New York State Comptroller
THOMAS P. DiNAPOLI

Snyder Fire District

Claims Auditing

August 2026 | 2026M-44

Prepared by the Division of Local Government and School Accountability

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Audit Results

Snyder Fire District

Audit Objective

Did the Snyder Fire District (District) Board of Fire Commissioners (Board) properly audit claims before payment?

Audit Period

January 1, 2024 – December 24, 2025

Understanding the Audit Area

A board of fire commissioners (board) is responsible for ensuring that tax dollars are used in the best interests of taxpayers. To do so, the board should properly audit claims before payment to ensure that district funds are spent only for legitimate, authorized and necessary purposes and that all expenditures are adequately supported. An effective claims auditing process helps verify that goods and services were received; amounts billed are accurate; expenditures comply with applicable laws, policies and contracts; and payments are not duplicated or unauthorized.

The claims audit is often the last line of defense by helping safeguard public funds from unauthorized, improper or fraudulent claims. The claims audit establishes an important internal control that promotes accountability and transparency over public funds and helps safeguard district assets from errors, waste, fraud and misuse. It also helps establish the control consciousness of board members and membership and helps make them aware that a careful review of claims should occur before public funds are disbursed. Without an effective claims auditing process, inappropriate or unsupported expenditures may be paid and remain undetected, which increases the risk that the district could suffer a financial loss and weaken public confidence in the district's stewardship of taxpayer resources.

The District's 2025 budgeted appropriations totaled approximately $1.7 million. During the audit period, the District paid 751 claims totaling approximately $1.9 million.

Audit Summary

The Board did not properly audit all claims before payment. As a result, the District incurred unnecessary costs totaling approximately $9,700 and was exposed to an increased risk that improper, unsupported or unauthorized expenditures could be paid. We reviewed 137 claims totaling approximately $367,000 and determined that 115 claims totaling approximately $357,000 (84 percent of the claims reviewed, and 97 percent of dollars examined) did not have sufficient documentation to support a proper audit and should not have been approved and paid for, for various reasons, including:

- No Board approval or authorization to pay.
- No competitive procurement.
- No evidence that the goods or services were received.
- No documentation to determine what was purchased.
- Noncompliance with the District's policies.

Therefore, the District may have incurred unnecessary costs,[1] and residents may have paid more than necessary for the District's goods and services. Although the Board did not have the information needed to determine that charges were for proper District purposes when it approved the claims for payment, we

1 Which included approximately $9,700 in excessive lodging and per diem expenses.

determined that all 137 claims were for appropriate District purposes, excluding the excessive per diem payments.[2]

The report includes four recommendations that, if implemented, will strengthen the District's claims audit process and improve accountability over District expenditures. Although District officials generally agreed with our recommendations and indicated they planned to take corrective action, they disagreed with certain aspects of our findings. Appendix C includes our comments on issues raised in the District's response.

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 D.

The Board has the responsibility to initiate corrective action. Pursuant to Section 181-b of New York State Town Law (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.

2 We made this determination by requesting and reviewing additional documentation and having discussions with officials.

Claims Auditing: Finding and Recommendations

A board should perform a thorough audit of every claim against the district before authorizing payment by ensuring that each claim is adequately supported (i.e., by itemized invoices or receipts) and is for a valid and legal purpose. Typically, a board will audit the claim packets, which include a standard voucher form (as a cover sheet) and supporting documentation (such as original invoices, receiving slips, purchase orders, receipts and written quotes) that support the claim. A claim packet should contain enough detail and adequate supporting documentation so that the board has sufficient information to determine that the claim is a legal obligation and a proper charge against the fire district.

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

Finding 1 – The Board did not always properly audit claims before payment.

We reviewed 137 claims totaling approximately $367,000 that were paid during the audit period and determined that the Board should not have approved, and the Treasurer should not have paid, 115 claims (84 percent) totaling approximately $357,000. The claim packets did not contain sufficient supporting documentation to allow for a proper audit, or contained one or more discrepancies, as follows:

- 80 claim packets totaling approximately $292,000 were not signed by at least three Commissioners to indicate that they had reviewed and approved them, as required by the financial policy. Four Commissioners told us that they previously signed claim packets until a former Treasurer told them that the Board did not need to sign each claim packet. In 2025, the Board adopted a financial policy that required signatures of at least three Commissioners on each claim packet. All five Commissioners told us that they were unaware of this requirement because they had not yet gained a complete understanding of the policy after the District's attorney drafted and provided it to the Board for approval. Although policies and procedures help safeguard District assets, when officials do not follow the policies then the District has an increased risk that its assets could be wasted or misappropriated. Also, the Board is responsible for understanding the policies that it creates and adopts and for ensuring that officials comply with the policies.
- 39 claim packets totaling approximately $101,000 did not contain adequate evidence, such as written quotes, to demonstrate that the purchases complied with the procurement policy. For example, one claim totaling approximately $2,600 for sprinkler system testing should have included evidence of two verbal quotes, but District officials could not provide documentation showing they requested or received the required quotes. Two Commissioners told us that the District had a longstanding working relationship with the vendor that performed this service, and the Board was satisfied with the service and did not consider other providers. Although District officials may have been satisfied with the District's existing provider, they should have sought competition as required by the procurement policy. A competitive process increases awareness of other professional service providers that could offer similar services at a more favorable rate with more favorable terms and helps to assure taxpayers that procurements are made in their best interests without possible favoritism, fraud or waste.
- 10 claim packets totaling approximately $40,000 included invoices that were not sufficiently itemized to allow the Board to determine what was purchased or whether the District was charged correctly. For example, invoices for four claims totaling approximately $36,000 for fire truck maintenance and inspections did not indicate the time spent servicing each truck or the hourly labor rate that was charged. Without this detail, the Board could not have determined whether the charges were accurate.
- 36 claim packets totaling approximately $33,000 did not contain sufficient evidence (e.g., packing slips, delivery receipts or original contract agreements) to demonstrate that the goods or services were received. For example, one claim totaling approximately $4,000 for computer software did not include any documentation indicating that the software was received. The Treasurer told us that it was an oversight on his part that the claim packets did not include evidence of receipt. We visually confirmed

that the software was installed on District computers. We also determined that the District received all of the goods and services indicated in the remaining 35 claims. When claim packets do not have documentation indicating that goods and services are received, the District has an increased risk that it could pay for goods and services that are not received.

- 25 claim packets totaling approximately $28,700 did not comply with the District's travel policy, included:
  - 13 claim packets totaling approximately $24,000 included lodging expenses that did not comply with the travel policy. In 2025, the Board updated its travel policy to help ensure that travel costs were reasonable by requiring District officials to use lodging rates established by the U.S. General Services Administration (GSA). Had the Board ensured that lodging expenses complied with this requirement before approving the 13 claims, the District could have saved approximately $8,500. All five Commissioners told us that they selected hotel accommodations based primarily on convenience rather than cost.
  - 12 claim packets totaling approximately $4,700 included per diem payments to Commissioners and fire department members, who attended conferences or training events, that did not comply with the travel policy. The Board did not ensure that the members applied the correct per diem reimbursement rate and, as a result, the members received approximately $1,200 in excess reimbursements. All five Commissioners told us that they were unaware of the updated provisions in the travel policy and acknowledged that they approved ineligible reimbursements. The Board is responsible for understanding the policies it creates and adopts and for ensuring that members comply with them.
- 14 claim packets totaling approximately $6,100 did not contain sufficient support indicating that the Board had initially approved and authorized the purchases. For example, for 12 claim packets totaling approximately $4,500 for recurring monthly payments (which included gasoline and diesel fuel, IT services and renting a copier), officials could not provide us with support documenting that showed their initial authorization. Also, one claim packet totaling approximately $1,500 was for service awards that were discussed in the Board's meeting minutes, but the minutes did not document any formal action indicating that the Board approved a specific vendor or amount. Although each Commissioner told us that the Board was aware of each of the 14 purchases, when the Board does not adequately document their approval process, there is an increased risk that unauthorized or improper purchases could be made and go undetected.
- Four claim packets totaling approximately $5,000 did not include original invoices. Without original invoices, the Board cannot ensure that it authorizes payments for goods and services that are proper District expenditures and have not already been paid for (duplicate payments). We obtained and reviewed additional documentation, such as copies of invoices from selected vendors, observed the goods that were purchased and determined that the four claims were for proper District purposes.

All five Commissioners told us that they relied on the Treasurer to ensure that claim packets contained adequate supporting documentation and that purchases complied with District policies. However, because the Board did not perform a thorough and deliberate audit of each claim packet before payment, the Board approved claims that did not have adequate supporting documentation, the District incurred unnecessary costs[3] and residents may have paid more than necessary for the District's goods and services.

Recommendations

The Board should:

1. Conduct a thorough and deliberate audit of all claims before payment to ensure that they are adequate, complete and for proper District purposes.

3 See supra, note 1.

2. Gain a complete understanding of all District policies, including the District's financial policy, procurement policy and travel policy, and ensure that officials and members comply with applicable policies before approving claims for payment.
3. Seek reimbursement for ineligible per diem payments totaling approximately $1,200 paid to District members.

The Treasurer should:

4. Ensure that all claims include evidence of the Board's audit and approval, including Commissioner's signatures, before paying claims.

Appendix A: Profile, Criteria and Resources

Profile

The District is located in the Town of Amherst (Town) in Erie County, and it works in conjunction with the Snyder Fire Department (Department) to provide fire protection and emergency services to part of the Town. The District is governed by an elected five-member Board that is responsible for managing and controlling the District's financial operations, which includes developing policies and auditing claims.

The District is funded primarily by taxes levied on properties that are located within the District's geographical service area. The District owns the fire protection equipment used by the Department.

Criteria

A board should properly audit claims by thoroughly and deliberately examining the claims to determine whether each one is a legal obligation and a proper charge against the fire district. Generally, the board must audit all claims against the fire district before disbursing payments, in accordance with Town Law, Section 176(4-a).

A claim is a demand presented for payment of money due for goods that have been delivered or services that have been provided. 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. When auditing claims, the board should ensure that claim packets contain enough detail and documentation so that the board has sufficient information to determine whether it should approve the claims.

A board's audit responsibilities include determining whether:

- Each claim is for a legitimate fire district purpose.
- Each claim is supported by sufficient documentation, such as detailed receipts, invoices and receiving documentation.
- Invoices are sufficiently itemized with information such as weight, quantity, size, grade, unit price and totals and a full description of the goods or services provided.
- Goods and services have been received by ensuring that each claim packet includes documentation that confirms that goods were received and services were rendered. Including packing slips with claim packets helps fire district officials determine whether the fire district has received the correct items and amounts of goods.
- All required approvals and authorizations are documented or attached to the claim form.
- Policies were followed, such as the financial policy, procurement policy and travel policy.

The District's financial policy includes topics such as requiring three Commissioners to sign each voucher, requiring the Treasurer to prepare checks, stating what each bill should include and identifying which types of payments do not require a voucher.

Additional Resources

OSC's *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/local-government/publications/claims-auditing-process/introduction
- *Travel and Conference Expense Management:* https://www.osc.ny.gov/local-government/publications/travel-conference-expense/introduction

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, is reformatted to meet the Americans with Disabilities Act *Web Content Accessibility Guidelines (WCAG)*[4] and may include changes to spelling and grammar. The substance of the content was not changed.

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July 29, 2026

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RE: Response to Claims Audit 2026M-44 – Snyder Fire District

The Board of Fire Commissioners appreciates the professionalism and diligence of the New York State Comptroller's Office throughout this audit. We recognize the important role independent audits play in promoting accountability, transparency, and public confidence, and we appreciate the opportunity to participate in this review.

The Board takes its fiduciary responsibility seriously and remains committed to the careful stewardship of taxpayer funds. We are pleased that the audit concluded the claims reviewed were for appropriate District purposes. This finding reinforces that District expenditures were made for legitimate District purposes and in full support of the daily operation of the Snyder Fire Department, while also highlighting opportunities to strengthen our administrative processes [OSC Comment: See Appendix C, Note 1].

The Board acknowledges the recommendations contained in the report and has implemented several procedural improvements. These include:

- Claim Package Signatures: The audit notes that 80 claim packets were not signed by at least three Commissioners. While the individual claim packets did not contain signatures, all claims were reviewed and approved by the Board through a claims abstract that was signed by each Commissioner following review of the claims and prior to all payments. The District has since revised its process to require signatures on each individual claim voucher in addition to the payment register [OSC Comment: See Appendix C, Note 2].

  The Board also takes exception to the statement that "all five Commissioners told us that they were unaware of this requirement because they had not yet gained a complete understanding of the policy after the District's attorney drafted and provided it to the Board for approval." Following discussion among the Board members, none of the five Commissioners recall making this statement to the State auditors, and the Board wishes to clarify that all Commissioners remain committed to fully understanding the District's policies and ensuring their consistent implementation and compliance [OSC Comment: See Appendix C, Note 3].

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

- Compliance with Procurement Policy: The audit notes that 39 claim packets did not contain adequate evidence regarding quotes. Quotes are obtained and often stored in a central file room, which was maintained separately from the claim packets. The District has implemented a process change to keep all bid packets (quotes and documentation) with each payment voucher and payment packet to ensure ease of review for future audits.
- Itemized Invoices: The District will ensure that all invoices are properly itemized to allow accurate review of claims.
- Receipt of Goods and/or Services: The District has implemented a process change to require sufficient evidence of goods receipt or services rendered on all claims.
- Travel Policy and Process: The District remains committed to complying with its travel policy. The Board notes that the policy provides discretion to override GSA lodging and meal rates when reasonable circumstances warrant, including seasonal pricing, availability, proximity to training locations, and safety considerations. The Board believes these factors were reasonably considered when travel arrangements were made. The District will continue to balance fiscal responsibility with operational needs while ensuring future travel documentation clearly demonstrates compliance with District policy [OSC Comment: See Appendix C, Note 4].
- Authorization of Recurring Expenditures: The District has implemented a process change to ensure recurring expenditures are formally authorized and documented in accordance with Board policy.
- Original Invoices: Claim packets that did not include 'original invoices'. The Board respectfully notes that the term "original invoice" has become increasingly difficult to apply in today's electronic business environment. Many vendors issue invoices exclusively by email, and the printed copy is retained in the claim packet as part of the original record received by the District [OSC Comment: See Appendix C, Note 5].

These changes are intended to strengthen internal controls while continuing our commitment to fiscal responsibility and the prudent management of public resources. The Board respectfully disagrees with the characterization that it "did not perform a thorough and deliberate audit" of each claim [OSC Comment: See Appendix C, Note 2]. Every claim presented for payment was reviewed and approved by the Board prior to payment. The audit findings relate to the sufficiency of supporting documentation and compliance with documentation requirements, rather than an absence of Board review [OSC Comment: See Appendix C, Note 2]. The procedural changes implemented by the District are intended to strengthen documentation and further improve the claims auditing process.

The Board disagrees with the wording used in portions of the report. Statements such as "no Board approval," "no documentation," "no evidence," or "none of the claims were approved" may unintentionally suggest that no review occurred [OSC Comment: See Appendix C, Note 2]. In reality, every claim was reviewed and approved by the Board. The audit instead found that certain approvals or supporting documentation did not fully comply with state audit processes [OSC Comment: See Appendix C, Note 2]. The Board believes this distinction is important because the report itself ultimately concludes that all claims reviewed were for appropriate District purposes.

It is also important to note that the audit period coincided with a time of significant organizational transition. During this period, the District experienced much turnover in both Board leadership and administrative support functions. Two new commissioners were elected in consecutive years, replacing long-tenured Board members, and the District employed two different Treasurers during the same timeframe, with one serving for only one year before being replaced. While these staffing and leadership changes are not intended to excuse the findings identified in the audit, they likely contributed to inconsistencies in administrative processes and a loss of institutional knowledge during the transition. The Board recognizes that maintaining effective internal controls and oversight is its responsibility regardless of personnel changes and has since taken steps to strengthen procedures, improve continuity, and ensure compliance going forward.

The Board appreciates the Comptroller's recommendations and views this audit as an opportunity to strengthen its processes. While the District has implemented the procedural improvements described above, the Board appreciates that the audit ultimately concluded the claims reviewed were for appropriate District purposes. The Board remains committed to strong financial oversight, statutory compliance, and the responsible stewardship of the public funds entrusted to it.

Sincerely,

Snyder Fire District

On Behalf of the Commissioners of the Snyder Fire District: Patricia M Hudson, Chairperson

Appendix C: OSC Comments on the District's Response

Note 1

The objective of the audit focused on whether the Board properly audited claims before payment. While the audit team assessed the risk of fraud occurring within the context of this audit objective, the audit results cannot be used to conclude there is no fraud, theft or professional misconduct in the District's operations. The report includes recommendations needed to strengthen internal controls and mitigate the risk of fraud, waste and abuse, not just administrative processes.

Note 2

As indicated in the District's response, the Board's claims audit was limited to reviewing a listing of claims known as a claims abstract. There was no evidence presented that the Board audited and reviewed each individual claim packet or supporting documentation for each claim. The claims abstract alone would not provide the Board with sufficient information to perform a proper audit and determine whether it should approve claims for payment.

Note 3

OSC auditors held individual discussions with each Commissioner during audit fieldwork and documented the items discussed, including that each Commissioner told us that they were unaware of the requirement of needing at least three Commissioner signatures on claims

The Commissioners received copies of the draft report on July 3, 2026 for review, but did not contact us regarding the statement or to discuss the report, our findings or recommendations. OSC auditors also met with the District Chairperson and Treasurer to review the written draft report on July 10, 2026 and neither individual expressed any disagreement with this statement during that meeting.

Note 4

The claims for travel in our sample did not include documentation or support indicating that these factors were considered when selecting lodging options or overriding meal per diems. We also reviewed the Board's meeting minutes and did not identify any discussions or approvals to override GSA lodging and meal rates.

Note 5

We acknowledge that invoices may be electronically sent to the District and, where present and appropriate, we took no exception with these as supporting documentation. However, the four claim packets totaling $5,000 discussed in the report did not include original or electronic invoices.

Appendix D: 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, including Commissioners and the Treasurer, and we reviewed policies, regulations, procedures and the Board's meeting minutes to gain an understanding of the District's claims auditing process.
- We selected a sample of 137 claims totaling approximately $367,000 from a population of 751 claims totaling approximately $1.9 million that were paid between January 1, 2024 and August 31, 2025. Using our professional judgement, we selected all claims paid in May 2024, February 2025 and March 2025 because these were the months with the greatest number of transactions during the audit period. We focused our testing on claims paid during these months because, as the number of claims being processed and audited increases, the District has a greater risk that errors or irregularities could occur and not be detected.
- We reviewed the claims selected to determine whether they were:
  - For an appropriate District purpose.
  - Properly authorized and approved.
  - Signed by at least three Commissioners.
  - Sufficiently itemized.
  - Authorized and paid in accordance with procurement policy requirements.
  - Authorized and paid in accordance with other policy requirements.
  - For goods or services that the District actually received.
  - Sufficiently supported with documentation, such as detailed receipts, invoices and packing slips.

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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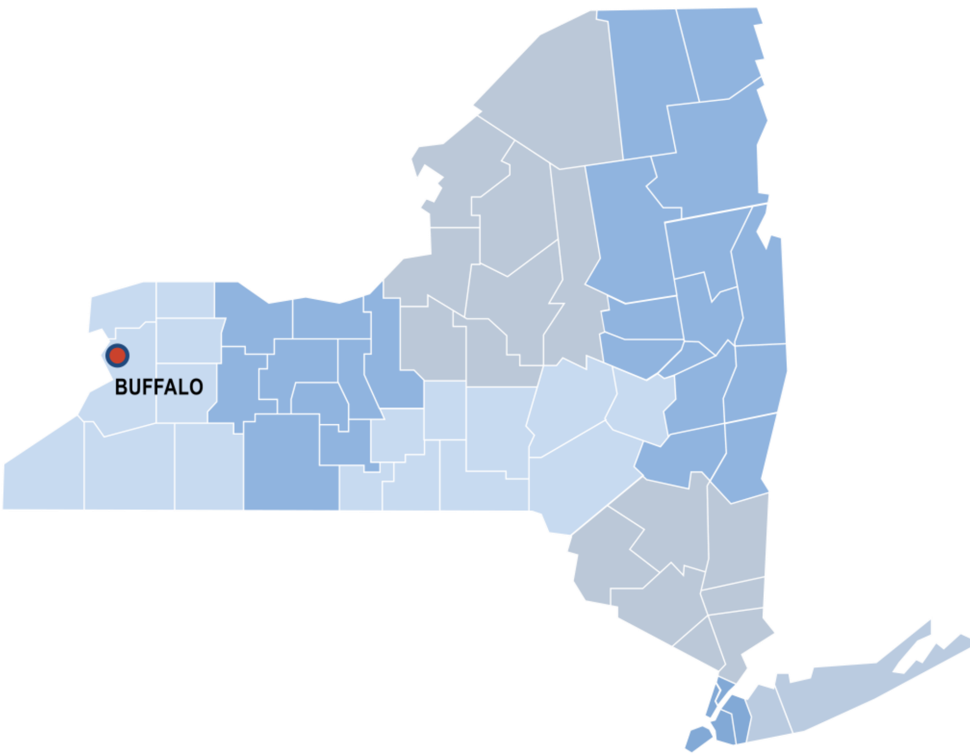

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