New York State Comptroller
THOMAS P. DiNAPOLI

Big Flats Fire District No. 1

Procurement

July 2026 | 2026M – 41

Prepared by the Division of Local Government and School Accountability

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Audit Results

Big Flats Fire District No. 1

Audit Objective

Did the Big Flats Fire District No. 1 (District) Board of Fire Commissioners (Board) and officials use a competitive process to procure goods and services?

Audit Period

January 1, 2024 – September 30, 2025

Understanding the Audit Area

A board of fire commissioners and its officials should seek competition for goods and services to ensure the best value for taxpayers, prevent conflicts of interest and maintain public trust. Seeking competition also guards against favoritism, extravagance, fraud and corruption, while allowing interested vendors a fair and equal opportunity to compete.

The District purchased approximately $850,000 in goods and services during the audit period.

Audit Summary

The Board and District officials did not always use a competitive process to procure goods and services in accordance with best practices or the District's procurement policy (Policy). As a result, there is an increased risk that goods and services were not:

- Obtained at a favorable cost,
- Free from favoritism, or
- For appropriate purchases.

Adhering to best practices and the Policy enhances public confidence in the procurement process and serves the best interests of taxpayers and District residents.

We reviewed 43 purchases totaling $231,200 and determined the Board and District officials did not use competitive methods to procure goods and services totaling $210,400. They did not:

- Issue requests for proposals (RFPs) or use any other competitive process before procuring insurance and professional services from six vendors totaling $145,800.
- Obtain quotes for 18 purchases totaling $64,600 or retain documentation of quotes when procuring goods or services.

This report includes three recommendations that, if implemented, will improve the District's procurement process. District officials generally agreed with our recommendations and have indicated they planned to initiate corrective action.

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 GML. Our methodology and standards are included in Appendix C.

The Board has the responsibility to initiate corrective action. Pursuant to Section 181-b of New York State Town Law, a written corrective action plan (CAP) that addresses the findings and recommendations in this report must be prepared and forwarded to our office within 90 days. To the extent practicable, implementation of the CAP must begin by the end of the next fiscal year. 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.

Procurement: Findings and Recommendations

One of the best methods for ensuring that goods and services are acquired in a cost-effective manner is to seek competition. One goal of seeking competition is to obtain quality commodities and services at the best value. Whether issuing RFPs or obtaining written or verbal quotes, requiring a well-planned solicitation effort helps to reach as many qualified vendors as possible.

The District's Policy requires that officials and employees seek competition to be presented to the Board for approval for select purchases below the bidding thresholds.

More details on the criteria used in this report, as well as resources we make available to local officials that can help District officials improve the District's procurement practices, are included in Appendix A.

Finding 1 – The Board and District officials did not always seek competition when procuring goods or services.

We reviewed purchases of goods and services totaling $231,200 from January 1, 2024 through September 30, 2025, and determined that the Board and District officials did not always solicit competition in accordance with best practices or the Policy for purchases totaling $210,400.

<u>Insurance Coverage and Professional Services</u> – The Policy exempts the acquisition of professional services from any competitive requirements. However, as a best practice, the Board should award contracts for insurance coverage and professional services only after seeking competition, such as issuing RFPs to obtain proposals or obtaining written quotes.

The Board did not issue RFPs or obtain written quotes before procuring insurance coverage totaling $128,600 during the audit period. The Chairman told us the Board used an insurance company that specialized in fire districts and provided good service and rates. Additionally, the Board did not issue RFPs to obtain proposals for legal services totaling $17,200 to update District policies and procedures. The Chairman told us the law firm was recommended by another fire company.

Although officials may be satisfied with the District's current professional service providers, using RFPs to obtain proposals or obtaining quotes increases the awareness of other professional service providers who could offer similar services at a more favorable rate or result in existing professional service providers providing more favorable terms. This also helps assure taxpayers and District residents that procurements are made in their best interests.

<u>Purchases Subject to the Policy</u> – We reviewed 20 purchases totaling $85,400 and determined officials did not seek competition in accordance with the Policy for 18 purchases totaling $64,600. Examples of these deficiencies included, but were not limited to:

- Seven purchases for truck repairs and maintenance totaling $21,000. The Chairman told us they do not like to take trucks out of service, so a mechanic performs repairs at the station. The Chairman also told us that the mechanic is very skilled at these truck repairs. However, the Policy still requires following a competitive process before selecting a vendor.

- One purchase for fire protection gear totaling $12,900. The Fire Chief told us he does not get quotes for fire protection gear because the vendor they are now using is generally the most cost-effective. The Chairman told us the gear is also better quality when compared to gear provided by other vendors. However, these reasons do not eliminate the requirement to follow a competitive process.

- Two purchases for preparing written fire policies totaling $10,600. The Chairman told us this was the only vendor that provided online training and provided updates for fire district policies. However, the

Chairman could not provide documentation that the vendor is a sole source provider. The Chairman told us the District no longer uses this vendor.

- One purchase for a battery-operated fan, batteries and charger totaling $5,600. However, the Board and District officials could not provide documentation that officials sought the required three written quotes.

- One purchase for testing 10,500 feet of hose totaling $3,500. The Chairman told us that the District used to do the hose testing internally, but now they have too much hose to complete the testing. He also told us the previous Commissioner responsible for hose testing selected the vendor from the previous year and that no other vendors in the area performed this service. However, officials could not provide documentation that the vendor is a sole source provider.

Recommendations

The Board should:

1. Update the Policy to provide guidance to officials, employees and members for soliciting competition for professional services and insurance coverage, such as using an RFP process or obtaining quotes.

2. Award contracts for insurance coverage and professional services only after soliciting some form of competition and periodically seek competition for these services at reasonable intervals, such as every three to five years.

3. Adhere to the Policy and retain appropriate supporting documentation of the actions taken when procuring goods and services.

Appendix A: Profile, Criteria and Resources

Profile

The District provides fire protection services and ambulance support services to approximately 7,600 residents in the Town of Big Flats in Chemung County. The District is governed by five elected Commissioners (including the Chairman) and is responsible for the general management and control of financial operations.

The Chairman is responsible for presiding over the Board's meetings and oversees the District's financial and administrative functions. The Treasurer manages the District's finances, which includes receiving, safeguarding and disbursing funds under the Board's authorization. The District's tax levy for the 2025 fiscal year was approximately $1 million.

Criteria

GML Section 104-b requires the board of fire commissioners to adopt formal procurement policies and procedures for procuring goods and services that are not required to be competitively bid by law. GML further stipulates that the procurement policy should require adequate documentation of actions taken in connection with each method of procurement. As a best practice, the board of fire commissioners should award contracts for insurance coverage and professional services after issuing RFPs or obtaining written quotes, as these are both effective methods to help ensure the fire district obtain desired goods or services at the best price.

The Policy requires that officials and employees seek competition to be presented to the Board for approval for select purchases below the bidding thresholds (Figure 1).

Figure 1: The Policy's Requirements for Seeking Competition for Purchases Not Subject to Competitive Bidding

Contract Type	Dollar Range	Requirements
Purchase Contracts	Under $100	No specific procedure
	$100 to $499	One to three verbal quotes
	$500 to $2,500	Minimum three verbal quotes
	$2,501 to $19,999	Three written quotes
Public Works Contracts	Under $4,000	No specific procedure
	$4,000 to $9,999	Three verbal quotes
	$10,000 to $20,000	Three written quotes
	$20,001 to $34,999	More than three written quotes

Furthermore, for verbal quotes, the Policy requires officials to provide the date of quote, vendor name, the product or service to be purchased, the terms of the quote and the amount quoted and provide this information to the Board for purchase approval.

Additional Resources

OSC's *Local Government Management Guides,* and other informational resources that are available on OSC's website to help officials understand and perform their responsibilities, include:

- *Seeking Competition in Procurement*: https://www.osc.ny.gov/files/local-government/publications/pdf/seeking-competition-in-procurement.pdf
- *Fiscal Oversight Responsibilities of the Governing Board:* https://www.osc.ny.gov/files/local-government/publications/pdf/fiscal-oversight-responsibilities-of-the-governing-board.pdf

In addition, local officials can use OSC's website to search for audits, resources, publications and training for officials at: https://www.osc.ny.gov/local-government

Appendix B: Response From District Officials

The content below is a reproduced copy of the original response letter issued by District officials, is reformatted to meet the Americans with Disabilities Act Web Content Accessibility Guidelines (WCAG),[1] and may have included changes to spelling and grammar. The substance of the content was not changed.

Big Flats Fire District #1

July 9, 2026

Dear Mr. Armstrong,

Under cover of this letter, the Big Flats Fire District #1 submits its response and corrective action plan to the Draft Report of Examination of the Procurement 2026M-41, which was provided to the District for review and comment on June 24, 2026.

We appreciate the extensive amount of work that has been done by your staff in furtherance of our shared goals of conducting procurement activities in a manner that ensures the prudent and economical use of public funds, service the best interests of the District's taxpayers, and provides appropriate guards against favoritism, improvidence, fraud and abuse.

The district understands the importance of maintaining supporting documentation for procurement activities. While the required quotes were obtained for purchases, the documentation could not be located and provided during the audit.

Recommendation 1)

The district has updated the procurement policy to provide guidance to appropriate district officials/employees for soliciting competition for professional services.

Recommendation 2)

The district will require a Request for Proposal(RFP) process for insurance services, legal services before the next fiscal year.

Recommendation 3)

The district will implement improved recordkeeping procedures to ensure that all quotes and supporting documents are retained and accessible for future audits and reviews.

Sincerely,

Chairman of the Board
Big Flats Fire District #1

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1 https://www.ada.gov/resources/2024-03-08-web-rule/#highlights-of-the-requirements-in-the-rule

Appendix C: Audit Methodology and Standards

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 four Commissioners, including the Chairman, and reviewed District policies and procedures and Board meeting minutes to gain an understanding of and evaluate the adequacy of the District's procurement policies and procedures.
- We reviewed all 16 payments totaling $128,600 to the District's insurance provider and seven payments totaling $17,200 paid for the District's legal services during the audit period to determine whether the Board sought competition for these services.
- We used our professional judgment to select the 10 highest purchases in each threshold of $19,999 to $2,501 and from $2,500 to $500 for our sample of 20 purchases totaling $85,400 that were not subject to competitive bidding requirements to determine whether officials obtained quotes as required by the Policy. We reviewed all bank statements and corresponding invoices to identify these purchases based on the descriptions from the invoices.

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.

Questions?

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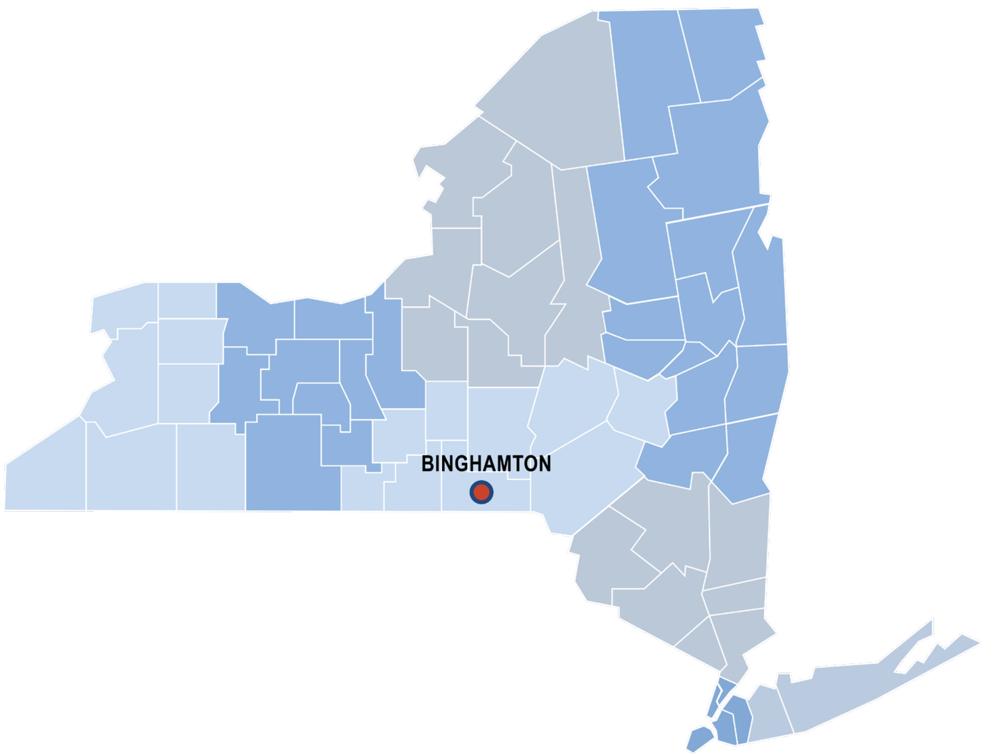

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