

Town of Tonawanda

Ethics Oversight

DECEMBER 2020



OFFICE OF THE NEW YORK STATE COMPTROLLER
Thomas P. DiNapoli, State Comptroller

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Report Highlights

Town of Tonawanda

Audit Objective

Determine whether Town of Tonawanda (Town) officials used resources to meet certain ethics oversight standards.

Key Findings

Town officials did not meet certain ethics oversight standards.

- Officials did not require a review of the Town's code of ethics or ethics training for officers and employees.

The Board of Ethics (Ethics Board) did not:

- Adequately administer the Town's disclosure system that is intended to foster transparency and help identify conflicts of interests.
 - Nine officer and employee (15 percent) and 18 other required filer (19 percent) annual statements of financial disclosure (disclosure statements) were not filed.
 - One Town Board member (10 percent), two officer and employee (4 percent) and 11 other required filer (11 percent) disclosure statements were filed late and/or had questions left blank.
- Review disclosure statements for potential conflicts of interest.

Key Recommendations

- Review the code of ethics and provide ethics training to officers and employees.
- Ensure that all annual financial disclosure filers file complete and timely disclosure statements that are carefully reviewed for potential conflicts of interest.

Town officials agreed with our recommendations and have initiated or indicated they planned to initiate corrective action.

Background

The Town is located in Erie County in the Western region of New York. The Town is governed by an elected Town Board composed of four Council members and the Town Supervisor (Supervisor).

The Supervisor is the Town's chief executive officer (CEO) and is responsible, along with other administrative staff, for day-to-day management.

The Town Board established an Ethics Board responsible for providing ethics oversight.

Quick Facts

Population	73,567
Officers and Employees	863
Required Disclosure Statement Filers	
2017	84
2018	81

Audit Period

January 1, 2017 – September 30, 2018

Ethics Oversight

How Can Local Governments Establish Proper Ethics Oversight?

A town's governing body must establish a code of ethics to set forth the standards of ethical conduct reasonably expected of town officers and employees. The code of ethics must address certain provisions including disclosure of interest in legislation before the governing body, holding of investments in conflict with official duties, private employment in conflict with official duties and future employment.

To reduce risk that officers' and employees' actions could violate a town's code of ethics and public assets could be subject to misuse, the governing body should adopt a code of ethics that addresses each of the four required statutory provisions of GML and vigorously enforce the code provisions.¹

Within the code of ethics, the governing body may also set forth other standards of ethical conduct such as provisions addressing nepotism, public disclosures for recusals and abstentions and the proper use of municipal resources.² The town's CEO is responsible for distributing a copy of the code of ethics to every town officer and employee. Although not required, the town could also post the code of ethics on the town website.

In addition to establishing a code of ethics, towns with a population of 50,000 or more are required to have certain individuals annually complete a financial disclosure statement. Filing annual disclosure statements helps increase transparency about the private interests and activities of officers and employees, which may identify potential conflicts of interest.

A board of ethics may be established by the governing body to administer a system to maintain the financial disclosure statement filings.³ The board of ethics, if established, should develop procedures to review and examine the financial disclosure statements filed with the town, to promote compliance with the filing requirement, and verify that officials and employees are impartial and free from conflicts of interest in fulfilling their public responsibilities. A board of ethics can help ensure that the local government operates in a transparent and ethical manner, and local government officers and employees act in the best interests of taxpayers and are not conflicted by personal interests.

The governing body may also develop additional standards of conduct to provide more comprehensive ethical guidance to meet a town's specific circumstances. For instance, the governing body may establish procedures to ensure that town

1 New York State General Municipal Law (GML), Section 806

2 State Comptroller's Model Code of Ethics – Local Governments available at: <https://www.osc.state.ny.us/localgov/pubs/ethics.htm>

3 GML provides that the board of ethics, if established by the governing body, is responsible for receiving the annual financial disclosure statements.

officers and employees receive ethics compliance training, including notifying officers and employees of the whistleblower provisions provided by State Law. In addition, the governing body could require that every officer and employee attest to receiving and reviewing the code of ethics at the time of their election or appointment and at least once every five years.

To help ensure proper ethics oversight, the CEO is responsible for posting a copy of certain portions of the conflict of interest statute and the code of ethics in each town building.⁴ The statute and the code of ethics must be posted in a place visible to its officers and employees.

The Town Established an Ethics Board and Adopted a Code of Ethics

The Town established an Ethics Board, which is composed of members appointed by the Supervisor, subject to review and approval by the Town Board. The Town adopted a code of ethics that provides general authority for the Ethics Board to ensure that the financial disclosure statements are filed and complete.

In addition, the code of ethics requires every Town official, employee and appointee to receive a copy of the code ethics. GML specifically states that the distribution of the code of ethics to each Town officer or employee is the CEO's responsibility.⁵ However, the code of ethics does not require officers and employees to periodically attest to receiving and reading the code of ethics.

The Code of Ethics Complied With GML but the CEO Did Not Post the Conflict of Interest Statute or the Code of Ethics

The Town Board adopted a code of ethics, which was posted on the Town website. The code of ethics included all four statutorily required provisions set forth in GML.⁶ While the CEO was required to visibly post certain sections of GML in each Town building, we found the statutory provisions of GML were not posted in two of three buildings tested.

Although the statutory provisions of GML were posted in one building, the posting was an out-of-date version of the statute that did not include current statutory provisions. Further, we found that the CEO did not post the code of ethics in one of three buildings tested, as required by the code of ethics.

4 GML, Section 807 and the Town code of ethics require the posting of GML Sections 800 through 809 in each public building. In addition, the code of ethics requires the CEO to post the code in each public Town building.

5 GML, Section 806

6 GML, Section 806, refer to Appendix A, Figure 4

The CEO told us that he was unaware that posting certain sections of the conflict of interest statute is a statutory requirement and unsure why the code of ethics was not posted in one building we tested.

The Town Did Not Provide Ethics Training or Distribute the Code of Ethics

Town officers and employees did not receive ethics compliance training, such as an overview of the code of ethics and whistleblower protection. In addition, the Ethics Board did not receive similar training. In an effort to help ensure proper ethics oversight, the Town may wish to have Ethics Board members complete training on the provisions of law relating to conflicts of interest and ethics. For example, training could relate to the provisions of Article 18 of GML, codes of ethics, annual financial disclosure and decisional law relating to conflicts of interest and ethics.

We found that the Supervisor did not distribute a copy of the code of ethics to officers and employees. Although the Ethics Board Chair and the Supervisor told us they were under the impression that the Personnel Director provided a copy of the code of ethics to all officers and employees, the Personnel Director told us that she did not do so.

Although not required by law, the Town Board could reinforce code of ethics awareness of officers and employees by having it visibly posted in all Town buildings and may also wish to consider requesting that all officers and employees attest in writing to their review of the code of ethics at the time of their hire, election or appointment and at least once every five years. Further, Town officers could distribute the code of ethics to all officers and employees whenever the code of ethics is amended.

Unless the Town Board vigorously enforces the code provisions, reinforces employee awareness of the code of ethics and ensures that the conflict of interest statute is posted in each building, there is a higher risk that officers' and employees' actions may violate the code of ethics and public assets could be subject to misuse.

What Are the Responsibilities of a Board of Ethics for Reviewing the Code of Ethics and Disclosure Statements?

A board of ethics is responsible for making recommendations with respect to drafting, adopting or amending the code of ethics, upon the request of the governing body. Therefore, a periodic review of the code of ethics by the board of ethics may be appropriate to help ensure the code continues to comply with GML. If requested, the board of ethics may also provide recommendations to the governing body as it relates to other ethical considerations that may help ensure ethical awareness for officers and employees.

In addition, the responsibilities of a board of ethics include administering a system to receive annual financial disclosure statements. The board of ethics may also develop procedures to review and examine the financial disclosure statements to help ensure that the filings are complete.

When a board of ethics is established by the governing body to administer an annual financial disclosure system, the board of ethics should establish a process to verify that all required filers have submitted their disclosure statement with the board of ethics. In addition, the board of ethics should ensure that the disclosure statements submitted by the required filers are complete.

To help verify the filing and completeness of the disclosure statements, the governing body could include procedures for an appointed official or support staff to assist the board of ethics in ensuring that each financial disclosure statement is filed, reviewed, all questions are addressed and any inconsistencies or missing information are followed-up on.

In addition, the board of ethics should also develop procedures to help ensure that disclosure statements are reviewed to identify transactions that could pose a conflict of interest. For example, boards of ethics could maintain a list of filers' outside business interests, and supply the list to appropriate purchasing department personnel for their use in identifying potential interests in contracts that would be prohibited by GML.

Further, the board of ethics could obtain a list of vendors from the accounts payable department to reference during their review of the disclosure statements to help it identify potential conflicts of interest. If local governments' boards of ethics do not ensure compliance with filing requirements or review the information on disclosure statements to identify any conflicts of interest, taxpayers have less assurance that officers and employees in policy-making positions are free from conflicts of interest.

The Town code of ethics provides that the Ethics Board is the repository for completed annual statements of financial disclosure and establishes certain procedures for the Ethics Board to administer the annual financial disclosure system. For instance, the code of ethics identifies certain officers and employees who, based on the particular office, title or classification held, are required to file a disclosure statement by May 15 each year, unless an extension is requested by the filer and granted by the Ethics Board. The code of ethics generally states that the disclosure statements are to be filed with the Ethics Board and that the Ethics Board is to designate one member to be responsible for receiving and retaining the disclosure statements.

Although not specifically required by the Town code of ethics, the Ethics Board should meet at least once a year to review the filed disclosure statements. As part of its review, the Ethics Board should verify all annual disclosure statements

...[T]he responsibilities of a board of ethics include administering a system to receive annual financial disclosure statements.

are filed on time, are complete and address actual or implied conflicts of interests identified in the disclosure statements, if any.

The Ethics Board and the Town Clerk Did Not Adequately Monitor the Filing of Disclosure Statements

The Ethics Board met annually but did not adequately administer the Town's disclosure system by ensuring all financial disclosure statements were actually filed, filed on time or complete.

We found that one quarter of the required disclosure statements were not filed, filed late and/or had questions left blank. Under these circumstances, there is an increased risk that potential conflicts of interest were not identified and/or not reported to the Ethics Board.

While the Town Board assigned responsibility for administering the disclosure statement system to the Ethics Board, the Town Clerk (Clerk), who serves as the Ethics Board Secretary, performed some of these duties. However, in 2017 and 2018, neither the Ethics Board nor the Clerk ensured that all individuals required to file a disclosure statement pursuant to the code of ethics, submitted a timely and complete disclosure statement. In 2017 and 2018, 10 percent of Town Board member (Figure 1), 19 percent of officer and employee (Figure 2) and 30 percent of other required filer (Figure 3)⁷ disclosure statements were not filed, were filed late and/or had questions left blank.

In 2017 and 2018, all five Town Board members were required to file disclosure statements. In 2017, all five filed a complete and timely disclosure statement. However, in 2018, one filed a disclosure statement late with questions left blank.

In 2017, 30 officers and employees were required to file. However, five did not file and one filed late. In 2018, 29 officers and employees were required to file. However, four did not file and one filed late.

In 2017, 49 other individuals associated with the Town were required to file. However, nine did not file, one filed a disclosure statement with questions left blank, four filed late and two filed late with questions left blank. In 2018, 47 other individuals associated with the Town were required to file. However, nine did not file, one filed with questions left blank and three filed late.⁸

We found that one quarter of the required disclosure statements were not filed, filed late and/or had questions left blank.

7 Other required disclosure statement filers included the following individuals associated with the Town: members of the Assessment Review Board, Commission on the Conservation of the Environment, Deferred Compensation Board, Ethics Board, Library Board, Planning Board, State Environmental Quality Review Board, Plumbing Board, Zoning Board of Appeals and the Youth Board.

8 Refer to Appendix A, Figure 5, for details on individuals who did not file in 2017 and 2018.

FIGURE 1

**Town Board Member
Annual Financial Disclosures
2017 and 2018**

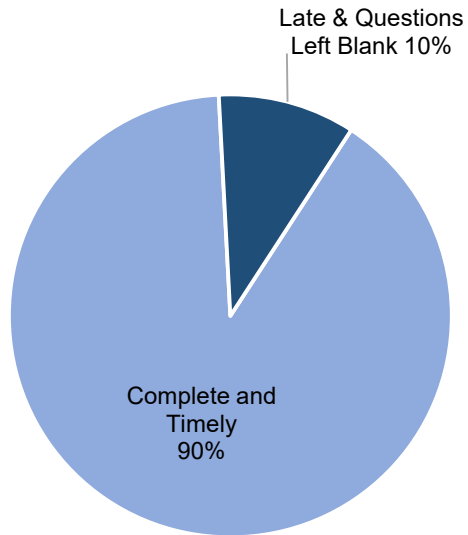


FIGURE 2

**Officers and Employees
Annual Financial Disclosures
2017 and 2018**

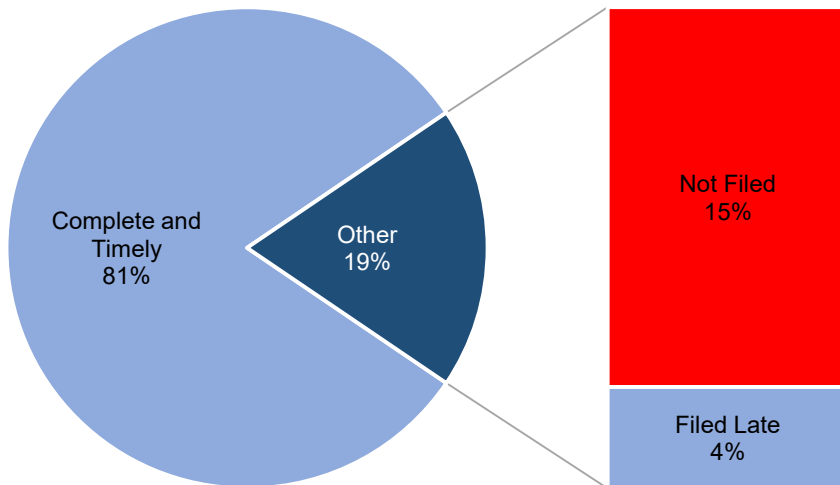
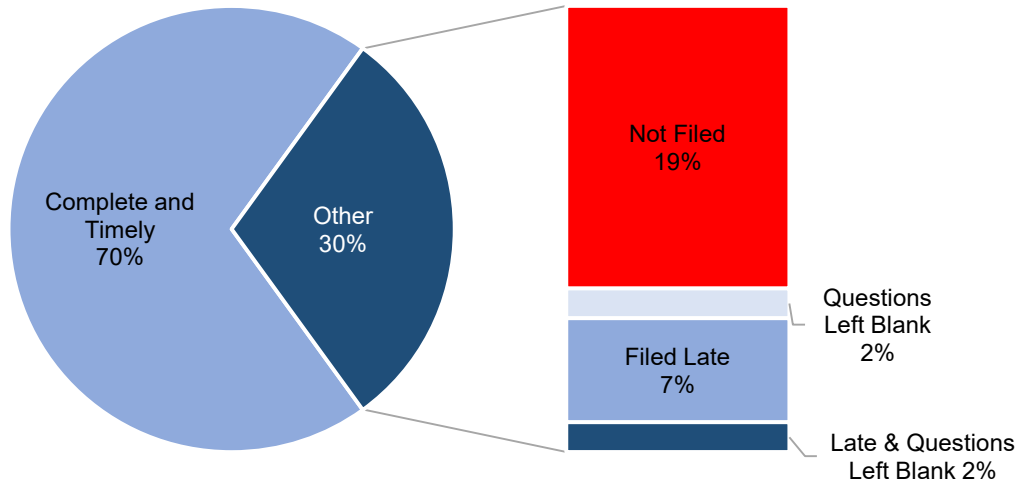


FIGURE 3

**Other Individuals Associated With the Town
Annual Financial Disclosures
2017 and 2018**



The Clerk told us that she and the Deputy Town Clerk (Deputy Clerk) compile the list of required filers, distribute the disclosure statement forms to required filers, and follow up with individuals who fail to file. The Clerk receives the disclosure statements from required filers. Two Ethics Board members told us that the Ethics Board collectively reviews disclosure statements received.

However, the Deputy Clerk told us that 11 required filers who did not file disclosure statements were erroneously excluded from the required filer list, which was compiled by comparing the list of required filer titles established by the Town Board to a personnel listing. Due to this error, four individuals were not notified of their requirement to file in both 2017 and 2018, another four individuals were not notified in 2017 and another three individuals were not notified in 2018.

The Deputy Clerk told us that the remaining nine individuals who did not file – three who did not file in both 2017 and 2018, another three who did not file in 2017 and another three who did not file in 2018 – were notified of their obligation to file and reminded of this requirement if they had not filed by the due date. She provided no further explanation why these individuals did not file disclosure statements.

The Ethics Board Chair told us that the Ethics Board reviews disclosure statements at its annual meeting. He also told us that Ethics Board members examine the disclosure statements to determine whether they are complete,

signed and any potential conflicts of interest are reported. Of the 138 disclosure statements filed during our audit period, two (1 percent) were filed with questions left blank and three (2 percent) were filed late with questions left blank.

For example, in 2018, a Town Board member filed a disclosure statement late with questions left blank without indicating whether the questions were applicable by indicating none or N/A. The following questions were unanswered:

- List the name and address and position of any corporation or limited partnership, of which you, your spouse or dependent is an officer or director.
- List the name and address and position of a corporation or limited partnership in which you, your spouse or dependent legally or beneficially owns or controls more than five (5) percent of the issued and outstanding stock or other ownership rights.
- State the self-employment, and the general nature thereof, from which you or your spouse has derived during the previous calendar year, gross income in excess of \$2,000.
- If you are unable, after reasonable effort, to obtain some or all of the information required therein, so state and give reasons therefore.

We recognize that an individual who leaves one or more questions blank on the disclosure statement may have done so because the question was not applicable to that individual. However, without a definitive response to each question, it remains unclear to a reviewer of the disclosure (e.g., the Clerk, Ethics Board member) whether that particular section was not applicable or the filer chose not to provide the information.

Not completing a disclosure statement in its entirety could be a misrepresentation to the Ethics Board and creates a risk that potential conflicts will go undetected. While the Town's disclosure statement does not state that it is required to be completed in its entirety, to avoid an incomplete filing or misunderstanding, when a question does not apply, the filer should be required to write "none" or "not applicable" on the disclosure statement and clarify on the form such requirement.

Although not required to do so, the Ethics Board did not compare disclosed business interests to vendor payments or compile a list of filers' outside business interests for the purchasing department to identify potential interests in contracts that would be prohibited by GML. Lack of procedures that require reviewing the submitted information reduces its usefulness.

Without careful review of the information reported on disclosure statements, and procedures to identify transactions that could pose a conflict of interest, taxpayers have less assurance that the Town has a strong stance on transparency and can identify potential conflicts of interest of officers and employees that could compromise impartiality in decision-making.

The Ethics Board Did Not Periodically Review the Code of Ethics

The code of ethics did not require the Ethics Board to periodically meet to review the code of ethics. During our audit period, the Ethics Board did not meet to review the code of ethics. The Ethics Board last conducted a review of the code of ethics in 2005.

As a best practice, a review of the code of ethics, at least every five years or when deemed necessary, would help to ensure the Ethics Board adequately addresses the expected conduct for all officers and employees including the required standards stipulated by law.

The Ethics Board last conducted a review of the code of ethics in 2005.

What Do We Recommend?

The Town Board should:

1. Have Ethics Board members complete training on the provisions of law relating to conflicts of interest and ethics.
2. Require ethics compliance training for all officers and employees, including an overview of the code of ethics and whistle-blower protections.
3. Develop procedures to provide for a more thorough and meaningful review of the contents of financial disclosure statements in an effort to better identify transactions that could pose conflicts of interest.
4. Amend the code of ethics to require all officers and employees attest in writing to the receipt and review of the code of ethics at the time of their election or appointment, at least every five years and upon any amendment to the code of ethics.
5. Review or request the Ethics Board to review the code of ethics, at least every five years or sooner, if deemed necessary.

The Supervisor should:

6. Visibly post GML Sections 800-809 of the conflict of interest statute and the code of ethics in each Town building.
7. Cause a copy of the code of ethics to be distributed to every officer and employee before entering upon the duties of his/her office or employment.

The Ethics Board should:

8. Obtain a list of vendors from the accounts payable department to reference during its review of the disclosure statements to help identify potential conflicts of interest and maintain a list of filers' outside business interests to supply to appropriate purchasing department personnel

for their use in identifying potential interests in contracts that would be prohibited by GML.

9. Verify all individuals covered by annual financial disclosure requirements file a complete and timely disclosure statement.
10. Carefully review information contained on the disclosure statements to identify interests that could pose a conflict of interest.

Appendix A: Town Code of Ethics Information

Figure 4: Required Code of Ethics Provisions^a and Other Ethical Considerations^b

Required Provisions	Included in the Town's Code of Ethics?
Disclosure of Interests in Legislation Before the Local Governing Body	Yes
Future Employment	Yes
Holding of Investments in Conflict With Official Duties	Yes
Private Employment in Conflict With Official Duties	Yes
Other Ethical Considerations	
Applicability	Yes
Confidential Information	Yes
Definitions	Yes
Enforcement	Yes
Effective Date	Yes
Establishing a Board of Ethics	Yes
Gifts	Yes
Interests in Contracts	Yes
Nepotism	Yes
Political Solicitations	Yes
Posting and Distributing the Code of Ethics	Yes
Prohibition on Use of Municipal Position for Personal or Private Gain	Yes
Purpose of the Code of Ethics	Yes
Recusal and Abstention	No
Ethics Board Members Term Limits ^c	Yes

a GML, Section 806

b Refer to OSC's Model Code of Ethics for Local Governments available at: <https://www.osc.state.ny.us/localgov/pubs/ethics.htm>

c Not included within OSC's Model Code of Ethics for Local Governments but should be considered as a best business practice

Figure 5: Officers and Employees and Other Individuals Associated With the Town Who Did Not File an Annual Financial Disclosure Statement

Job Title	2017	2018
Officers and Employees		
Code Enforcement Officer (3)	Not Filed	Not Filed
Deputy Superintendent of Highway	Not Filed	Not Filed
Superintendent of Highways	Not Filed	
Other Individuals Associated With the Town		
Assessment Review Board		Not Filed
Ethics Board	Not Filed	Not Filed
Commission for Conservation of the Environment	Not Filed	Not Filed
Deferred Compensation Board		Not Filed
Library Board (2)	Not Filed	
Library Board (3)		Not Filed
Planning Board (2)	Not Filed	
Plumbing Board	Not Filed	
State Environmental Quality Review Board	Not Filed	
Zoning Board of Appeals	Not Filed	
Zoning Board of Appeals (2)		Not Filed

() represents the number of individuals that did not file a disclosure statement

Appendix B: Response From Town Officials



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Fax: (716) 877-1261

September 28, 2020

Julie Landcastle, Chief Examiner
Statewide Audit Unit
New York State Office of the State Comptroller
Binghamton State Office Building
44 Hawley Street, Room 1702
Binghamton, New York 13901

Dear Ms. Landcastle,

The Town of Tonawanda has received the State Comptroller's draft audit report of the Town of Tonawanda Ethics Oversight, Report of Examination S9-19-14, for the period of January 1, 2017 through September 30, 2018 and accepts the report.

On behalf of the Town, we appreciate the feedback and will utilize the recommendations provided by the State Comptroller's audit report to strengthen the Town's efforts concerning ethics, transparency and continued protection of the Town of Tonawanda residents' interests.

Our Corrective Action Plan (CAP) has been included as follows:

1. Have Ethics Board members complete training on the provisions of law relating to the conflicts of interest and ethics.

Implementation Plan of Action:

All Ethics Board members will complete and review all 3 modules of the tutorial provided online through the New York State Comptroller's Office, The Academy for New York State's Local Officials /Protecting the Public's Interest /A Tutorial on Local Government Ethics and Transparency in New York State.

<https://www.osc.state.ny.us/local-government/academy/protecting>

After training is complete, an attestation will be filed with the Town Clerk's Office.

Implementation Date: Immediately and to be completed by the end of June 2021.

Person Responsible for Implementation: Town Clerk or Clerk of the Ethics Board, on behalf of the Supervisor and Town Board.

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2. Require ethics compliance training for all officers and employees, including an overview of the code of ethics and whistle-blower protections.

Implementation Plan of Action:

At our annual Town Board Organizational Meeting, which sets the rules and policies for the Town, a resolution requiring compliance training, including an overview of the code of ethics and whistle-blower protections, will be put forth in front of the Town Board for adoption.

Implementation Date: January 4, 2021

Person/Persons Responsible for Implementation: Town Clerk, on behalf of the Town Board

3. Develop procedures to provide for a more thorough and meaningful review of the contents of the financial disclosure statements in an effort to better identify transactions that could pose conflicts of interest.

Implementation Plan of Action: The Town Board and the Town Ethics Board with the assistance of the Town Clerk and Town Comptroller will evaluate current practices for reviewing the contents of the financial disclosures to develop stronger procedures to identify potential conflicts of interest.

Implementation Date: By the end of June 2022 following review of current practices, recommendations, and adoption of procedures by resolution.

Person/Persons Responsible for Implementation: Town Board and Town Ethics Board.

4. Amend the code of ethics to require all officers and employees attest in writing to the receipt and review of the code of ethics at the time of their election or appointment, at least every five years and upon any amendment to the code of ethics.

Implementation Plan of Action: On March 6, 2020 the Supervisor directed the Personnel Director to include a copy of GML sections 800-809 and the Town of Tonawanda Town Code Chapter 10 in all newly elected, appointed and/or hired employee onboarding paperwork (signature required with all paperwork). In addition, also on March 6, 2020, the Supervisor directed all department heads to include these documents to their individual departments policy and procedure for new hires.

Implementation Date: March 6, 2020

Person/Persons Responsible for Implementation: Director of Personnel and Department Heads

5. Review or request the Ethics Board to review the code of ethics, at least every five years or sooner, if deemed necessary.

Implementation Plan of Action: Town of Tonawanda Ethics Board will review with open discussion the code of ethics annually (if deemed necessary) with open discussion at a Board of Ethics meeting. All board meetings are noticed in the newspaper and streamed live to the public if they are unable to attend, for transparency.

Implementation Date: June 2020 and then annually if necessary.

Person/Persons Responsible for Implementation: Town of Tonawanda Town Board of Ethics

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6. Visibly post GML Sections 800-809 of the conflict of interest statute and the code of ethics in each Town building.

Implementation Plan of Action: On March 6, 2020 the Supervisor distributed and directed all department heads post both GML Sections 800-809 of the conflict of interest statute and the code of ethics in every Town building, in a place conspicuous to all Town officers and employees.

Person/Persons Responsible for Implementation: Town department heads, on behalf of the Town Supervisor.

7. Cause a copy of the code of ethics to be distributed to every officer and employee before entering upon the duties of his/her office or employment.

Implementation Plan of Action: On March 6, 2020 the Supervisor directed the Personnel Director to include a copy of GML sections 800-809 and the Town of Tonawanda Town Code Chapter 10 in all newly elected, appointed and/or hired employee onboarding paperwork. In addition, also on March 6, 2020, the Supervisor directed all department heads to include these documents to their individual departments policy and procedure for new hires.

Implementation Date: March 6, 2020

Person/Persons Responsible for Implementation: Director of Personnel and Department Heads

8. Obtain a list of vendors from the accounts payable department to reference during its review of the disclosure statements to help identify potential conflicts of interest and maintain a list of filers' outside business interests to supply to appropriate purchasing department personnel for their use in identifying potential interests in contracts that would be prohibited by GML.

Implementation Plan of Action: The Board of Ethics will obtain a list of all vendors from the Town Comptroller to use during the review of the financial disclosures. During the review of the disclosures, filers with outside business interest will be identified and a list will be created and provided to the appropriate purchasing personnel.

Implementation Date: June 2021, to be done annually.

Person/Persons Responsible for Implementation: The Board of Ethics, the Town Clerk or the clerk of the Board of Ethics and the Town Comptroller.

9. Verify all individuals covered by annual financial disclosure requirements file a complete and timely disclosure statement.

Implementation Plan of Action: The Board of Ethics will obtain a list of all officers and employees from the Personnel Department review the list and identify all individuals covered by annual financial disclosure requirements. The Board of Ethics will request that the Town Clerk or the clerk of Board of Ethics track the disclosures to ensure complete and timely submissions.

Person/Persons Responsible for Implementation: The Board of Ethics, the Town Clerk or the clerk of the Board of Ethics and the Personnel Director.

Implementation Date: February 2021, to done annually.

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10. Carefully review information contained on the disclosure statements to identify interests that could pose a conflict of interest.

Implementation Plan of Action: The Board of Ethics will obtain a list of all vendors from the Town Comptroller to use during the review of the financial disclosures. During the review of the disclosures, filers with outside business interest that may pose a conflict of interest will be provided to the Town Board and the appropriate purchasing personnel. When completing the review of individual disclosure the examining Board of Ethics member will initial the form.

Implementation Date: June 2021, to be done annually.

Person/Persons Responsible for Implementation: The Board of Ethics and the Town Clerk or the clerk of the Board of Ethics.

Joseph H. Emminger, Town Supervisor

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Appendix C: Audit Methodology and Standards

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. To achieve the audit objective and obtain valid audit evidence, our audit procedures included the following:

- We interviewed Town officials, employees and Ethics Board members to gain an understanding of the governing and ethics oversight.
- We reviewed policies, procedures and Town Board and Ethics Board minutes related to ethics.
- We reviewed all 138 disclosures for the audit period to determine whether they were completely and properly filed on time and any potential conflict of interests were reported to the Ethics Board.
- We used our professional judgment to select a sample of three Town buildings from the Town's Municipal Directory indicating 22 building locations, provided by the Deputy Town Clerk. We walked through these buildings to determine whether the conflict of interest statute and the code of ethics was posted. For our sample, we selected the building where we conducted a majority of our fieldwork and two additional nearby Town buildings, with one alternate selected when access was refused to one building, with no expectation of greater or lesser results.

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.

The Town Board has a 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 General Municipal Law. 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 Town Clerk's office.

Appendix D: Resources and Services

Regional Office Directory

www.osc.state.ny.us/sites/default/files/local-government/documents/pdf/2018-12/regional_directory.pdf

Cost-Saving Ideas – Resources, advice and assistance on cost-saving ideas

www.osc.state.ny.us/local-government/publications?title=&body_value=&field_topics_target_id=263196&issued=All

Fiscal Stress Monitoring – Resources for local government officials experiencing fiscal problems

www.osc.state.ny.us/local-government/fiscal-monitoring

Local Government Management Guides – Series of publications that include technical information and suggested practices for local government management

www.osc.state.ny.us/local-government/publications?title=&body_value=&field_topics_target_id=263206&issued=All

Planning and Budgeting Guides – Resources for developing multiyear financial, capital, strategic and other plans

www.osc.state.ny.us/local-government/resources/planning-resources

Protecting Sensitive Data and Other Local Government Assets – A non-technical cybersecurity guide for local government leaders

www.osc.state.ny.us/sites/default/files/local-government/documents/pdf/2020-05/cyber-security-guide.pdf

Required Reporting – Information and resources for reports and forms that are filed with the Office of the State Comptroller

www.osc.state.ny.us/local-government/required-reporting

Research Reports/Publications – Reports on major policy issues facing local governments and State policy-makers

www.osc.state.ny.us/local-government/publications?title=&body_value=&field_topics_target_id=263211&issued=All

Training – Resources for local government officials on in-person and online training opportunities on a wide range of topics

www.osc.state.ny.us/local-government/academy

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