

New York State Comptroller  
THOMAS P. DiNAPOLI

# Village of Whitehall

Records and Reports

June 2026 | 2026M-9

Prepared by the Division of Local Government and School Accountability

# Table of Contents

---

<b>Audit Results</b>	<b>1</b>
<b>Records and Reports: Findings and Recommendations</b>	<b>3</b>
Finding 1 – The Clerk-Treasurer did not maintain complete and accurate accounting records.	3
Recommendations	4
Finding 2 – The Clerk-Treasurer did not prepare and the Board did not review bank reconciliations for all accounts.	5
Recommendations	6
Finding 3 – The Clerk-Treasurer did not provide the Board with monthly reports.	6
Recommendations	7
Finding 4 – The Clerk-Treasurer did not file the fiscal year 2024-25 AFR with OSC.	7
Recommendation	7
Finding 5 – The Board did not perform an annual audit of the Clerk-Treasurer’s accounting records.	7
Recommendation	7
<b>Appendix A: Profile, Criteria and Resources</b>	<b>8</b>
Profile	8
Criteria	8
Additional Resources	9
<b>Appendix B: Response From Village Officials</b>	<b>10</b>
<b>Appendix C: Audit Methodology and Standards</b>	<b>12</b>

# Audit Results

---

## Village of Whitehall

### Audit Objective

Did the Village of Whitehall (Village) Clerk-Treasurer maintain complete, accurate and timely records and reports?

### Audit Period

June 1, 2024 – August 31, 2025

### Understanding the Audit Area

A village clerk-treasurer, as chief fiscal officer, must maintain complete, accurate and timely accounting records and reports for informed decision-making, legal compliance and accountability. These records are essential for a village board and officials when monitoring a village's financial health, making sound fiscal decisions, ensuring that the village complies with various laws and maintaining transparency and the public's trust.

The Village's accounting records included three operating funds during the audit period: general, water and sewer. The Village's accounting records also included a capital projects fund during the audit period. The Village's budgeted appropriations for the 2025-26 fiscal year, that runs from June 1 through May 31, totaled \$2.4 million for the general fund, \$482,424 for the water fund and \$735,530 for the sewer fund.

### Audit Summary

The Clerk-Treasurer did not maintain complete and accurate accounting records, provide the Board of Trustees (Board) with monthly financial reports, or file the fiscal year 2024-25 Annual Financial Report (AFR) with the New York State Office of the State Comptroller (OSC) as required by General Municipal Law (GML) Section 30.<sup>1</sup> As a result, the Board's ability to properly and effectively monitor and manage the Village's financial operations was limited and transparency was diminished as Village residents and other interested parties were prevented from being informed of the Village's financial position.

Due to limited oversight of the Clerk-Treasurer's duties related to maintaining the accounting records, errors and deficiencies in the Village's accounting records went undetected. The errors and deficiencies included, but were not limited to, the following:

- We reviewed seven asset and eight liability accounts among the Village's three operating funds and capital projects fund as of May 31, 2025, and determined that five of the seven asset accounts (71 percent) and all eight liability accounts were inaccurately recorded. For example, general fund assets were overstated by a net of \$154,804 and liabilities were understated by a net of \$717,252, resulting in the fund balance in the general fund potentially being overstated by \$872,056.
- We reviewed 10 revenue accounts recorded in the accounting records as of May 31, 2025, and determined that three revenue accounts were overstated by a combined total of \$411,324 and one revenue account was understated by a total of \$321.
- The Clerk-Treasurer did not record deposits totaling \$1.6 million in the accounting records as of August 31, 2025.

---

<sup>1</sup> OSC's website provides more information on AFR nonfilers and the Village's current AFR filing status at: <https://web.osc.state.ny.us/localgov/afr-non-filers/>.

In addition, bank reconciliations were either not prepared or not properly prepared by the former and current Clerk-Treasurer for all bank accounts, and bank reconciliations were not reviewed by the Board or other designee. For 39 of the 59 bank reconciliations (66 percent) we prepared, the adjusted bank balances did not agree with the general ledger cash balances at month-end. Furthermore, the Board did not audit, or contract with an independent public accountant to audit, the Clerk-Treasurer's records for the 2024-25 fiscal year as required by New York State Village Law (Village Law) Section 4-408. Had the Board periodically monitored the Village's finances and performed the required annual audit, the deficiencies identified during the audit may have been detected and corrected sooner.

The report includes 11 recommendations that, if implemented, will improve the Village's recording and reporting of financial transactions. Village officials generally agreed with our recommendations and have initiated or indicated they plan 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 the GML. Our methodology and standards are included in Appendix C.

The Board has the responsibility to initiate corrective action. A written corrective action plan (CAP) that addresses the findings and recommendations in this report should be prepared and provided to our office within 90 days, pursuant to Section 35 of the GML. 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 in the Clerk-Treasurer's office.

# Records and Reports: Findings and Recommendations

A village clerk-treasurer should maintain financial records that provide a complete and accurate accounting of all financial transactions and prepare monthly bank reconciliations to allow for timely identification of any errors or deficiencies. In addition, a village clerk-treasurer should provide the village board with monthly financial reports and submit the AFR required to be filed with OSC within 60 days after the village’s fiscal year ends. It is the village board’s responsibility to provide financial oversight and ensure the accuracy and completeness of the village clerk-treasurer’s records and reports. A village board is also required to conduct an annual audit, or have a village officer, employee or an independent public accountant audit the village clerk-treasurer’s annual statement showing, in detail, all revenues and expenditures during the previous fiscal year and the outstanding indebtedness of the village as of the end of the fiscal year and all supporting documentation. 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 – The Clerk-Treasurer did not maintain complete and accurate accounting records.

The Clerk-Treasurer did not maintain complete and accurate accounting records to help the Board make effective financial decisions. While expenditures were generally recorded accurately (except for minor variances which we discussed with officials), there were assets, liabilities and revenues among the Village’s three operating funds and capital projects fund inaccurately recorded.

Assets and Liabilities – We reviewed and recalculated seven asset (including cash and due from other funds) and eight liability accounts (including accounts payable and due to other funds) recorded in the accounting records as of May 31, 2025,<sup>2</sup> and determined that five of the seven asset accounts (71 percent) and all eight liability accounts were inaccurately recorded. These inaccuracies resulted in potential increases and/or decreases to fund balance among the Village’s general, water, sewer and capital projects funds (Figure 1). For example, general fund assets were overstated by a net of \$154,804 and liabilities were understated by a net of \$717,252, resulting in the fund balance in the general fund potentially being overstated by \$872,056. These discrepancies occurred primarily because the former and current Clerk-Treasurer did not properly record financial transactions in the accounting records, accrue expenditures or ensure account balances at the beginning of the fiscal year were properly supported.

**Figure 1**  
**Recorded vs. Recalculated Asset and Liability Accounts Reviewed (Fiscal Year 2024-25)**

Fund	Assets Amount Recorded	Assets Actual Balance	Assets Overstated/ Understated	Liabilities Amount Recorded	Liabilities Actual Balance	Liabilities Overstated/ Understated	Potential Increase/ Decrease to Fund Balance
<b>General</b>	\$485,007	\$330,203	\$154,804	-\$572,507	\$144,745	-\$717,252	<b>-\$872,056</b>
<b>Water</b>	-\$117,497	\$0	-\$117,497	\$256,041	\$104,443	\$151,598	<b>\$269,095</b>
<b>Sewer</b>	-\$155,138	\$72,448	-\$227,586	\$67,373	\$12,327	\$55,046	<b>\$282,632</b>
<b>Capital</b>	\$1,398,813	\$1,398,998	-\$185	\$117,814	\$85,317	\$32,497	<b>\$32,682</b>

<sup>2</sup> Refer to Appendix C for information on our sampling methodology.

Furthermore, the water and sewer fund each had an asset account (due from other funds) that was understated by \$117,497 and \$227,586, respectively, as of May 31, 2025. This occurred because the former Clerk-Treasurer recorded a journal entry to decrease the asset accounts by \$58,643 in the water fund and \$125,475 in the sewer fund to clear the asset accounts once payment for the water and sewer re-levy amounts was made from the Village's general fund. However, the proper accounting entries to increase the asset accounts at the beginning of the 2024-25 fiscal year for these re-levy amounts were never made by the former Clerk-Treasurer. In addition, the beginning balances in the asset accounts were improperly carried over from prior years.

As of August 31, 2025, the accounting records had not been closed for the 2024-25 fiscal year, and the discrepancies identified in Figure 1 carried forward into the 2025-26 fiscal year. As a result, the Board could not determine the Village's true financial condition.

Revenues – We reviewed 10 revenue accounts recorded in the accounting records as of May 31, 2025 and all four revenue accounts recorded in the accounting records as of August 31, 2025.<sup>3</sup> We determined that four accounts (40 percent) for the 2024-25 fiscal year were not accurate, including three accounts that were overstated by a combined total of \$411,324 and one account that was understated by \$321. For example, real property tax revenue was overstated by \$184,439 because the former Clerk-Treasurer recognized water and sewer re-levy amounts as revenue in the 2024-25 fiscal year instead of recording an asset (due from other funds) in the water and sewer funds and a liability (due to other funds) in the general fund at the beginning of the fiscal year.

While revenues that were recorded in the accounting records as of August 31, 2025 were accurate, the Clerk-Treasurer told us that only revenue received for water and sewer rents had been recorded in the accounting records, and other revenue received in June 2025, July 2025 and August 2025, such as real property taxes, had not been recorded in the accounting records as of August 31, 2025. We compared deposits made by the Clerk-Treasurer into the Village's general fund bank account to amounts recorded in the accounting records for June 2025, July 2025 and August 2025. Deposits totaling \$1.6 million were not recorded in the accounting records as of August 31, 2025. These deposits consisted primarily of real property taxes for the 2025-26 fiscal year. The Clerk-Treasurer told us that she was behind on recording because she was overwhelmed with her other responsibilities and had limited staff to assist her throughout the tax collection period.

Due to the former and current Clerk-Treasurer not properly fulfilling their responsibilities, the Village's accounting records were incomplete and unreliable. Without complete and reliable accounting records, the Board was unaware of the Village's financial condition, and its ability to manage the Village's financial operations and make sound financial decisions was limited.

## Recommendations

The Clerk-Treasurer should:

1. Maintain complete and accurate accounting records.
2. Adjust the accounting records to properly reflect accurate account balances.

The Board should:

3. Provide oversight of the Clerk-Treasurer's maintenance of the accounting records.

---

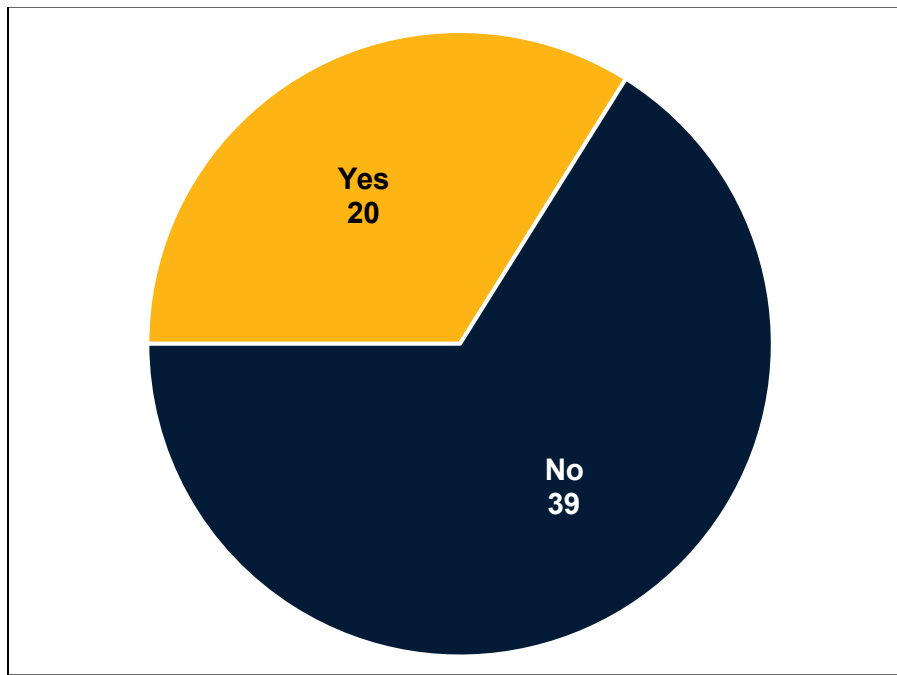
<sup>3</sup> Ibid.

## Finding 2 – The Clerk-Treasurer did not prepare and the Board did not review bank reconciliations for all accounts.

The former and current Clerk-Treasurer did not prepare 56 of the 59 bank reconciliations (95 percent) that should have been prepared for the bank accounts accounted for in the Village’s accounting records and were open during the three months reviewed.<sup>4</sup> Although the current Clerk-Treasurer reviewed bank activity on a periodic basis, the former and current Clerk-Treasurers did not compare bank balances to the recorded general ledger cash balances to identify any discrepancies for all bank accounts except for the Village payroll bank account. Of the three bank reconciliations prepared by the former and current Clerk-Treasurer for the sample months, two were not properly prepared or supported. Although the bank reconciliations identified differences between the bank balances and general ledger cash balances, the differences identified were not researched or explained. Furthermore, the bank statements and bank reconciliations prepared by the former and current Clerk-Treasurer were not reviewed by the Board or other designee.

We prepared 59 bank reconciliations for the bank accounts that were open and accounted for in the Village’s accounting records during our sample months. We determined that the adjusted bank balances did not agree with the recorded general ledger cash balances at month-end for 39 of the 59 bank reconciliations (66 percent) (Figure 2).

**Figure 2**  
**Did Adjusted Bank Balances Agree With General Ledger Cash Balances?**



These discrepancies ranged from the adjusted bank balance exceeding the recorded general ledger cash balance by \$1.5 million to the general ledger cash balance exceeding the adjusted bank balance by \$84,484. These discrepancies occurred primarily because the former and current Clerk-Treasurer did not record all financial transactions in the accounting system properly or in a timely manner. For example, as of August 31, 2025, the recorded general ledger cash balance in the Village’s general fund was understated by \$1.5 million because the Clerk-Treasurer had not recorded any deposits made in June 2025, July 2025 and August 2025.

In addition, we identified four bank accounts open during each of our sample months that were not accounted for in the Village’s accounting records. These four bank accounts included the Village’s disbursement, trust and

<sup>4</sup> Ibid.

agency, cemetery, and local community development bank accounts that had bank balances of \$157,310, \$54,534, \$32,151 and \$4,593, respectively, as of August 31, 2025.

The Clerk-Treasurer told us that the disbursement account did not have a corresponding general ledger cash balance because this bank account is a clearing account and the balance should generally return to zero once all outstanding checks have cleared the bank. The Clerk-Treasurer was aware that there has been a balance in the disbursement bank account and believed it was a result of prior year errors and funds not being returned to the proper bank account once checks were voided. As for the remaining three bank accounts, the Clerk-Treasurer told us that these accounts had limited to no activity throughout the audit period.

Whether bank accounts have limited to no activity throughout the fiscal year, total bank balances should correspond to the general ledger cash balance within the accounting records and be reconciled monthly to allow for timely identification of any accounting errors. Furthermore, clearing accounts should be reconciled to supporting documentation (e.g., check listings) to ensure bank balances return to zero once all transactions clear the bank.

Had the Board ensured bank reconciliations were prepared for all accounts and properly reviewed them, it may have identified and corrected recording errors in the accounting records.

## Recommendations

The Clerk-Treasurer should:

4. Prepare complete and accurate monthly bank reconciliations for all accounts and ensure that the adjusted bank balances agree to the recorded general ledger cash balances.
5. Ensure that differences identified when performing bank reconciliations are researched and explained.
6. Reconcile clearing account balances to supporting documentation to identify discrepancies.

The Board should:

7. Review and approve monthly bank reconciliations.

## Finding 3 – The Clerk-Treasurer did not provide the Board with monthly reports.

The former and current Clerk-Treasurer did not provide the Board with monthly reports to allow it to effectively monitor the Village's financial operations during the audit period. The Clerk-Treasurer told us that she was aware that the Board should be provided with monthly financial reports, such as reconciled cash balances and budget status reports, but was overwhelmed with her responsibilities and forgot to prepare and provide monthly financial reports to the Board. The Clerk-Treasurer also told us that she recently attempted to run a budget status report to provide to the Board but was unable to run the report because the 2025-26 Board-adopted budget had not been entered into the Village's financial software.

The Mayor told us he periodically requested financial information from the Clerk-Treasurer, but never received reports and did not follow up because he saw that the Clerk-Treasurer was overwhelmed and behind with her recordkeeping duties. In addition, one Trustee told us that the Board relied on the Clerk-Treasurer to monitor financial operations and inform the Board verbally of any concerns or issues, when necessary.

Without monthly financial reports, the Board cannot exercise adequate oversight of financial operations and be aware of the Village's true financial condition.

## Recommendations

8. The Clerk-Treasurer should prepare and provide the Board with monthly financial reports which include reconciled cash balances and budget status reports for each fund.
9. The Board should ensure the Clerk-Treasurer prepares and provides monthly financial reports.

### **Finding 4 – The Clerk-Treasurer did not file the fiscal year 2024-25 AFR with OSC.**

While the fiscal year 2023-24 AFR was filed with OSC, the Clerk-Treasurer did not file the fiscal year 2024-25 AFR as required by GML Section 30.<sup>5</sup> The deadline to file the AFR for the 2024-25 fiscal year was July 30, 2025. However, as of August 31, 2025, the Clerk-Treasurer had not filed the 2024-25 AFR or requested the 60-day extension. The Clerk-Treasurer told us that she was aware of her responsibility to file the AFR with OSC, but she did not have the time to prepare and submit the 2024-25 AFR because she was new in her position and overwhelmed with her responsibilities. In addition, the Clerk-Treasurer told us that, as of August 31, 2025, the accounting records had not been properly closed for the 2024-25 fiscal year and she is working with the Village's financial software vendor to properly close out the accounting records. By not filing the 2024-25 AFR, the Clerk-Treasurer prevented the Board, residents and other interested parties access to financial information to measure the effectiveness of operations and the Village's overall fiscal health.

### **Recommendation**

10. The Clerk-Treasurer should file the delinquent AFR and ensure subsequent AFRs are filed with OSC within 60 days after the close of each fiscal year as required by GML Section 30.

### **Finding 5 – The Board did not perform an annual audit of the Clerk-Treasurer's accounting records.**

The Board did not annually audit, or contract with an independent public accountant to audit, the Clerk-Treasurer's records for the 2024-25 fiscal year as required. The Mayor and one Trustee told us that they were aware of the annual audit requirement and believed the requirement was fulfilled by the Village's independent public accountant. However, the Clerk-Treasurer told us that the Village has not contracted with an independent public accountant since the 2020-21 fiscal year. The Mayor and one Trustee also told us they were not aware that the Board could perform the annual audit of the Clerk-Treasurer's records.

Without a proper annual audit, the Board's ability to provide adequate oversight of financial operations is diminished. Furthermore, the Board cannot be sure it has accurate financial information to make decisions and gauge the Village's financial condition. Had the Board performed the annual audit, the deficiencies identified during the audit may have been detected and corrected sooner.

### **Recommendation**

11. The Board should annually audit the Clerk-Treasurer's records or contract with an independent public accountant to conduct the audit as required by Village Law Section 4-408.

---

<sup>5</sup> See supra, note 1.

# Appendix A: Profile, Criteria and Resources

---

## Profile

The Village, located in the Town of Whitehall in Washington County, is governed by the elected Board composed of the Mayor and four Trustees. The Board is responsible for the general oversight of Village operations and finances. The Board-appointed Clerk-Treasurer, as chief financial officer, is responsible for receiving, disbursing and retaining custody of Village money, maintaining accounting records and providing financial reports to the Board.

The former Clerk-Treasurer retired effective September 4, 2024. The current Clerk-Treasurer worked alongside the former Clerk-Treasurer from July 8, 2024 through September 3, 2024 and took over the Clerk-Treasurer's duties once the former Clerk-Treasurer retired.

## Criteria

A village clerk-treasurer should maintain complete and accurate accounting records, so they are useful for monitoring village operations. The village clerk-treasurer should also record the assets, liabilities and results of operations (revenues and expenditures) for each fund and account for financial transactions in the proper fund.

Bank reconciliations allow for timely identification and documentation of differences between a village's accounting records (or general ledger cash balance) and bank account balances. Differences between the accounting records and bank account balances should be researched and explained. Bank reconciliations also serve as an internal verification of cash receipt and disbursement transactions. As such, a village board should ensure monthly bank reconciliations are prepared for all bank accounts and independently reviewed and approved.

The village board should be provided with reconciled cash balances for each fund and comparisons of actual revenues and expenditures to amounts estimated in the annual budget (budget status reports). It is crucial the village board receives monthly financial reports from the village clerk-treasurer to fulfill its responsibility to monitor financial operations and provide oversight of the maintenance of accounting records.

GML Section 30 requires the village clerk-treasurer to file an AFR with OSC within 60 days following the close of the village's fiscal year-end and may be approved for a 60-day extension. The AFR provides a village board, village residents, and other interested parties with a village's financial position at a point in time and a complete summary of the financial activities for the fiscal year.

Village Law Section 4-408 requires a village board to conduct an annual audit, or have a village officer, employee or independent public accountant audit the village clerk-treasurer's statement showing in detail all revenues and expenditures during the previous fiscal year and the outstanding indebtedness of the village as of the end of the fiscal year and all supporting documentation. The annual audit helps the village board fulfill its overall fiscal oversight responsibilities by providing it with an opportunity to assess the reliability of the books, records and supporting documents. It also serves to identify conditions that need improvement and provides useful information to help a village board oversee the village's financial operations.

## 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:

- *Accounting and Reporting Manual – Counties, Cities, Towns, Villages, Libraries, Soil and Water Conservation Districts*: <https://www.osc.ny.gov/files/local-government/publications/pdf/arm.pdf>
- *The Practice of Internal Controls*: <https://www.osc.ny.gov/files/local-government/publications/pdf/the-practice-of-internal-controls.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 Village Officials

---

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

**Village of Whitehall, NY**  
57 Skenesborough Drive, Suite 2  
P.O. Box 207  
Whitehall, New York 12887  
(518) 499-0871 – Fax (518) 499-1120  
[villageoffice@villageofwhitehallny.gov](mailto:villageoffice@villageofwhitehallny.gov)

Randall Lambert, Mayor  
May 19, 2026

## **Village of Whitehall - Mayor's Response to Audit Findings**

As Mayor of the Village of Whitehall, I acknowledge the findings identified in the recent review of our financial management practices. The Village of Whitehall does not dispute the seriousness of the stated issues. The Village of Whitehall has made a proactive approach towards corrective actions. Since taking office, I have made fiscal transparency, accountability and modernization of our financial operations a priority. The following outlines the corrections the Village has implemented, along with additional steps to correct each deficiency.

### **1. Finding: The Clerk-Treasurer did not maintain complete and accurate accounting records.**

**Response:** I agree with this finding. Accurate accounting records are essential for responsible municipal management. As of the date of this report:

- The Village Clerk has completed additional accounting classes/training with NYS Comptroller's office (12/10/25 & 12/11/25).
- The Village Clerk has also undergone additional online training and telephone conferences with Edmunds, the MCSJ Financial program (1/26-3/26).
- The Village Clerk has completed additional training of the MCSJ Accounting program manual entries, which included Recording 2025-2026 Property Tax revenue (1.6M) in the accounting records.
- The Village Clerk is updating the financial records to ensure accuracy during fiscal year end 2025-2026, beginning of new fiscal year 2026-2027, and reporting at monthly meetings.

### **2. Finding: The Clerk-Treasurer did not prepare, and the Board did not review, bank reconciliations for all accounts.**

**Response:** As of the date of this report:

- The Village of Whitehall has hired additional staff to assist the Village Clerk in updating and maintaining the financial records.
- All bank accounts have been reconciled.
- Continue monthly bank reconciliations for each bank account.
- Reconciliations will be reviewed and signed by both the Clerk-Treasurer and Village Trustee.

---

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

This ensures transparency and prevents errors from going unnoticed.

**3. Finding: The Clerk-Treasurer did not provide the Board with monthly financial reports.**

**Response:** Monthly reporting is essential for Board oversight. I have instituted the following requirements:

- Monthly revenue and expenditure summaries
- Monthly cash balance reports

These will be provided to the Board at every regular meeting and posted for public transparency when appropriate.

**4. Finding: The Clerk-Treasurer did not file the FY 2024-25 Annual Financial Report (AFR) with OSC.**

**Response:** The AFR filing is a statutory requirement. To correct this:

- The Clerk-Treasurer is completing the AFR with assistance.
- The AFR will be filed with OSC immediately upon completion.
- Going forward, the AFR filing deadline will be added to the Village's annual compliance calendar.
- The Mayor's Office will verify submission each year.

This ensures the Village remains in compliance with State reporting requirements.

**5. Finding: The Board did not perform an annual audit of the Clerk-Treasurer's accounting records.**

**Response:** The Board is required to conduct an annual audit under Village Law Section 5-524. To address this:

- The Village of Whitehall is seeking future accounting services to complete the annual audit.

This will strengthen oversight and restore public confidence.

**Corrective Action Plan Summary**

To ensure long-term compliance and accountability, the Village will implement the following:

- Monthly reconciliations and financial reports.
- AFR filing verification process.
- Village Clerk is creating a training manual for the accounting/financial system for cross-training and to help future staff of the Village of Whitehall.
- Increased oversight from the Mayor and Board.
- Seeking accounting services for annual audits.

These steps will ensure that the Village of Whitehall meets all statutory requirements and maintains accurate, transparent financial operations.

Best Regards,

Randall Lambert, Mayor

# 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 Village officials and reviewed various financial records and reports to gain an understanding of the Clerk-Treasurer's procedures for maintaining accounting records, preparing bank reconciliations and reporting financial transactions.
- We reviewed the accounting records during the audit period to determine whether separate accounting records, including assets, liabilities, revenues and expenditures, were maintained for each fund. We also determined whether separate funds were maintained for financial transactions that should be accounted for in another fund maintained in the accounting records.
- We used our professional judgement to select and review seven asset and eight liability accounts recorded in the accounting records as of May 31, 2025 and six asset and six liability accounts recorded in the accounting records as of August 31, 2025 to determine whether they were properly recorded and accurate. We selected accounts among the Village's three operating funds and capital projects fund that contained high account balances and/or high activity.
- We used our professional judgement to select a sample of 10 revenue accounts recorded in the accounting records as of May 31, 2025 and all revenue accounts recorded in the accounting records as of August 31, 2025 to determine whether they were accurate and recorded in the proper fund. We selected accounts among the Village's three operating funds and capital projects fund that contained high account balances and/or high activity.
- We used our professional judgement to select a sample of 15 expenditure accounts recorded in the accounting records as of May 31, 2025 and eight expenditure accounts recorded in the accounting records as of August 31, 2025 to determine whether they were accurate and recorded in the proper fund. We selected accounts among the Village's three operating funds and capital projects fund that contained high account balances and/or high activity.
- We interviewed the Clerk-Treasurer and compared deposits made by the Clerk-Treasurer into the Village's general fund bank account to amounts recorded in the accounting records for June 2025, July 2025 and August 2025 to determine whether deposits made were recorded in the Village's accounting records as of August 31, 2025.
- We used our professional judgement to select a sample of eight journal entries that were recorded during the audit period to determine whether they were supported, for appropriate purposes, properly recorded and independently reviewed and approved. Our sample included journal entries with transaction dates throughout the audit period.
- We used our professional judgement to select three months during the audit period (August 2024, May 2025, and August 2025) to determine whether monthly bank reconciliations were prepared, agreed with general ledger cash balances and were independently reviewed. This review consisted of 19 bank accounts for August 2024 and 20 bank accounts each for May 2025 and August 2025. The former Clerk-Treasurer was responsible for preparing bank reconciliations for August 2024 and the current Clerk-Treasurer was responsible for preparing bank reconciliations for May 2025 and August 2025.

- We interviewed Village officials and reviewed Board meeting minutes to determine whether monthly reports were provided to the Board during the audit period.
- We interviewed the Clerk-Treasurer to determine whether the fiscal year 2023-24 and 2024-25 AFRs were filled and reviewed the OSC online reporting system to determine the Village's filling status.
- We interviewed Village officials and reviewed Board meeting minutes to determine whether the Board audited, or obtained an audit of, the Clerk-Treasurer's records and reports for the 2024-25 fiscal year.

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?

---

## **GLENS FALLS REGIONAL OFFICE**

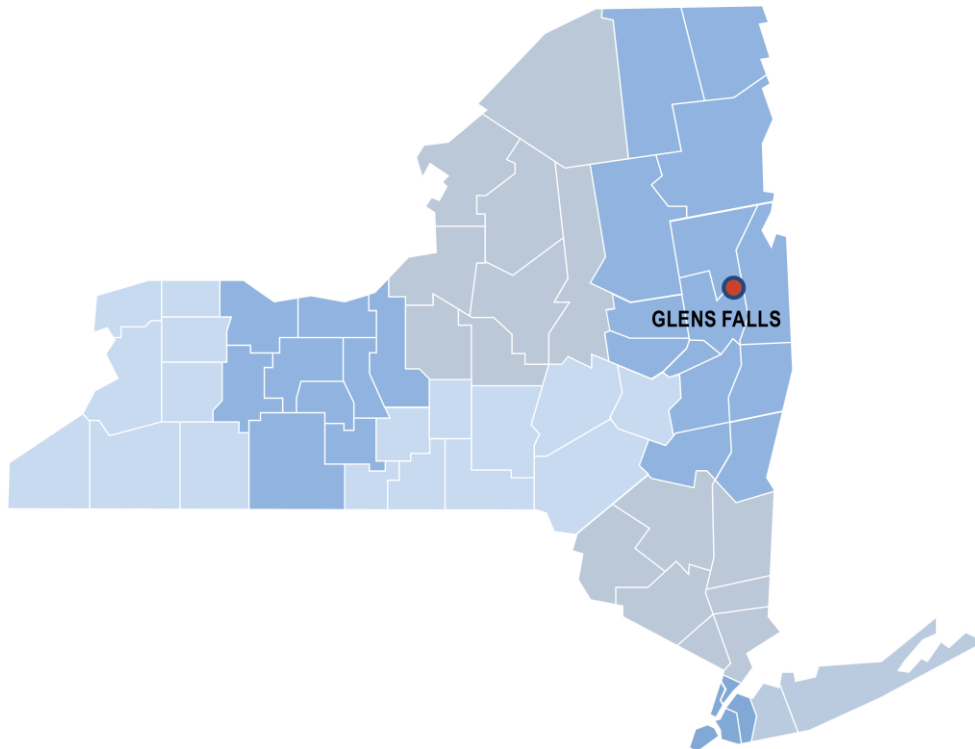
Gary G. Gifford, Chief of Municipal Audits

One Broad Street Plaza • Glens Falls, New York 12801-4396

Tel (518) 793-0057 • Fax (518) 793-5797

Email: [Muni-GlensFalls@osc.ny.gov](mailto:Muni-GlensFalls@osc.ny.gov)

Serving: Albany, Clinton, Columbia, Essex, Franklin, Fulton, Greene, Hamilton, Montgomery, Rensselaer, Saratoga, Schenectady, Warren, Washington counties





## Contact

Office of the New York State Comptroller  
110 State Street  
Albany, New York 12236

(518) 474-4044

<https://www.osc.ny.gov/>

Prepared by the Division of Local Government and School Accountability

 FOLLOW US: [osc.ny.gov/subscribe](https://www.osc.ny.gov/subscribe)