

Brooktondale Fire District

Purchases and Disbursements

MAY 2021



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

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Report Highlights

Brooktondale Fire District

Audit Objective

Determine whether the Brooktondale Fire District (District) Board of Fire Commissioners (Board) ensured purchases and disbursements were proper and supported.

Audit Results

District officials ensured the purchases and disbursements we examined were proper and supported.

We reviewed 39 disbursements totaling \$119,590 of the 304 disbursements totaling \$826,000 paid during the audit period. We found the reviewed purchases followed the District's purchasing policy, were adequately supported and approved prior to payment.

There were no recommendations as a result of this audit.

Background

The District is a district corporation of the State, distinct and separate from the Town of Caroline in Tompkins County.

An elected five-member Board governs the District and is responsible for the District's overall financial management, including auditing and approving purchases.

The Board-appointed Treasurer acts as the chief fiscal officer and is responsible for disbursing District funds.

Quick Facts

2021 Budgeted Appropriations	\$244,923
# of Disbursements for Audit Period	304
\$ of Disbursements for Audit Period	\$825,634

Audit Period

January 1, 2019 – September 30, 2020

Purchases and Disbursements

How Do District Officials Ensure Purchases and Disbursements Are Proper and Supported?

A board is responsible for managing and overseeing financial activities and safeguarding its resources. The board, in conjunction with the treasurer, should establish and implement procedures to help ensure transactions are authorized and properly accounted for and that the district complies with applicable laws, rules and regulations.

Boards are required to adopt written procurement policies and procedures governing all purchases of goods and services that are not subject to competitive bidding. An effective procurement policy helps ensure that officials purchase goods and services of the desired quality and quantity at the lowest cost in the best interests of district taxpayers.

With limited exception, boards are required to audit all claims before payment. The board may, by resolution, authorize payment in advance of audit the claims for light, telephone, postage, freight and express charges. However, these claims must be presented at the next regular board meeting for audit. Effective claims auditing procedures ensure that every claim against a district is subjected to a thorough and deliberate review and contains adequate supporting documentation to determine whether it complies with statutory requirements and district policies, and the amounts claimed represent actual and necessary expenditures.

Purchases and Disbursements Were Proper and Supported

The Board has adopted a procurement policy. For purchases and public works contracts, the policy requires two verbal quotes between \$5,000 and \$10,000, three written quotes for purchases between \$10,001 and \$19,999, and a formal bid for disbursements greater than \$20,000.

Purchases are typically made as follows:

- Discussions of the quotes or bids received from vendors are documented in the Board meeting minutes prior to the purchases being authorized.
- District officials then review the budget to ensure funds are available for the purchases.
- After purchases are made, the Treasurer compiles the bills and supporting documentation and provides them to the Board for audit.
- The Board reviews the bills' details (e.g., vendor names, amounts billed and date of bills) to ensure the purchases were for proper District purposes.
- After the Board approves the bills, the Treasurer disburses the payment.

An effective procurement policy helps ensure that officials purchase goods and services... in the best interests of district taxpayers.

We reviewed 39 disbursements totaling \$119,590 of the 304 disbursements totaling \$826,000 paid during the audit period to determine whether the purchases were in accordance with the District's procurement policy, for legitimate purposes, properly audited and approved before payment and supported by adequate documentation, such as itemized invoices or receipts. Our review identified only minor deficiencies which we discussed with District officials.

Conclusion

District officials established controls over purchases and disbursements and ensured the purchases and disbursements we examined were proper and supported.

Appendix A: Response From District Officials



BROOKTONDALE FIRE DISTRICT

P.O. BOX 74

BROOKTONDALE, NEW YORK 14817-0074

Board of Fire Commissioners

Chas Bruner
Chris Fillinger
Robert Spencer
Chad Tibbals
Brian L. Turk

May 1, 2021

Office of the New York State Comptroller
Division of Local Government and School Accountability
110 State Street, 12th Floor
Albany, New York 12236

To Whom It May Concern,

The Brooktondale Fire District would like to formally thank the Office of the New York State Comptroller (OSC) for the feedback/resources provided through the Purchases and Disbursements audit, performed late fall/winter by [REDACTED] and his team. While no findings were present and no recommendations were as a result of this audit, we recognize a commitment to maintain appropriate practices/procedures as we continue operations.

Sincerely,

Shannon Spencer
District Treasurer

Appendix B: 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 District officials and reviewed Board meeting minutes and policies to gain an understanding of the Board's oversight of financial operations, including purchasing and disbursements.
- We reviewed the bank statements for January 2019 through September 2020 to determine whether bank transfers, electronic fund transfers and withdrawals were for proper District purposes. We also determined whether there were checks payable to cash.
- We judgmentally selected 10 disbursements totaling \$4,042 paid to District officials and other personal type expenditures, such as office supply vendors. We traced those payments to supporting documentation and audited vouchers to determine whether they were for proper District purposes and Board approved.
- We selected all 29 check images from the months of April and December 2019, and March and June 2020 totaling \$115,548. We traced those payments to supporting documentation and audited vouchers to determine whether the purchases were: in compliance with the District's procurement policy, supported, for proper District purposes and Board approved.
- We reviewed all 21 checks totaling \$9,238 paid to the Treasurer to determine if they were for proper District purposes.
- We reviewed all of the District officials' potential outside interests and employment to determine whether there were any prohibited conflicts of interest with any existing District contracts.

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 size of the relevant population and the sample selected for examination.

Appendix C: 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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