

New York State Comptroller
THOMAS P. DiNAPOLI

Schodack Landing Fire District No. 1

Claims Auditing

May 2026 | 2026M – 17

Prepared by the Division of Local Government and School Accountability

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Audit Results

Schodack Landing Fire District No. 1

Audit Objective

Did the Schodack Landing Fire District No. 1 (District) Board of Commissioners (Board) properly audit claims?

Audit Period

January 1, 2024 – August 31, 2025

Understanding the Audit Area

An effective audit of claims is often the last line of defense to prevent payment of unauthorized, improper or fraudulent claims. A fire district with a strong claims auditing process ensures that a careful review of claims will occur before public funds are disbursed. Because it is the Board's responsibility to ensure tax dollars are spent properly, efficiently and in the best interest of taxpayers, the Board should conduct a thorough and deliberate audit of claims before directing the Treasurer to issue payment.

The District paid 203 claims during the audit period totaling \$240,057.

Audit Summary

The Board properly audited the 60 claims totaling \$163,940 we reviewed. Except for minor issues we discussed with District officials, the claims were mathematically correct, supported and for a valid District purpose.

There were no recommendations as a result of this audit.

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. Our methodology and standards are included in Appendix C.

Claims Audit: Findings and Recommendations

A fire district board must perform a thorough audit of every claim against the district before authorizing payment by ensuring, among other requirements, that claims are adequately supported (i.e., itemized invoices or receipts), are for valid and legal purposes and that the goods and services were received.

Typically, a board of fire commissioners will audit the claim packet, which must include a standard voucher form (usually as a cover sheet indicating the purpose, quantity, description, cost, budget code of the claim, presented in a uniform and organized manner), and a combination of original invoices, receiving slips and other relevant documentation supporting the claim. Every claim should be properly itemized and provide all information, including supporting documentation, to permit a satisfactory audit by a person who is unfamiliar with the transaction. More details on the criteria used in this report, as well as resources we make available to local officials that can help officials improve operations (Figure 1), are included in Appendix A.

Finding 1 – The Board properly audited claims.

Each month the Treasurer compiled a list of claims (an abstract) for payment from invoices, and other written communications from vendors and emailed the abstract and scanned images of invoices to the Board members before the Board's monthly meeting. She would then bring the abstract and the original invoices to the meeting for the Board's audit and approval. When the claims were approved by the Board as indicated by the Board members' signatures on the abstract and by Board resolution, she would then enter them into the financial management software and prepare, print and mail the checks, or make the electronic payments from the bank account as necessary. The Board also signed the checking account bank reconciliations which listed the checks and online payments approved in the prior month, each month.

We reviewed 60 claims totaling \$163,940 that were paid during the audit period and, except for minor issues we discussed with District officials, we determined claims were properly audited, adequately supported, mathematically correct, made for a valid District purpose and were properly recorded in the general ledger.

In conclusion, the Board properly audited District claims.

Appendix A: Profile, Criteria and Resources

Profile

The District is located in the Town of Schodack in Rensselaer County. The elected five-member Board governs the District and is responsible for its overall financial management. The Treasurer prepares the claim packets and abstracts and provides them to the Board. The Treasurer is the chief fiscal officer and is responsible for recording the claims in the accounting system and issuing payments.

The District paid 203 claims totaling \$240,057 during the audit period.

Criteria

A fire district board is required by New York State Town Law Section 176 4-a to conduct a thorough, deliberate and independent audit of claims before payments are authorized following guidance provided in a publication on our website entitled *Local Government Management Guide Improving the Effectiveness of Your Claims Auditing Process* (See Additional Resources).

When auditing claims, the following questions should be asked:

- Is the claim for a valid and legal purpose? Each claim must be for a legitimate purpose of the local government.
- Is the invoice sufficiently itemized? The claim should be understandable to someone unfamiliar with the transaction. Information such as weight, quantity, size, grade, unit price and totals should be provided. Part numbers or abbreviations should be supplemented by a full description of the goods or services provided. Claims for multiple deliveries of similar items, such as gas and fuel oil, should be supported by delivery tickets signed by the person accepting delivery.
- Is the invoice mathematically correct? Claims paid should be mathematically correct. Attached receipts and invoices should total the sum of the claim packet.
- Are there sales tax charges for exempt expenses? Fire districts are generally exempt from paying sales tax. Therefore, sales tax should not be included on claims.
- Were the goods or services received? There should be documentation that confirms that the goods were received or services rendered.
- Are there sufficient appropriations to pay the claim? No claim can be paid if sufficient budgetary appropriations are not available.
- Have adopted policies been followed (such as: purchasing and credit card)?

Following the approval, an abstract of the audited claims shall be drawn in the form of a warrant or resolution authorizing and directing the treasurer to make those payments. The minutes of the board meetings should reflect what claims have been audited and whether they were allowed or disallowed, in whole or in part. A warrant is a listing of all claims audited and approved for payment. Minimum requirements for a warrant generally include the claim number, name of claimant, amount approved, fund and appropriation account chargeable.

Additional Resources

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

- *Improving the Effectiveness of Your Claims Auditing Process*/<https://www.osc.ny.gov/files/local-government/publications/pdf/improving-the-effectiveness-of-claims-auditing-process.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 our 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 and 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.

April 30, 2026

Schodack Landing Fire District
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Schodack Landing, New York 12156

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Division of Local Government and School Accountability I IO State
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Albany, New York 12236

RE: Response to Audit Report - Claims Auditing

Dear [redacted]:

The Board of Fire District Commissioners of the Schodack Landing Fire District (the "District") respectfully submits this response to the draft audit report issued by the Office of the State Comptroller regarding the District's claims auditing procedures.

The Board acknowledges and appreciates the Comptroller's review of the District's financial operations. We are pleased that the audit found that claims were properly audited.

The Board takes its fiduciary responsibilities seriously and remains committed to maintaining strong internal controls and adherence to all applicable laws, regulations, and guidance issued by the Office of the State Comptroller. The Board will continue its current practices of strong policy development and assiduous claims review to ensure that all taxpayer funds are appropriately used.

The District appreciates the professionalism of the audit team and the opportunity to demonstrate compliance in this area.

Respectfully submitted,

The Board of Fire District Commissioners
Of the Schodack Landing Fire District

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 District officials and reviewed claim packets, abstracts and Board meeting minutes to gain an understanding of the District's claims audit process.
- We reviewed claim packets, abstracts and general ledger reports for the audit period. The District paid 203 claims totaling \$240,057 which were required to be audited and approved by the Board. We selected for review the higher dollar value claims, including claims made out to individuals, and credit card payments. Our sample consisted of 60 claims totaling \$163,940. We reviewed the claims to determine whether they were supported by adequate documentation, mathematically accurate, for appropriate District purposes, audited and approved by the Board before payment. We compared the information from the claim packets to abstracts, general ledger reports and to bank statements and bank documentation (i.e., 45 electronic payments totaling \$118,913, 15 canceled check images totaling \$45,027).

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?

GLENS FALLS REGIONAL OFFICE

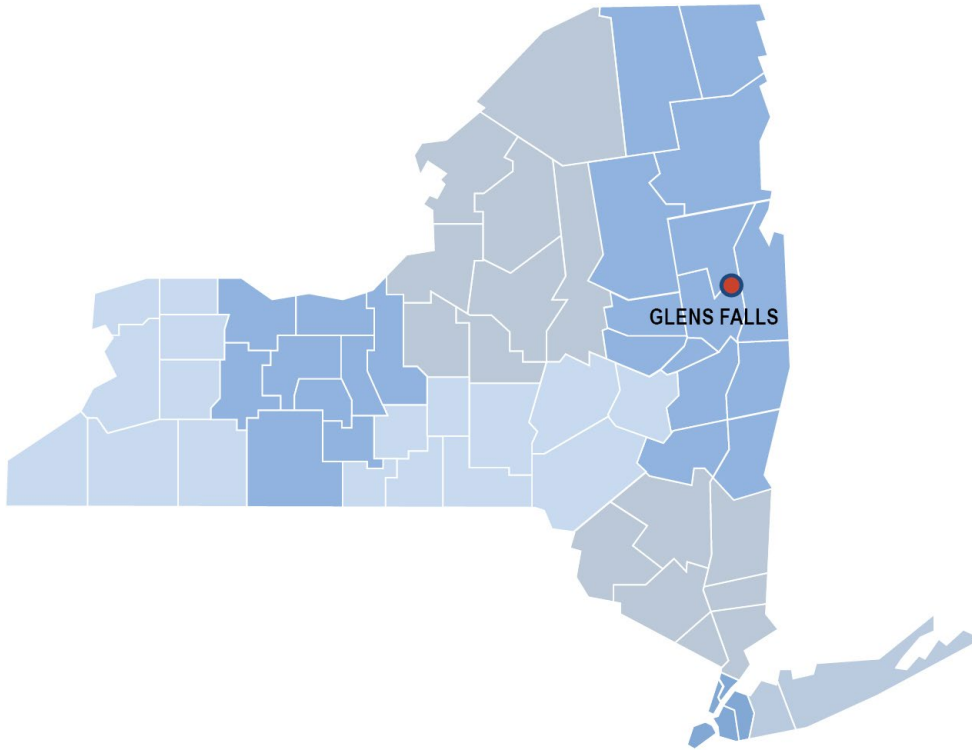
Gary G. Gifford, Chief of Municipal Audits

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