

New York State Comptroller
THOMAS P. DiNAPOLI

Campbell Fire Department

Treasurer

October 2026 | 2026M-72

Prepared by the Division of Local Government and School Accountability



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Audit Results

Campbell Fire Department

Audit Objective

Did the Campbell Fire Department (Department) Treasurer properly collect, deposit, record, disburse and report Department funds?

Audit Period

January 1, 2024 – June 15, 2026

Understanding the Audit Area

A fire department treasurer must properly collect, deposit, record, disburse and report a fire department's funds to ensure financial accountability and the public's trust. A lack of oversight can lead to mismanagement, fraud, damaged reputation and jeopardize a fire department's funding and mission.

During the audit period, the Department had two membership-elected Treasurers and one appointed Treasurer.¹ From January 1, 2024 through February 27, 2026, the Department's deposited revenues² totaled \$74,502 and disbursements totaled \$76,298.

Audit Summary

The Treasurers did not properly collect, deposit, record, disburse and report Department funds. As a result, the Board of Directors (Board) and membership lacked reliable information to manage the Department's financial activities, and the Board could not determine whether all revenues were properly accounted for and deposited, and whether all disbursements were appropriate. The lack of internal controls created a significant risk of fraud, waste, abuse and loss, and these risks will remain until adequate controls are established.

Although the current President told us on February 23, 2026 that there was no cash on hand, the former President found undeposited funds from 2024 when compiling documentation for our review. The undeposited funds totaling \$650 consisted of \$450 in cash and a stale check³ for \$200. The former President deposited the cash in the Department's bank account on February 26, 2026.

From January 1, 2024 through February 27, 2026, the Treasurers did not:

- Collect all deposited revenue totaling \$74,502, as required by the bylaws, and maintain adequate supporting documentation for revenues totaling \$59,449 such as duplicate receipts, agreements, donation mailings or fundraising reports.
- Maintain supporting documentation, such as itemized invoices, for 41 disbursements totaling \$31,053.
- Obtain Board and membership approval before making 58 disbursements totaling \$45,847.
- Report all 74 disbursements totaling \$48,847 that we sampled on the monthly treasurer reports.
- Provide consistent written monthly reports to the Board and membership and provide records for quarterly and annual audits, as required by the bylaws.

¹ Treasurer A served from January 1, 2024 through December 31, 2024, Treasurer B served from January 1, 2025 through March 10, 2025, and Treasurer C (current Treasurer) was appointed on March 10, 2025.

² Deposited revenues included only collections deposited by Department members.

³ A stale check is an outdated check that has not been cashed or deposited within a certain time period, typically 180 days.

Although Treasurer A told us that she recorded deposited revenues in a spreadsheet on her personal laptop and printed it for the Board and membership to review, these records and related reports were not available for our review because Treasurer A no longer had the laptop and did not provide an electronic copy to Department officials at the end of her term. Treasurer B did not record any financial transactions, and Treasurer C maintained computerized accounting records that contained inaccuracies. While the three Treasurers maintained a manual check register for disbursements, Treasurers A and B did not prepare bank reconciliations, and Treasurer C did not provide her bank reconciliations to the Board for review.

The report includes seven recommendations that, if implemented, will improve the accuracy and reliability of the Department's financial records and reports, strengthen oversight of the Treasurer's duties and help safeguard Department funds from fraud, waste and abuse. Department officials agreed with our recommendations and have initiated or indicated they planned to initiate corrective action.

This audit was conducted pursuant to Article V, Section 1 of the State Constitution and the Office of the New York State Comptroller's (OSC's) authority as set forth in Article 3 of the New York State General Municipal Law (GML). The audit's methodology and standards are included in Appendix C.

The Board has the responsibility to initiate corrective action. The Board is encouraged to prepare a written corrective action plan (CAP) that addresses the recommendations in this report and forward it to OSC within 90 days. For more information on preparing and filing the CAP, please refer to the OSC brochure, *Responding to an OSC Audit Report*, which was provided with the draft audit report. The Board is encouraged to make the CAP available for public review.

Treasurer: Finding and Recommendations

A fire department treasurer is responsible for ensuring all revenues are properly collected, deposited, recorded and reported in a timely manner and that all funds disbursed are supported, for proper fire department purposes, approved, recorded and reported. The Department's bylaws require the Treasurer to:

- Receive all funds due to the Department,
- Disburse funds after Board and membership approval of completed vouchers,
- Maintain records of Department funds,
- Provide monthly reports to the Board and membership detailing account balances, revenue and expenditures,
- Attend the Board's quarterly audits, and;
- Provide their records for external annual audits.

More details on the criteria used in this report, as well as resources OSC makes available to local officials that can help officials improve financial activities, are included in Appendix A.

Finding 1 – The Treasurer's did not properly collect, deposit, record, disburse, and report Department funds.

Because the Board and membership did not enforce the financial requirements under the bylaws, the Treasurers did not properly collect, deposit, record, disburse and report Department funds. As a result, not all revenues were deposited and the Board and membership lacked reliable information necessary to manage the Department's finances and ensure disbursements were appropriate.

Collecting, Depositing, Recording and Reporting Revenues – The Treasurers did not collect and deposit all Department revenues as required by the bylaws. Instead, the Vice President collected hall rental revenues and generally deposited them but retained hall rental security deposits to return to the renter after the events. In addition, various Department members collected revenues for pool fillings, equipment rentals and fundraising activities and placed them in a locked filing cabinet for Treasurers A and B to deposit. However, department officials could not provide a list of individuals who had a key to the filing cabinet. During Treasurer A's term, deposited revenues totaled \$37,975, but we could not determine who made these deposits based on available documentation. The former President deposited revenues for Treasurers C and B totaling \$34,047 and \$2,480, respectively. Furthermore, the Treasurers did not maintain adequate supporting documentation for deposited revenues totaling \$59,448, such as:

- Duplicate press-numbered receipts,
- Agreements for pool filling or hall and equipment rentals,
- Donation mailings, and/or
- Fundraising reports.

Treasurer A told us that she recorded deposited revenues in a spreadsheet on her personal laptop and printed it for the Board and membership to review. However, except for two monthly financial reports detailing deposited revenues of \$8,492, all other records and reports were not retained and available for our review because Treasurer A did not provide an electronic copy to Department officials at the end of her term and no longer had the laptop. Treasurer B did not record or report any deposited revenues during her tenure. While Treasurer C correctly recorded deposited revenue amounts in a computerized accounting system, she incorrectly recorded the categories of revenues totaling \$9,148. Also, we could not determine whether

Treasurer C accurately recorded the category of deposited revenues totaling \$17,919 due to the lack of supporting documentation. In addition, Treasurer C did not provide eight monthly reports to the Board and membership during her term.

Because the Treasurers did not collect and deposit all revenues, secure revenues prior to deposit, issue duplicate receipts or maintain adequate supporting documentation and accounting records, all Department revenues were not properly deposited. Furthermore, the Board and membership lacked sufficient information to monitor financial activities and make informed decisions regarding operations.

Recording and Reporting Disbursements – While Treasurer A informed the membership of bills to be paid for its approval, the former President performed this task instead of Treasurers B and C because they did not attend the monthly Board and membership meetings as required by the bylaws. Additionally, although the bylaws state that the Treasurer must disburse funds, the former President and members made purchases using the Department's debit card which is a direct disbursement of funds without proper approval.

We reviewed 74 disbursements, including reimbursements to members, totaling \$48,847⁴ and determined that, in general, the Treasurers A and C properly recorded disbursements in a check register but did not report them to the Board and membership. In addition, 41 of the 74 disbursements totaling \$31,053 did not have adequate supporting documentation, such as an itemized invoice or receipt, to determine their appropriateness. Finally, the Treasurers made 58 of the 74 disbursements totaling \$45,847 without a properly completed voucher and Board and membership approval. Because the Treasurers did not maintain adequate supporting documentation or records for all disbursements and retain custody of the Department's debit card the Department was at a higher risk of fraud, waste or abuse.

Bank Reconciliations and Audits – The Treasurers did not provide the Board and membership with bank statements and canceled check images. In addition, Treasurers A and B did not prepare bank reconciliations, and Treasurer C did not provide completed bank reconciliations to the Board and membership for review. Instead, the former President told us that he obtained a printed copy of the bank balances from the bank and informed the Board and membership of these amounts at the monthly meetings. As a result, the Board, membership and Treasurer C were unaware that the bank reconciliations were incorrect because Treasurer C included checks that cleared the bank accounts as outstanding.

Furthermore, the Treasurers did not provide their records for review or attend quarterly audits of their records as required by the bylaws because the Board did not perform any quarterly audits between January 1, 2024 and June 5, 2026. Department officials did not provide a reasonable explanation for not conducting the required quarterly audits. Additionally, although two Board members told us that the Board discussed having an external annual audit, this was not done during the audit period. As a result, the Board and membership did not have adequate assurance that the Treasurers properly recorded and reported all revenues and disbursements.

Because the Treasurers did not properly collect, deposit, record, disburse and report Department funds, the Board and membership did not have the necessary financial information to monitor the Department's financial operations, which increased the risk of theft, waste and abuse of Department resources.

Recommendations

The Treasurer should:

1. Collect all Department revenues, issue duplicate receipts, maintain adequate supporting documentation and accurately record all revenues in the financial records.

⁴ See Appendix C for our sampling methodology.

2. Obtain Board and membership approval on a completed voucher with itemized receipts or invoices attached before disbursing Department funds, and accurately record them in the financial records.
3. Submit detailed written monthly reports, including all bank balances, revenues and disbursements, to the Board and membership.
4. Prepare and provide monthly bank reconciliations and bank statements with canceled check images to the Board and membership for review.

The Board should:

5. Ensure the Treasurer submits monthly reports, bank reconciliations and bank statements with canceled check images to the Board and membership for review.
6. Audit the Treasurer's records quarterly as required by the bylaws.
7. Arrange external annual audits of the Treasurer's records as required by the bylaws.

Appendix A: Profile, Criteria and Resources

Profile

The Department is a domestic, not-for-profit corporation, incorporated on August 6, 1954, that provides fire protection and emergency services within Campbell Fire District No. 1 in Steuben County. The Department has approximately 30 active volunteer members and is governed by its bylaws, Department officers, Board and membership. Department officers include the President, Vice President, Secretary and Treasurer. The bylaws indicate that the Board should have six members.⁵

Criteria

A fire department treasurer is responsible for ensuring all revenues are properly collected, deposited, recorded, disbursed and reported in a timely manner. The fire department treasurer should maintain adequate documentation and issue a duplicate press-numbered receipt for all revenues collected. Additionally, the fire department treasurer is responsible for ensuring all money disbursed is supported, for proper fire department purposes, approved, recorded and reported. Furthermore, adequate controls and policies should include a process to routinely monitor and review the fire department treasurer's work. The fire department treasurer should prepare bank reconciliations and provide them with bank statements and canceled check images monthly to the board of directors and membership to review.

The Department's bylaws state the Treasurer will:

- Receive all funds relating to the routine operation of the Department.
- Pay all bills relating to the routine operation of the department after Board and membership's approval of completed vouchers.
- Maintain accurate records of all funds of the department.
- Provide a report of account balances to include all revenue and expenditures from the previous month to the membership at all regular meetings.
- Attend quarterly audits of their financial records by the Board.
- Maintain and file (at the department) all papers and records pertaining to his/her office including all member donations paid records.

The bylaws also state:

- An audit will be conducted annually by a third party, and anytime the office of Treasurer may change hands/become vacant.
- The Board will authorize payment of bills using a voucher system.

⁵ There was a vacancy on the Board during the audit period.

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:

- *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>
- *The Practice of Internal Controls:*
<https://www.osc.ny.gov/files/local-government/publications/pdf/the-practice-of-internal-controls.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 Department Officials

The content below is a reproduced copy of the original response letter issued by Department officials, is reformatted to meet the Americans with Disabilities Act *Web Content Accessibility Guidelines (WCAG)*,⁶ and may have included changes to spelling and grammar. The substance of the content was not changed.

E. B. Packard Hose Company, Inc.
Campbell Fire Department
PO Box 266
Campbell, New York 14821

October 23, 2026

Division of Local Government and School Accountability
110 State Street, 12th Floor
Albany, NY 12236

To the Audit Team:

Thank you for the opportunity to work with your team and for your diligence in putting together our audit.

We recognize the audit findings and agree with those findings. As the organization grew and changed, our policies and bylaws did not change in response to that growth.

This audit has given us the opportunity to recognize strengths and weaknesses in our organization and policies and the opportunity to make necessary changes.

Our corrective action plan is already in the works and will be submitted on a timely basis.

Very truly yours,

Kelly H. Fitzpatrick
Volunteer Treasurer/Bookkeeper
Campbell Fire Department

⁶ <https://www.ada.gov/resources/2024-03-08-web-rule/#highlights-of-the-requirements-in-the-rule>

Appendix C: Audit Methodology and Standards

OSC Auditors obtained an understanding of internal controls that were deemed significant within the context of the audit objective and assessed those controls. Information related to the scope of the work on internal controls, as well as the work performed in the audit procedures to achieve the audit objective and obtain valid audit evidence, included the following:

- We interviewed Department officials and reviewed the bylaws and Board and membership meeting minutes to gain an understanding of the Department's financial procedures and processes, including the records and reports maintained.
- We reviewed available records, bank statements with canceled check images and deposit compositions to identify the types of revenues collected and disbursements made, and determined which financial records and reports were prepared, provided, reviewed and approved.
- We performed a cash count of all cash on hand as of February 23, 2026.
- We compared deposit compositions for the period January 1, 2024 through February 27, 2026, which included 255 deposits totaling \$74,502, to available records, reports and supporting documentation, including the meeting minutes, pool fillings, hall and tent/chair/table rental agreements, chicken barbecue invoices and event flyer and duplicate press numbered receipts, to determine whether revenues were properly supported, recorded and reported.
- We used our professional judgment to select 74 disbursements totaling \$48,846 between January 1, 2024 and February 27, 2026, which consisted of all disbursements made payable to members of the Board and membership in May and August 2024 and March, October and December 2025. We selected these five months based on the highest dollar amount of disbursements on the bank statements while including at least one month from each Treasurer's term. We compared the 74 disbursements listed on the bank statements and canceled check images from the Department's four bank accounts to available Department records, vouchers, invoices and receipts to determine whether disbursements were supported, for appropriate Department purposes, paid after Board and membership approval on a complete voucher, and properly recorded and reported.

OSC Auditors conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). Those standards require that auditors plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the audit objective. OSC Auditors believe that the evidence obtained provides a reasonable basis for the findings and conclusions based on the 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?

ROCHESTER REGIONAL OFFICE

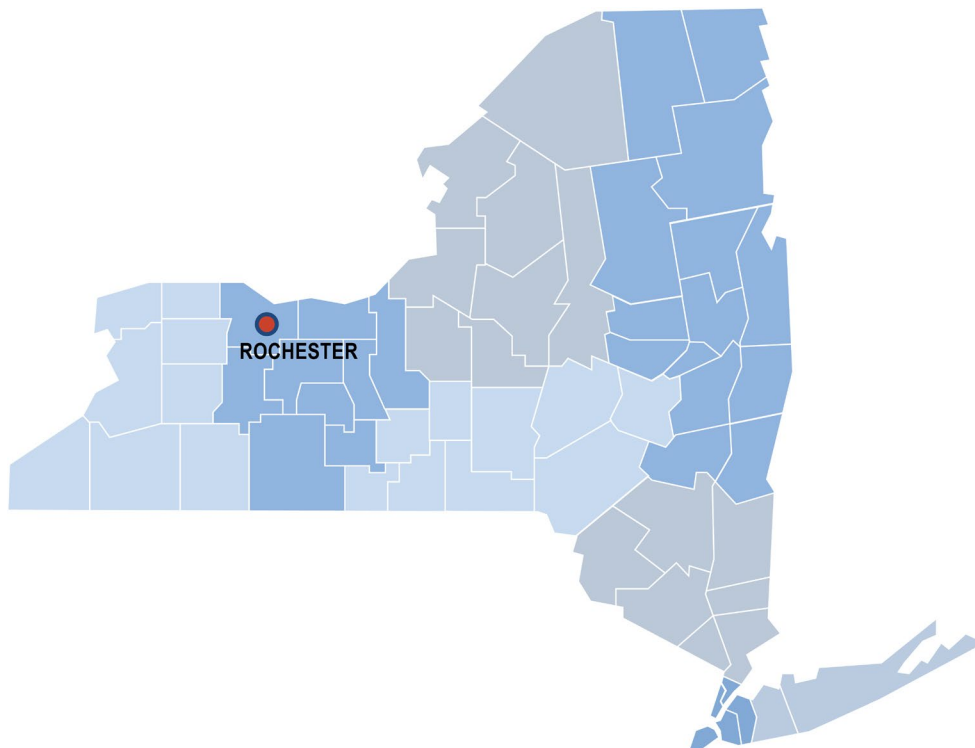
Stephanie Howes, Chief of Municipal Audits

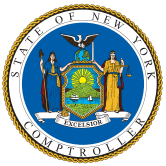
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