore, all transactions should be recorded accurately and timely. This is necessary for managing village operations and ensuring records properly reflect financial operations.

Disbursements of village money as payment for goods received or services rendered should be supported by adequate documentation and be audited and approved by the board prior to payment. After claims have been audited and approved for payment, the clerk should prepare an abstract (list of audited claims) which also contains a warrant or order directing the treasurer to pay the amounts and vendors indicated on the abstract.¹ Payroll information should be reviewed for accuracy prior to disbursing paychecks. Supervisors should sign or initial employees' time records to evidence their review and approval of hours worked.

Cash collections should be recorded immediately upon receipt into the cash receipts journal and deposited timely. A clerk-treasurer is required to issue

A clerk-treasurer is required to keep a complete and accurate account of the receipt and disbursement of all money using proper accounting procedures.

¹ The Village uses the term warrant instead of abstract when referring to the list of audited claims. We will use the term warrant when referring to the abstract in this report for consistency.

pre-numbered duplicate receipts when no other satisfactory evidence for audit purposes is available, such as a bill stub or other documentation to support a payment remittance.

A clerk-treasurer is also responsible for providing accurate and timely periodic financial reports to the board and certain outside entities. To help ensure that financial transactions are complete and accurate, a clerk-treasurer should perform monthly bank-to-book reconciliations and resolve any discrepancies in a timely manner. In addition, a clerk-treasurer must annually file an AUD with OSC within 60 days after the close of the fiscal year or request an extension which, if granted, would extend the deadline an additional 60 days. The AUD provides the board, OSC, village residents and other interested parties with a transparent tool to monitor and evaluate financial operations.

The Clerk-Treasurer Misappropriated Village Funds

The Clerk-Treasurer initiated transactions outside of her authority and the normal Village processes without detection. The Clerk-Treasurer paid herself and certain personal bills through the disbursement and payroll processes, and misused Village resources for personal gain. In addition, we identified numerous additional deficiencies such as the Clerk-Treasurer not paying the Village's payroll taxes and not maintaining complete and accurate financial records.

During the audit, the Mayor and Deputy Mayor told us that on October 26, 2020, the Clerk-Treasurer told them she took about \$5,000 of the Village's funds. However, we found the Clerk-Treasurer misappropriated significantly more than \$5,000 and she was arrested in February 2021 for misuse of Village funds. In December 2021 she pleaded guilty to petit larceny and was ordered to pay restitution to the Village. The Board did not fulfill its fiduciary responsibilities to safeguard Village funds. The Board did not:

- Establish compensating controls or provide adequate oversight of the Clerk-Treasurer's activities.
- Ensure that journal entries, bank reconciliations, bank statements, electronic funds transfers or canceled checks were reviewed.
- Ensure that payrolls were reviewed.
- Adopt written policies or procedures to guide or provide oversight mechanisms over the Clerk-Treasurer's duties.
- Conduct the required audit of claims prior to payment and the required annual audit of the Clerk-Treasurer's records.
- Ensure AUDs are filed with OSC, as required.

As a result, the Board did not fulfill its fiduciary responsibilities to safeguard Village funds which likely contributed to the Clerk-Treasurer’s ability to improperly take funds from the Village without detection for more than five years.

The Clerk-Treasurer Used Village Funds to Make Improper Payments to Herself and Pay Personal Bills

We reviewed all 1,899 non-payroll disbursements the Clerk-Treasurer made from the Village checking account totaling more than \$2.1 million and identified pervasive deficiencies in the Clerk-Treasurer’s records and the Board’s oversight of her disbursement processes. The Clerk-Treasurer made 151 questionable disbursements totaling \$64,354 (Figure 1).

Figure 1: Improper Disbursements Made by the Clerk-Treasurer

	Instances	Amount
Paid to Herself with No Supporting Documentation	75	\$42,138
Personal Bills Paid from the Village Bank Account	34	15,547
Personal Goods Purchased with Village Funds^a	27	4,785
Excessive Mileage Reimbursements	15	1,884
Total	151	\$64,354

a) Personal items including lunchboxes, wireless cell phone chargers, a water bottle and candy, among other purchased goods using blank, pre-signed Village checks and a Village fuel card.

The Clerk-Treasurer issued checks to herself without Board approval and the payments were not supported. For example, she paid herself:

- \$19,357 for unknown reasons.
- \$11,372 to reimburse herself for Village expenses she claimed she paid with her personal money. The Clerk-Treasurer had no receipts to document what, if anything, was purchased. For example, she reimbursed herself \$1,436 for fire department expenses but a fire department official confirmed this was not a legitimate expense.
- \$5,593 for training expenses, including mileage to training, hotel stays and class fees. However, she did not attend any training events.
- \$3,612 for unused vacation time. However, she was not eligible for paid vacation time and the Village does not pay employees for vacation time they do not use.
- \$2,204 for mileage reimbursement. However, she had already been reimbursed for mileage through the Village’s regular claims payment process around the time these checks were issued.

The Clerk-Treasurer was able to pay her personal bills, make personal purchases and issue checks to herself without detection because the Board did not provide adequate oversight and no other official reviewed disbursements. The Clerk-Treasurer also did not provide claim vouchers to the Board, and did not maintain claim vouchers, invoices or any other supporting documentation in the Village's financial records.

We also found numerous discrepancies with the warrants prepared by the Clerk-Treasurer and presented to the Board for approval. Had the Board performed a proper audit they would have likely identified the following discrepancies which included:

- \$564,682 for 450 payments that were not listed on warrants.
- \$21,908 for 93 payments that did not agree with amounts included on warrants.
- \$355 for a utility payment that was paid to the Clerk-Treasurer.
- \$356,508 for 154 payments that were made prior to a Board meeting for items such as utilities and were not appropriately included on subsequent warrants for Board review and approval.
- 53 warrants that lacked claim numbers, check numbers and/or account codes.

The Board did not conduct a proper claims audit. Had the Board done so it would have realized the information provided by the Clerk-Treasurer contained discrepancies and should have requested adequate documentation to support the transactions.

Furthermore, the Clerk-Treasurer provided us with altered warrants. For example, we received electronic warrants on September 28, 2020 that had been edited on September 25, 2020, all within a 14-minute timeframe. We compared the electronic warrants to hard copy warrants located in Village files and noted various entries for Verizon and personal reimbursements that were included in the warrants for January 2020 through July 2020 (Figure 2).

Figure 2: Altered Warrants

Meeting Date	Warrant in Village Files	Altered Warrant	Difference	Items added to Warrants
1/21/2020	\$21,995	\$23,250	\$1,255	Verizon \$790.31 and Jen Jaeger \$464.85
2/18/2020	7,753	8,095	342	Jen Jaeger \$342
3/24/2020	13,896	14,667	771	Verizon \$730.83 and Jen Jaeger \$40
4/21/2020	13,861	14,299	438	Verizon \$437.77
5/26/2020	7,071	7,505	434	Verizon \$434.02
6/16/2020	48,317	51,230	2,913	Verizon \$927.72 and Jen Jaeger \$1,985.33
7/21/2020	31,879	33,663	1,784	Verizon \$433.75 and Jen Jaeger \$1,350
Total	\$144,772	\$152,709	\$7,937	

The Clerk-Treasurer was able to conceal her questionable activities by initiating disbursements, approving payments and issuing checks, because the Board and the Mayor failed to provide proper oversight and implement adequate controls. No one other than the Clerk-Treasurer received or reviewed bank statements or canceled check images. Therefore, basic internal controls were absent and there was no one to mitigate the risk of unauthorized transactions, errors and/or irregularities occurring and going undetected.

The Clerk-Treasurer Made Improper Payroll Payments to Herself

The Clerk-Treasurer inflated payroll payments to overpay herself by \$26,867 from 2015 through 2020 (Figure 3). She paid herself for more hours than her time sheets indicated she worked, did not always deduct payroll taxes from her paychecks, and issued payroll-related checks totaling \$1,385 to herself for vacation time buyouts and other leave time that she was not eligible for. In addition, she improperly increased her paychecks by adding mileage reimbursements to her payroll checks. However, she had already been reimbursed for the same mileage claims through the claims payment process resulting in duplicate payments to herself totaling \$812.

Figure 3: Improper Clerk-Treasurer Payroll Payments

Year	Actual Net Payroll	OSC Calculated Net Payroll	Improper Payroll Payments
2015	\$8,884	\$5,084	\$3,800
2016	18,098	14,700	3,398
2017	16,206	14,707	1,499
2018	19,102	8,815	10,287
2019	19,270	16,776	2,494
2020	20,805	15,416	5,389
Total	\$102,365	\$75,498	\$26,867

The Clerk-Treasurer reviewed and processed payroll, including her own, without any review or oversight by the Board, including the Mayor. As a result, she was able to pay herself for hours she did not work and receive duplicate payments for mileage reimbursements without detection.

The Clerk-Treasurer Did Not Properly Account for Cash Receipts

We analyzed all 1,958 cash receipt items deposited into the Village checking account over our six-year audit period totaling \$2.8 million. While the Clerk-Treasurer had press-numbered duplicate receipt books, and told us that she

issued receipts from them, we found they were not used. As a result, we could not determine whether the Clerk-Treasurer had deposited and recorded all money collected.

Real Property Tax Collections – From June 2016 through September 2020, the Clerk-Treasurer also served as the tax collector. We reviewed all 1,169 deposited cash receipt items totaling \$619,933 that were related to the collection of real property taxes at the Village. The Clerk-Treasurer did not properly deposit, record or report taxes collected. She reported real property tax collections, excluding interest and penalties, totaling \$604,181 to the County from fiscal years 2016-17 through 2020-21. However, the actual collections based on bank account detail totaled \$617,643.

The Clerk-Treasurer improperly placed 30 properties with tax bills totaling \$9,594 on the unpaid lists submitted to the County each year for re-levy. However, payments for all 30 of these properties were deposited in the Village's checking account. The County confirmed that all 30 properties were re-levied even though the property owners paid their taxes. As a result, the owners of these 30 properties paid their real property tax bills twice and were not refunded.

In addition, the Clerk-Treasurer collected and deposited eight duplicate tax payments totaling \$2,973 into the Village checking account. As a result, taxpayers paid tax bills for eight properties twice and were not refunded. Furthermore, the Clerk-Treasurer reported to the County that 12 real property tax bills totaling \$2,486 were paid but there were no corresponding deposits in the Village's bank account to indicate that these 12 tax bills were paid.

Other Collections – The Clerk-Treasurer did not maintain supporting documentation for cash collected; therefore, we were unable to determine the money the Village should have collected and deposited for certain other items. For example, the Clerk-Treasurer deposited a total of \$23,529 for building permits, zoning variances, parking tickets and donations. However, because of the lack of receipts and inaccurate recordkeeping, we could not determine whether this amount represents what was actually collected or the amount that should have been collected and deposited for these items.

Neither the Mayor nor the Board reviewed the Clerk-Treasurer's cash receipts activity. We question whether all receipts intended for the Village were properly deposited and accounted for. The Board did not adopt written cash receipt policies, ensure cash receipts duties were properly segregated or provide adequate oversight of the Clerk-Treasurer. As a result, the Clerk-Treasurer had complete control over the cash receipts process and the Board cannot be sure that all money collected was recorded and deposited.

The Clerk-Treasurer Did Not Maintain Adequate Records and Reports

The Clerk-Treasurer did not maintain or record accounting or payroll transactions in a timely or complete manner and did not provide the Board periodic written financial reports.

Accounting Records – The Clerk-Treasurer improperly recorded revenues and expenditures, which misstated actual financial results. For example, on September 23, 2020 we performed a cash count, obtained a copy of the general ledger and asked the Clerk-Treasurer to confirm whether the general ledger was complete and up to date. The Clerk-Treasurer stated it was. However, revenues for sales tax (\$37,917) and franchise fees (\$14,796) were deposited in the bank account but not recorded in the general ledger and payroll entries were missing for the Clerk-Treasurer and Code Enforcement Officer. We also found that the Clerk-Treasurer did not record social security taxes deducted from paychecks in the Village’s financial records.

Additionally, the Clerk-Treasurer made certain changes to the Village’s prior and current fiscal year financial records subsequent to our cash count. We obtained a copy of the general ledger with these changes on October 28, 2020 and found, for example, the sales tax noted above that was deposited on August 6, 2020 was now recorded in the general ledger.

While the Clerk-Treasurer told us that she reconciled the bank accounts, when we asked her to describe her reconciliation process, she was unable to do so. Further, there was no evidence, such as tick marks or her signature, on the bank statements she provided to us that would indicate a review or reconciliation was performed. Due to the Clerk-Treasurer’s incomplete records, she could not have completed proper and meaningful bank reconciliations. The Mayor and three Trustees told us they did not ask the Clerk-Treasurer for bank reconciliations and the Clerk-Treasurer did not provide any to them.

Payroll Records – The Clerk-Treasurer did not maintain complete and accurate payroll records. For example, the payroll registers should include:

- Gross and net payroll amounts,
- Tax withholdings,
- Hours worked,
- Leave time accrued and used,
- Pay rates, and
- Check numbers.

However, we found only scattered records and sticky notes which seemed to be the Clerk-Treasurer’s worksheets to calculate certain payroll amounts. In addition,

the Clerk-Treasurer's payroll calculations did not always agree with hours worked per employee timesheets, and timesheets were often miscalculated, lacked sufficient detail and were not always signed by the employee and/or supervisor. For example, in December 2018, the Clerk-Treasurer's time sheet documented she worked 51.5 hours, but she paid herself for 56 hours worked, and in May 2020 the Clerk-Treasurer did not calculate or withhold any payroll taxes from her paycheck.

The Clerk-Treasurer also failed to maintain organized and complete payroll personnel files. As a result, we could not verify employee hire dates or leave-time activity, or whether payroll tax withholdings were properly authorized. Although the Clerk-Treasurer generally withheld payroll taxes from employee checks, she did not file payroll tax reports or remit payments totaling \$40,837 to the appropriate agencies. As a result, the Village has been assessed penalties and interest of \$18,100. In total, the Village owes the appropriate agencies \$58,937 related to payroll taxes.

The Mayor stated that he reviewed and signed both time sheets and payroll checks; however, he did not review the detailed calculation of payroll. In addition, the Clerk-Treasurer stated that she thought the computer system would automatically send in the payroll tax reports to the appropriate agencies and claimed that once she started receiving late notices, she completed and filed all the necessary reports and payments. However, we determined that payroll tax reports had not been filed since 2018.

Reporting – Three Trustees told us they did not receive any periodic financial reports, such as budget-to-actual reports, bank balance information or AUDs from the Clerk-Treasurer. The Mayor told us that the Clerk-Treasurer reported financial information to him verbally. The Mayor and the three Trustees indicated that the verbally communicated financial reporting was sufficient and were unaware that they could request additional and more detailed reporting from the Clerk-Treasurer. In addition, they expected that the Clerk-Treasurer would tell them if there were any troubles with the Village's finances.

Due to inadequate recordkeeping, Village officials did not have reliable financial information to base financial decisions on and were unable to know the Village's actual financial position. Absent complete, accurate and timely financial information, the Board, taxpayers and others are unable to monitor the Village's financial activities and overall financial condition. Further, the poor condition of records and lack of reporting aided the Clerk-Treasurer's inappropriate actions by denying important information to the Board and the public.

Because the Board was lax in its duty to establish an effective control environment, the Clerk-Treasurer – who performed all aspects of the Village's financial and recordkeeping duties – was able to carry out fraudulent schemes

to exploit Village funds for her own personal gain. The complete lack of Board oversight contributed to errors, irregularities and blatant misuse of funds occurring and going undetected.

The Clerk-Treasurer Did Not File Required AUDs

The Clerk-Treasurer did not file an AUD with OSC or request extensions for four fiscal years from 2016-17 through 2019-20, likely because she failed to maintain adequate financial records. While the Clerk-Treasurer submitted an AUD for 2015-16 it was nearly five years past the due date. As of the end of audit fieldwork, the 2015-16 filing was not accepted or finalized by OSC due to errors and irregularities (Figure 4).

Figure 4: AUD Filing

Fiscal Year	Due Date	Days Late as of September 23, 2020
2015-16	July 30, 2016	1,473 ^a
2016-17	July 30, 2017	1,151
2017-18	July 30, 2018	786
2018-19	July 30, 2019	421
2019-20	July 30, 2020	55
a) AUD filed but not accepted by OSC		

The failure to file AUDs inhibits the Board, Village residents, OSC and other interested parties from monitoring the Village’s operations and financial condition. As such, the Board’s ability to make informed decisions and manage Village operations is impaired. Failing to file for four consecutive years calls into question the financial standing of the Village and the effectiveness of the management of the Village in general. Had the Board taken a more active role in its responsibility for managing the Village’s operations, it may have discovered or prevented the deficiencies included in this report.

What Do We Recommend?

The Board should:

1. Evaluate the findings in this report and work with legal counsel, County officials and applicable State and federal agencies to determine whether any real property tax overpayments, underpayments and/or duplicate payments should be rectified and how to do so, and to determine the liability still owed to State and federal agencies for payroll taxes.
2. Develop and adopt written policies and procedures to provide oversight of the Clerk-Treasurer’s duties and to ensure that monthly bank

reconciliations are performed in a timely manner, and that the Village's accounting and payroll records and reports, as maintained by the Clerk-Treasurer, are complete, accurate and up to date.

3. Ensure the Clerk-Treasurer's duties are properly segregated to prevent one individual from controlling all phases of a transaction, or implement appropriate compensating controls, such as overseeing and reviewing the Clerk-Treasurer's work, including bank reconciliations, to mitigate the risk.
4. Perform a proper claims audit and ensure all claims have proper detail and support before authorizing them for payment.
5. Annually audit the Clerk-Treasurer's records.
6. Ensure that timesheets are approved by the officer or employee who directly supervises the employee before payment.
7. Ensure that payroll is reviewed by an individual independent of payroll processing before payroll payments are made.
8. Ensure that the necessary monthly reports are submitted by the Clerk-Treasurer including reports of cash receipts and disbursements, journal entries, monthly budget-to-actual reports and month-end balance sheet reports, to assist with monitoring and managing financial operations.
9. Ensure the Clerk-Treasurer submits annual financial reports (AUDs) timely to OSC and the Board.
10. Review the training resources listed in Appendix C of this report to identify potential training opportunities for Village officials.

The Clerk-Treasurer should:

11. Maintain accurate, complete and timely accounting records.
12. Issue and retain press-numbered duplicate receipts for all money collected, make deposits in a timely manner and record amounts collected in a cash receipts journal.
13. Ensure that the re-levy report to the County accurately reflects unpaid taxes.
14. Provide the Board adequate and complete warrants, claim vouchers, invoices and any other supporting documentation to ensure a proper claims audit can be completed.
15. Ensure bank reconciliations are complete and accurate and investigate and correct any differences between adjusted bank balances and recorded cash balances in a timely manner.

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16. Accurately calculate employees' gross pay, ensure that all applicable payroll withholdings are made, and maintain adequate payroll records.
 17. File payroll tax reports and remit payroll tax payments to the appropriate agencies timely.
 18. Provide adequate and complete monthly financial reports to the Board, including reports of cash receipts and disbursements, journal entries, monthly budget-to-actual reports and month-end balance sheet reports with reconciled cash balances.
 19. File the required annual financial reports (AUDs) with OSC within 60 days after the close of each fiscal year and ensure they are supported by proper accounting records.

Appendix A: Response From Village Officials



June 30, 2022

State of New York Office of the State Comptroller
110 State Street
Albany, NY 12236

To Whom It May Concern:

We are in receipt of the draft from the audit conducted. We agree with the findings and are prepared to take the suggestions in the report and put them into practice in our Village of Bemus Point office.

Sincerely,

Bryan P. Dahlberg, Mayor
Village of Bemus Point
13 Alburus Avenue
PO Box 450
Bemus Point, NY 14712
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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. To achieve the audit objective and obtain valid audit evidence, our audit procedures included the following:

- We interviewed Village officials and reviewed Board minutes to obtain an understanding of the internal controls and oversight of cash receipts and disbursements, financial reporting and recordkeeping.
- We interviewed the Clerk-Treasurer to gain an understanding of the processes and procedures in place for accepting, recording, reconciling and accounting for cash collected and receipted and remitted to the Clerk-Treasurer's office.
- We obtained the Board-adopted employee handbook to determine the Board's authorizations and requirements for the Clerk-Treasurer.
- We performed a cash count of the Clerk-Treasurer's Office to document all cash on hand on September 23, 2020.
- We reviewed all bank statements, deposit compositions and canceled checks from June 2015 through September 23, 2020. We identified and traced all receipts and disbursements to original source documents when available. We reviewed check signatures to determine whether there were two signatures on all checks. We also reviewed bank balances to determine whether the Village had negative cash balances. We expanded our review of bank statements and canceled checks to December 31, 2020 for payments made to the Clerk-Treasurer or to vendors that may have been paid for the Clerk-Treasurer's personal benefit. We traced all disbursements to original source documents when available and reviewed check signatures to determine whether there were two signatures on all checks.
- We reviewed all invoices to determine whether payments were for appropriate Village purchases, properly approved by the department head, supported with adequate documentation, audited by the Board and paid in an accurate and timely manner.
- We reviewed bank compositions to determine the receipts collected and deposited by the Village. We compared the Village's 2016-17 through 2020-21 monthly tax collection reports to bank compositions, the County-provided unpaid list and tax rolls to determine what tax bills were collected or remained unpaid. We attempted to compare the remaining deposits to parking ticket stubs, building permits, zoning ordinances and donation documentation.

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- We reviewed warrants (i.e., abstracts of audited claims) to determine the accuracy and reliability by comparing different versions of warrants as obtained from the Clerk-Treasurer, physical copies located at the Village and copies retained by Board members.
 - We reviewed all payroll payments for the Clerk-Treasurer to determine whether the amounts paid were supported by time records, pay rates agreed with Board resolutions and gross pay was accurately calculated. We determined whether the total amount the Clerk-Treasurer should have been paid agreed with the amount she was actually paid. We also reviewed payroll payments to all employees from June 14, 2018 through December 26, 2019.
 - We reviewed personnel files to determine payroll tax withholdings selected by the employees.
 - We reviewed the Village's 2015-16 through 2019-20 fiscal years' AUDs to determine whether they were filed in a timely manner.

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 size of the relevant population and the sample selected for examination.

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 Clerk-Treasurer's office.

Appendix C: Resources and Services

Regional Office Directory

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

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

www.osc.state.ny.us/local-government/publications

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

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

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

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/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.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

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

Contact

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

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