New York State Comptroller
THOMAS P. DiNAPOLI

Lake George Central School District

Health Insurance Contributions

November 2026 | 2026M-117
Prepared by the Division of Local Government and School Accountability

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Audit Results

Lake George Central School District

Audit Objective

Did Lake George Central School District (District) officials accurately calculate and collect health insurance contributions?

Audit Period

July 1, 2024 – March 31, 2026

Understanding the Audit Area

Employee benefits, such as health insurance, are a significant expenditure for school districts, making it important that district officials ensure these benefits are accurately calculated and collected. To do so, officials must verify eligibility and ensure costs associated with health insurance benefits are paid in accordance with applicable collective bargaining agreements (CBAs), individual employment contracts, and board-adopted policies and resolutions.

District officials calculated and collected health insurance contributions totaling $278,956 in fiscal year 2024-25 and $224,481 as of March 2026 in fiscal year 2025-26 from employees, retirees and surviving spouses. As of March 2026, the District provided health insurance benefits to 115 employees, 169 retirees and five surviving spouses.

Audit Summary

Except for minor discrepancies, which we discussed with the Superintendent, School Business Administrator, Treasurer and payroll clerk, District officials accurately calculated and collected health insurance contributions we reviewed for a sample of 34 eligible and enrolled individuals totaling $88,618. No recommendations were made to District officials. District officials agreed with our findings.

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.

Health Insurance Contributions: Finding

School districts can provide health insurance benefits to employees and retirees and their eligible dependents. Contracts or board actions address these benefits and generally determine the amounts that an employee or retiree contribute to the cost of these benefits. District officials should establish effective procedures to ensure all individuals receiving health insurance benefits are authorized and eligible to receive benefits and health insurance contributions are accurately calculated and collected in accordance with applicable CBAs, individual employment contracts and board-adopted policies or resolutions. District officials should also maintain communication with retirees and other eligible individuals through insurance billing statements, periodic questionnaires, emails or letters to verify eligibility status.

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

Finding 1 – District officials accurately calculated and collected health insurance contributions.

We reviewed payroll withholdings totaling $45,374 for 14 employees and payments totaling $43,244 made for 18 retirees and two surviving spouses for health insurance benefits during the audit period. Except for minor discrepancies, which we discussed with the Superintendent, School Business Administrator, Treasurer, and payroll clerk, we determined that District officials accurately calculated and collected health insurance contributions.

District officials designed effective procedures to ensure health insurance contributions were accurately calculated and collected for eligible and enrolled individuals. A payroll clerk verified eligibility, calculated health insurance contributions for all individuals based on CBAs, contracts, Board-adopted policies and Board resolutions and entered information into the accounting system at the beginning of the fiscal year. The School Business Administrator then reviewed the information to ensure accuracy.

An account clerk collected payments from retirees and surviving spouses and recorded payments in the cash receipts log. After the Treasurer deposited collections, she applied payments to the retirees' or surviving spouses' accounts within the accounting system, monitored retirees' and surviving spouses' account balances throughout the year and contacted individuals if payment was past due. In addition, the Treasurer told us that she and the account clerk communicate with retirees and other eligible individuals through insurance billing statements or in person when collecting payments and that they also monitor local obituaries and receive notifications from the New York State and Local Retirement System to verify the status of retirees and surviving spouses.

Because our audit testing did not identify any significant deficiencies, there were no recommendations as a result of this audit.

Appendix A: Profile, Criteria and Resources

Profile

The District is located in the Village of Lake George and serves the Towns of Lake George, Queensbury, Bolton and Fort Ann in Warren and Washington Counties. The District is governed by an elected seven-member Board that is responsible for managing and controlling the District's financial and educational affairs. The Superintendent is the chief executive officer and is responsible, along with other administrative staff, for the District's day-to-day management under the Board's direction. The School Business Administrator oversees the District's business operations, which includes overseeing health insurance plans and eligibility for current and former employees.

As of March 2026, the District provided health insurance benefits to 115 employees, 169 retirees and five surviving spouses. These individuals received benefits pursuant to four Board-adopted CBAs, various individual employment contracts and Board-adopted policies and resolutions.

The District's fiscal year is from July 1 through June 30.

Criteria

School districts can provide health insurance benefits to employees and retirees and their eligible dependents. Contracts or board actions address these benefits and generally determine the amounts that an employee or retiree contribute to the cost of these benefits. District officials should establish effective procedures to ensure all individuals receiving health insurance benefits are authorized and eligible to receive benefits and health insurance contributions are accurately calculated and collected in accordance with applicable CBAs, individual employment contracts and Board-adopted policies or resolutions. District officials should also maintain communication with retirees and other eligible individuals through insurance billing statements, periodic questionnaires, emails or letters to verify eligibility status.

A Board-adopted retiree policy outlines rules for retirees, including surviving spouses, continuing enrollment in the District's health insurance programs.

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:

- *The Practice of Internal Controls*: https://www.osc.ny.gov/files/local-government/publications/pdf/the-practice-of-internal-controls.pdf
- *Cost-Saving Ideas: Monitoring Health Insurance Premiums for Retirees:* https://www.osc.ny.gov/local-government/publications/cost-saving-ideas-monitoring-health-insurance-premiums-retirees

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.

November 9, 2026

To Whom it May Concern:

The Lake George Central School District acknowledges the comprehensive audit conducted by the New York State Office of the State Comptroller (OSC), which commenced on February 5, 2026, and concluded with the final exit discussion on November 4, 2026.

Throughout the process, the District worked collaboratively with the audit team and appreciates their professionalism, thoroughness, and constructive recommendations. The District concurs with all audit findings and welcomes the opportunity to further strengthen its existing internal controls, policies, and procedures. We value the audit process and remain committed to continuous improvement, fiscal responsibility, and transparency.

Respectfully submitted,

John Luthringer
Superintendent of Schools

1 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 District officials and employees and reviewed Board-adopted policies to gain an understanding of the procedures for calculating and collecting health insurance benefits for eligible and enrolled individuals.
- We reviewed March 2026 health insurance bills to determine the population of covered employees, retirees and surviving spouses and used our professional judgment to select a sample of 14 employees, 18 retirees and two surviving spouses. We reviewed supporting documentation, such as CBAs, individual employment contracts, Board-adopted policies and resolutions, health insurance bills, monthly withholdings, annual and quarterly invoices billed to retirees and surviving spouses and bank statements to determine eligibility and whether District officials accurately calculated and collected health insurance contributions for these individuals during the audit period. We selected March 2026 to capture the most current billing period within the audit period, and we selected individuals based on authorizations, retirement dates and health insurance plans.

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. 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?

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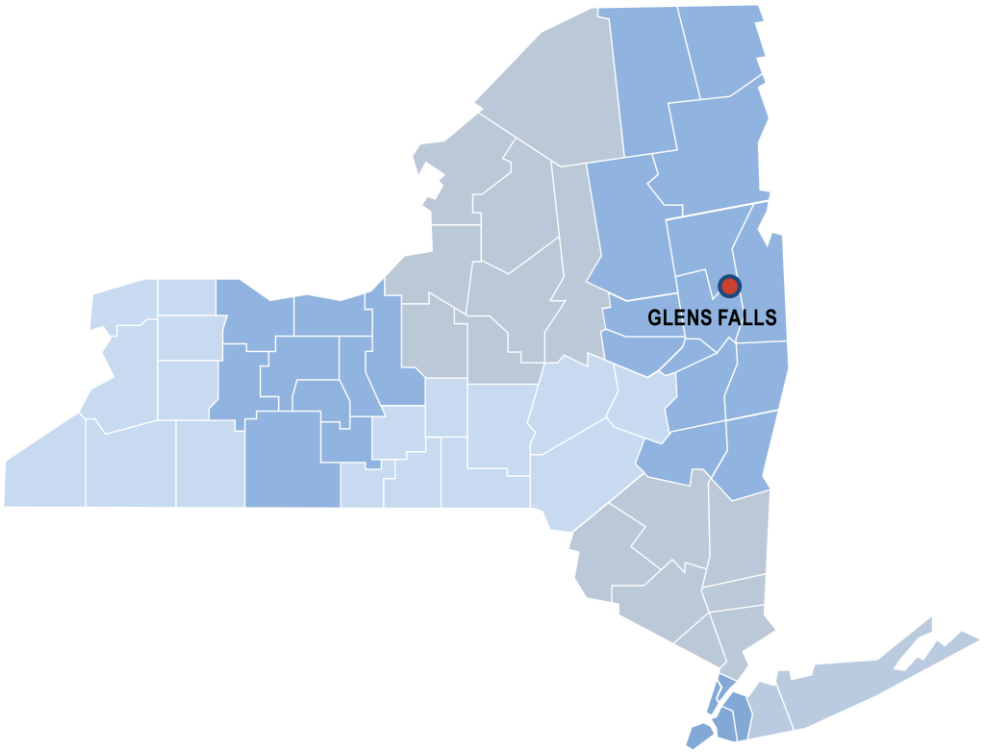

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