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July 2025

Sarah Hadden, Superintendent  
Members of the Board of Education  
Greenwood Lake Union Free School District  
1247 Lakes Road  
Monroe, NY 10950

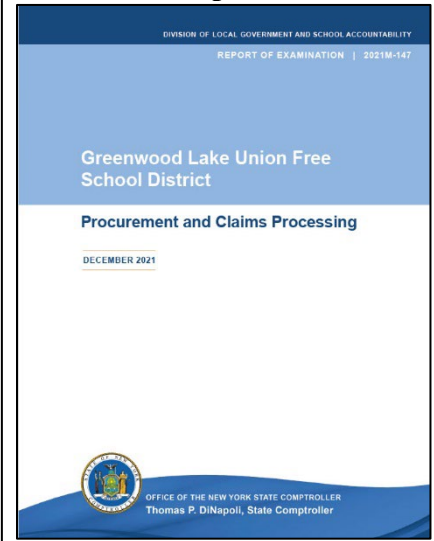
Report Number: 2021M-147-F

Dear Superintendent Hadden and Members of the Board of Education:

One of the Office of the State Comptroller's (OSC's) primary objectives is to identify areas where school district officials can improve their operations and provide guidance and services that will assist officials in making those improvements. The Office also works to develop and promote short-term and long-term strategies to enable and encourage school district officials to reduce costs, improve service delivery and to account for and protect their school district's assets. In accordance with these objectives, we conducted an audit of the Greenwood Lake Union Free School District (District) to assess the District's procurement and claims processing. As a result of our audit, we issued a report in December 2021<sup>1</sup> (Figure 1) that identified conditions and opportunities for the Board of Education's (Board) review and consideration. In response to the audit, officials provided a corrective action plan (CAP) that identified the actions that officials took, or planned to take, to implement our audit recommendations.

To further our policy of providing assistance to school districts, we revisited the District in February 2025 to review its progress in implementing our recommendations. Our follow-up review was limited to conducting interviews with District personnel and inspecting certain documents related to the issues identified in our report. Based on our limited procedures, we determined that the District has made progress implementing corrective action. The Board and District officials implemented all nine recommendations. The Assistant Superintendent for Business (Assistant Superintendent) told us that District officials implemented the recommendations because they always want to improve their processes to prevent errors and identify weaknesses.

**Figure 1: Greenwood Lake  
UFSD 2021 OSC Audit  
Report**



<sup>1</sup> <https://www.osc.ny.gov/files/local-government/audits/2021/pdf/greenwood-lake-2021-147.pdf>

### **Recommendation 1 – Update Procurement Policies**

Review and update the written procurement policies to ensure they include detailed guidance for procuring professional services and goods and services below competitive bidding thresholds.

Status of Corrective Action: Fully Implemented

Observations/Findings: The Board adopted updated written procurement policies on December 13, 2021, which were effective as of July 1, 2022, that included detailed guidance for procuring professional services and goods and services that are below competitive bidding thresholds.

### **Recommendation 2 – External Audit Request for Proposals (RFP)**

Ensure that the District actively solicits quotes for the annual external audit using the RFP process at least every five years as required.

Status of Corrective Action: Fully Implemented

Observations/Findings: The District solicited quotes for the annual external audit using an RFP process. We reviewed the newspaper posting of September 8, 2021, in which the District solicited proposals for the annual external audit. The proposal that was received for the external audit was opened on September 15, 2021, and the Board awarded a contract on September 20, 2021 to the only vendor that submitted a proposal.

### **Recommendation 3 – Claims Auditor Procedures and Checklist**

Provide the claims auditor with procedures and a checklist to conduct a thorough and deliberate audit of each claim before authorizing payment to ensure it is accurate, sufficient funds are available, contains sufficient supporting documentation, follows required statutes and policies and ensures POs are created prior to an invoice being received.

Status of Corrective Action: Fully Implemented

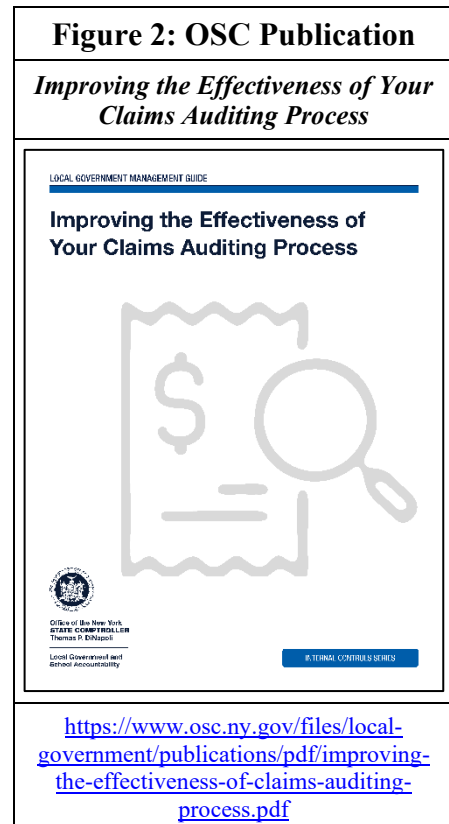
Observations/Findings: We interviewed the claims auditor and reviewed documents used in the claims audit process. District officials provided the claims auditor with a checklist and the OSC publication *Local Government Management Guide: Improving the Effectiveness of Your Claims Auditing Process* (Figure 2). We reviewed the checklist and determined that the claims auditor was provided with the necessary information to conduct a thorough and deliberate audit of each claim.

To verify that the claims auditor conducted a thorough and deliberate claims audit, we reviewed eight claims totaling \$68,550 and determined that the claims auditor audited them before the District paid the claim.

#### **Recommendation 4 – Claims Auditor Access to Records**

Ensure that the claims auditor is provided access to District records to verify the availability of funds as well as contract terms and quoted rates.

Status of Corrective Action: Fully Implemented



Observations/Findings: We interviewed the claims auditor regarding the access to District records to verify the availability of funds, contract terms and quoted rates. He told us that he was provided with the necessary documents needed to verify that funds were available and to verify quoted rates, contract terms and contracts for purchases made through a consortium or other shared bidding. We determined that the claims auditor received an appropriation status report, and a list that included contract rates, with the claims, which allowed the claims auditor to verify the availability of funds and contract terms.

#### **Recommendation 5 – Recover Overpayments**

Direct District counsel to review overpayments identified in this report and seek recovery as appropriate.

Status of Corrective Action: Fully Implemented

Observations/Findings: We asked the Assistant Superintendent whether the District sought recovery of the overpayments. She told us that District officials did not consult with the District's attorneys, because they wanted to minimize additional expenses to the taxpayers, and instead contacted the two vendors themselves. One of the vendors was no longer in business. District officials compromised with the other vendor by accepting a repayment of half the overcharged amount (\$1,878), because the invoices associated with the payments were more than a year old at the time of the agreement.

We reviewed the District's accounting records and verified that the District received the repayment. In addition, we searched for records regarding the vendor that went out of business, including the Department of State (DOS) website. We determined that while the vendor was listed as active on the DOS website, it had not submitted any reports to the DOS since November 2020.

### **Recommendation 6 – Develop Written Procurement Procedures**

Develop written procurement procedures that include procurement of professional services and goods and services below the competitive bidding thresholds and set requirements for documentation of actions taken.

Status of Corrective Action: Fully Implemented

Observations/Findings: We reviewed the updated procurement policies and determined that they included procedures for procuring professional services and goods and services that are below the competitive bidding thresholds and required officials to document actions taken.

### **Recommendation 7 – Distribution of Policies and Procedures**

Ensure all employees involved in the District's purchasing process are provided up to date copies of the purchasing policy and procedures.

Status of Corrective Action: Fully Implemented

Observations/Findings: We asked the Assistant Superintendent for Business how all employees involved in procurements are provided up-to-date copies of the purchasing policies and procedures. She told us that all revised and new policies and procedures regarding purchasing are given to employees who are involved with procurements, such as the claims auditor, purchasing agent and accounts payable clerk. The claims auditor confirmed that he was provided with a copy of the procurement policies. We observed that these documents were also available in the Finance Office, which is a small work area where these individuals perform their procurement duties.

### **Recommendation 8 – Procurement Process Oversight**

Oversee the procurement process and ensure purchases are made in compliance with the District's policy and procedures and that a competitive process is used when bidding is not required.

Status of Corrective Action: Fully Implemented

Observations/Findings: The Assistant Superintendent was responsible for overseeing the procurement process and ensuring that purchases complied with the District's policies and procedures and that procurement staff used a competitive process when bidding was not required. The Assistant Superintendent for Business told us that she oversaw the procurement process and ensured that purchases complied with the District's policies and procedures.

We reviewed eight payments for purchases totaling \$68,550 and determined that all complied with the policies.

### **Recommendation 9 – Segregation of Duties**

Segregate procurement duties when practical or implement adequate mitigating controls.

Status of Corrective Action: Fully Implemented

Observations/Findings: During our review, the Assistant Superintendent was acting as the purchasing agent, purchases were recorded in the financial system by the accounts payable clerk, and goods were received by the various departments. Therefore, procurement duties were adequately segregated.

In addition, District officials implemented the recommendations regarding the claims auditor's review. A claims auditor review, when performed properly, is an adequate mitigating control because the claims auditor reviews each claim (before payment) to ensure that it is accurate, is a valid District expenditure, contains sufficient supporting documentation and complies with required statutes and policies. Based on our testing, we determined that the claims auditor was performing a proper review.

During our review, we discussed the basis for our recommendations, and the operational considerations relating to these issues, with District officials. We encourage District officials to continue their efforts to fully implement our recommended improvements.

Thank you for the courtesies and cooperation extended to our auditor during this review. If you have any further questions, please contact James Latainer, Chief of Municipal Audits of our Newburgh Regional Office at 845-567-0858.

Sincerely,

Robin L. Lois, CPA  
Deputy Comptroller