

# Onondaga County Resource Recovery Agency

## Transfer Station and Compost Facility Cash Receipts

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**JULY 2019**

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

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# Report Highlights

## Onondaga County Resource Recovery Agency

### Audit Objective

Determine whether transfer station and compost facility cash receipts were properly collected, recorded and deposited.

### Key Findings

Agency officials did not:

- Have adequate controls in place to help ensure that all cash receipts were recorded and deposited.
- Perform periodic unannounced cash counts for all employees responsible for cash collection, as required by the Agency's written procedures.
- Adequately track garbage disposal sticker and compost pass inventories and ensure that sales were properly accounted for.

### Key Recommendations

Agency officials should:

- Improve cash controls by ensuring employees are following the written cash collection procedures.
- Perform periodic unannounced cash counts on all employees responsible for cash collection.
- Perform periodic physical inventories of garbage disposal stickers and compost passes and investigate any differences with inventory records.

Agency officials agreed with our recommendations and indicated they planned to initiate corrective action.

### Background

The Onondaga County Resource Recovery Agency (Agency) is a not-for-profit, public-benefit corporation created by the New York State Legislature to deliver a comprehensive solid waste management and resource recovery system to Onondaga County residents. The Agency is located in central New York State and is governed by a 15-member Board of Directors (Board). As of July 11, 2018, the 15-member Board had 13 Board members and two vacancies. The Executive Director (Director) is responsible, along with other administrative staff, for the day-to-day management of the Agency under the Board's direction.

#### Quick Facts

2018 Budgeted Appropriations	\$33.9 million
2017 Transfer Station and Compost Facility Cash Receipts	\$1.9 million
Employees	70

### Audit Period

January 1, 2017 - March 31, 2018. We extended our scope period to July 12, 2018 to conduct a cash count at the Rock Cut Road transfer station.

# Transfer Station and Compost Facility Cash Receipts

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The Agency operates two transfer station sites (Ley Creek and Rock Cut Road) that provide recycling and solid waste services to residents, businesses and commercial waste haulers in Onondaga County. Users of the transfer stations can purchase residential trash bag stickers,<sup>1</sup> pay a flat rate vehicle entrance fee<sup>2</sup> or tipping fee based on the weight of the trash disposed.<sup>3</sup> In addition, the Agency operates two compost facility sites (Amboy and Jamesville) where residents can drop off food and yard waste as well as purchase compost and mulch materials.<sup>4</sup>

The Agency accepts cash or checks for payments at the sites and accepts credit card payments on-line for the purchase of trash bag stickers and compost passes. The Transfer Director is responsible for overseeing the day-to-day operation of the transfer stations and compost facilities.

The Ley Creek transfer station has a flat-rate shed and a scale house where attendants collect cash receipts. An attendant at the shed uses a cash register to record cash receipts received from customers who drive up to the shed to pay the flat-rate fee or purchase trash bag stickers. Meanwhile, customers disposing based on weight drive up to the weighing station and the weighmaster will record these transactions and cash receipts into the computerized system (system). On a daily basis, the flat-rate shed attendant prints a cash register tape, listing all transactions recorded, and turns it over to the weighmaster with the money collected and a daily reconciliation form. The weighmaster manually enters the flat-rate shed cash receipt information into the system (e.g., cars/trucks at the flat-rate fee, trash bag stickers sold).

Similar to Ley Creek's weighmaster, Rock Cut Road and Amboy attendants<sup>5</sup> enter each transaction directly into the system while the Jamesville's attendant records transactions manually on duplicate, press-numbered receipts because the site lacks electricity.

The attendants and weighmaster use a daily reconciliation form to compare a summary of recorded receipts to the amount of cash and checks on hand to be deposited (less the amount retained to be used to make change) and they prepare a bank deposit slip. Compost facilities attendants deposit money

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1 Trash bag stickers were \$2 per sticker in 2017 and increased to \$3 effective January 1, 2018.

2 Flat-rate vehicle entrance fees are \$15 per car or minivan and \$30 for pickup trucks, SUVs, vans and single-axle trailers. The Agency also charges an additional disposal fee for certain items (e.g., \$5 for a microwave).

3 Minimum scale charge is \$30.

4 In 2017 the Agency offered three types of compost passes (basic, plus and premium) that provided unlimited disposal of yard and food waste as well as varying levels of access to composting and mulch materials. In 2018, the Agency used a single-compost pass system providing customers the ability to drop off unlimited yard and food waste and receive two bags of compost.

5 Rock Cut Road and Ley Creek's flat-rate shed cash collectors are called attendants while Amboy and Jamesville cash collectors are called gatekeepers. We will refer to all cash collectors as attendants throughout the report except for Ley Creek's scale house weighmaster, who will be called weighmaster.

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collected directly into the Agency's bank account and a main office employee enters cash receipts from the Jamesville site into the system. The transfer station deposits and cash reconciliation paperwork are taken to the main office, where an account clerk compares the total money received to the deposit slips and the total on the reconciliation forms. In addition, the accountant completes monthly bank reconciliations which include comparing bank statement deposits to the recorded system totals.

### **How Should Officials Account for Cash Receipts at Transfer Stations and Compost Facilities?**

Agency officials should ensure that adequate cash receipt procedures are in place that provide for the supervision of those charged with handling money. Detailed records such as cash receipt records, cash register tapes and deposit tickets should be maintained and daily cash reconciliation procedures should be performed and documented to verify that all collections are accounted for and deposited in the bank. Any overages or shortages should be identified and investigated, as appropriate. It is also important that when monthly bank reconciliations are prepared, differences between cash receipt records and adjusted bank balances be researched and explained to reduce the risk of errors or irregularities.

When one employee is responsible for both collecting and recording cash receipts, additional oversight and review of their work is necessary as a mitigating control. To the extent possible, management should establish procedures to ensure that the work of one employee is routinely verified in the course of another employee's regular duties. Additional oversight activities can include comparing daily reconciliation forms to supporting documentation and deposits, monitoring employees in the performance of their duties and conducting periodic unannounced cash counts. In addition, officials could take additional preventative measures such as posting a sign listing a contact number at each cash collection location directing customers to call if a receipt was not provided. Involving the customer in ensuring they receive a receipt reduces the risk that an employee collecting cash may not record all receipts or may record the receipt for a lesser amount, diverting cash from deposit and then concealing the transaction through a false reconciliation.

Employees must safeguard assets that are converted to cash, such as trash bag stickers and compost passes, and sell them in sequential order, and properly account for the related collections from the sale of those stickers and passes. Inventory control procedures to account for total stickers and passes purchased, distributed to each transfer station and facility, sold and on hand at any point in time are particularly important because stickers and passes have a cash value and, therefore, are susceptible to theft. Periodically, sticker and pass inventory

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records should be reconciled to recorded sales and the number of unsold stickers and passes on hand. Any differences should be promptly investigated and resolved.

### **Officials Did Not Always Ensure Cash Receipts Were Properly Collected, Recorded and Deposited**

Agency officials have developed written procedures to provide detailed guidance to employees on receiving and recording transactions, issuing receipts to customers, keeping the cash drawer closed and preparing daily cash out reconciliations. However, Agency officials did not ensure that all employees followed the required procedures.

Officials informed us of an alleged employee theft that occurred at the Ley Creek transfer station flat-rate shed on March 29, 2018. They first became aware of the alleged theft when a customer contacted the main office to report that the cash register receipt received from the attendant had the incorrect date.<sup>6</sup> Upon being notified, officials performed an unannounced cash count at both cash collection points<sup>7</sup> at the Ley Creek site. Officials found the attendant's cash register drawer contained \$20 more than the total recorded on the cash register tape. Such an overage could be attributed to an error(s) in recording receipts or making change, or it could represent receipts collected that were intentionally not entered into the cash register. When receipts are not recorded at the time of collection, they are highly susceptible to theft because they are not included in the cashier's daily accountability and can be withheld or removed from the cash register drawer without affecting the daily reconciliation.

Because of this discrepancy, officials reviewed video footage of the transaction the customer inquired about and video footage on another day when the same attendant worked the flat-rate shed. Officials told us they observed the attendant receiving cash for three transactions but not entering those transactions into the cash register. In addition, the video footage showed the attendant did not always close the register drawer after each transaction and he was observed removing cash from the cash register and taking the cash to the scale house to make change and allegedly not returning the full amount back into the cash register. Officials indicated the attendant subsequently resigned on April 2, 2018.

Additionally, the accountant identified a \$400 discrepancy between the cash record and the adjusted bank balance when completing the bank reconciliations for January 2018. When following up on the difference, officials found that the deposit slip for Ley Creek on January 11, 2018 stated \$4,171.60 while the

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6 Receipt was dated March 28, 2018 when transaction occurred on March 29, 2018.

7 The scale house weighmaster's cash drawer and flat-rate shed attendant's cash register drawer. The weighmaster's recorded money matched the money on hand (less amount retained used to make change).

weighmaster's daily reconciliation form and receipts entered into the system totaled \$4,571.60.<sup>8</sup> As a result, more money was recorded as collected than deposited. Had the Agency's daily control procedures been working effectively, this discrepancy between the deposit slip and the supporting records should have been identified during the weighmaster's daily cash reconciliation process or the account clerk's review of the daily deposits and supporting cash receipts documentation. Furthermore, the weighmaster told us he did not always count the money he received from the attendant and compare the total to the flat-rate shed cash register tape or to the attendant's reconciliation form before adding the money to his own daily collections and preparing the deposit. Because individual accountability over the funds was not maintained, it is unclear where the cash discrepancy may have initially occurred.

We reviewed two weeks of cash receipts records showing money collected at the two transfer stations and two compost facilities in July 2017. In addition, we expanded our testing at the Ley Creek transfer station to include cash receipts collected in February 2018. In total, we tested \$159,986<sup>9</sup> in recorded cash receipts to determine whether they were properly deposited.

**Figure 1: Cash Receipts Reviewed**

	Amount	Days Tested
<b>Transfer Stations</b>		
Ley Creek	\$133,882	33
Rock Cut Road	\$19,633	10
<b>Compost Facilities</b>		
Amboy	\$3,300	12
Jamesville	\$3,171	12
<b>Total</b>	<b>\$159,986</b>	<b>67</b>

We compared the amounts reported on the daily reconciliation forms to system totals, bank deposit slips and bank statements. Except for minor discrepancies, which were discussed with officials, we found recorded receipts were properly deposited. However, money collected at the Ley Creek flat-rate shed was not always recorded upon collection.

We reviewed video footage of activity at the Ley Creek flat-rate shed cash register for 10 days in March 2018 when the attendant who resigned on April 2 was working in the shed. We observed 69 transactions on March 19, 2018 and found that the attendant's cash register drawer remained open after completing 59 of

<sup>8</sup> The \$400 difference relates to the cash portion of the deposit. The end of day cash out amount on the reconciliation form showed \$2,963.57 in cash and coin on hand and the deposit slip showed \$2,563.57 in cash and coin was deposited.

<sup>9</sup> See Appendix B for additional information on our audit methodology.

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the transactions (86 percent). In addition, we observed the attendant collecting money and placing it in the cash register but the attendant never entered the transaction into the cash register on 12 occasions (17 percent) and did not print a cash register receipt for these customers. We also observed the attendant removing an undetermined amount of money from the cash register drawer prior to performing the daily cash-out reconciliation. Although the video footage showed that the attendant collected some receipts without recording them, the daily reconciliation form showed no overage for the day. The total cash receipts reflected on the reconciliation form agreed with the total sales on the cash register tape.

Additionally, we reviewed select portions of video footage that included the attendant's end of the day cash-out procedures from March 20, 2018 to March 29, 2018 (nine days) and found control deficiencies similar to those observed on the March 19 video, including the cash register drawer remaining open after transactions, unrecorded money being placed in the cash register drawer and removing an undetermined amount of money prior to the daily reconciliation.

Based on the video footage, we were unable to determine the amount of money the attendant received without recording it in the register or the amounts that were removed from the cash drawer and possibly misappropriated. Officials told us they generally do not review the videos from the collection sites unless a discrepancy comes to their attention that they need to investigate. However, periodic reviews of segments of the videos could help management monitor whether employees are following established cash collection procedures such as issuing receipts to customers, closing the cash drawer between transactions and performing the daily cash-out in front of the camera.

In addition, we observed that none of the transfer stations or compost facilities had signs directing customers to call if a receipt was not provided after a transaction. Also, with the exception of the Ley Creek weigh station, customers were not asked to present their receipts to another Agency employee when they dropped waste off after paying their fees to the attendants at the transfer stations. Because there is no secondary review or verification of receipts by another Agency employee, there is limited assurance that the attendants are recording and issuing receipts for all collections and that the customers paid the correct fees for the waste they are dumping.

Officials were fortunate that the customer who received an incorrect receipt in March 2018 contacted the main office to bring the discrepancy to the attention of management. After this incident, officials hired a new temporary Agency employee to collect money at the flat-rate shed. Officials also provided training on cash receipt procedures to all three weighmasters<sup>10</sup> at the Ley Creek transfer

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<sup>10</sup> One main weighmaster and two relief weighmasters

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station. Training included reinforcing to employees that transactions and cash counts should be completed facing the camera, employees should report overages and shortages in excess of \$1, and cash drawers should be closed following each transaction. In addition, officials told us that customers are now required to show a receipt to a separate employee (who does not collect the fees) prior to disposing their waste at Ley Creek transfer station. Officials should ensure that the employee checking receipts, verifies the receipt date and whether the fee charged is consistent with the type of disposal.

### **Ley Creek Flat-Rate Shed Daily Reconciliation Forms Were Incomplete**

Weighmasters and attendants use a reconciliation form provided by the main office that summarize their daily cash collections. The form includes a place to document total cash and checks collected, the cash register or cash drawer totals, a summary of voids, total amount to be deposited and the employee's signature. In addition, the form states that cash register/drawer tapes should be attached to the form. Our testing found that the daily reconciliation forms for the Ley Creek flat-rate shed were incomplete.<sup>11</sup> The reconciliation forms only showed the total amount collected for the day and did not show the breakdown of cash, coin and checks on hand at the end of the day or a comparison between money recorded in the register to money on hand. Additionally, the reconciliation forms were not signed by the attendant. When daily cash reconciliations are not properly documented, there is an increased risk that errors or irregularities could occur and go undetected.

Furthermore, cash register receipt tapes were not retained for the Ley Creek flat-rate shed for 20 of 33 days tested (61 percent). The weighmaster recorded the flat-rate shed daily sales into the system on these days, which indicates that the register tapes were remitted to the weighmaster with the attendant's reconciliation form. However, the weighmaster and Agency officials had no explanation for why the register tapes (source documents) were not retained on file for over 60 percent of the days tested. Because register tapes were not always retained, officials have no assurance that all money collected and recorded by the flat-rate attendant was properly recorded in the system and deposited.

### **Periodic Unannounced Cash Counts Were Not Performed**

According to the Agency's written cash receipts procedures, supervisors will perform unannounced cash counts to monitor the performance of each cashier. The procedures specify that a supervisor will conduct monthly cash counts at the Ley Creek flat-rate shed and periodic cash counts at all other cash collection

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<sup>11</sup> We reviewed the daily reconciliation forms for two weeks in July 2017 and for February 2018.

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points and the results of each cash count will be documented and kept on file. However, Agency officials did not ensure these unannounced cash counts were performed. During our 15-month audit period, officials performed an unannounced cash count at the Ley Creek weight station and flat-rate shed following the March 2018 incident discussed previously. We found no indication that any other unannounced cash counts were performed.

Due to trash bag sticker inventory discrepancies noted during our cash receipt testing (discussed in the next section of the report), we conducted an unannounced cash count at the Rock Cut Road transfer station on July 12, 2018. Our cash count found that the attendant had \$1,518 in the cash drawer while the system had recorded \$1,471 receipts, a difference of \$47. In addition, the cash drawer contained loose coins totaling \$78 that were not included in the system's total. The attendant had no explanation for the \$47 overage. He explained that the additional loose coins were not part of the daily accountability and have been held in the cash drawer for an unknown period of time. Because the \$125 was not recorded and included in the attendant's daily accountability, it was susceptible to theft without detection.

By conducting periodic unannounced cash counts such as this, officials could monitor employee performance and protect Agency assets by detecting overages and shortages before the cashier ends the shift. Overages and shortages could be indicative of potential issues or cause for concern, depending on the amount and frequency of occurrence.

### **Trash Bag Sticker and Compost Pass Inventory Reconciliations Were Not Performed**

Officials did not establish adequate procedures to accurately account for inventory, sales and reconciliation of trash bag stickers and compost passes. Officials maintained an initial inventory of sequentially numbered trash bag stickers<sup>12</sup> and compost passes purchased as well as documented the number of rolls of trash bag stickers distributed to each transfer station. However, officials did not maintain a similar record of the number of compost passes distributed to each compost facility. Daily reconciliation forms include a section for employees to record the first and last press-numbered trash bag sticker and compost pass sold each day, however, no one compared the number sequence recorded as sold on these forms with the sales recorded in the system. While the attendant at the Amboy compost facility enters the compost pass identification numbers sold into the system, passes sold at Jamesville identify only the quantity sold. Similarly, identification numbers of trash bag stickers sold at the transfer stations are also not entered into the system.

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<sup>12</sup> Each roll has 1,000 stickers.

The Agency does not properly account for its trash bag sticker or compost pass inventory because no one reconciles inventory purchased to amounts recorded in the system as sold and to what is on hand. The Transfer Director told us he replenishes inventory at the request of the weighmaster and attendants. However, no one confirms the number of trash bag stickers and compost passes in stock at the transfer stations or compost facilities when the new stickers and passes are distributed.

We compared the compost pass sales recorded on the reconciliation forms at the Amboy and Jamesville compost facilities to system totals to determine whether the compost passes sold were properly recorded in the system for July 2017. Except for minor discrepancies which were discussed with officials, the compost passes sold per the reconciliation forms agreed with the totals sales recorded in the system.

We also compared the recorded trash bag sticker sales reflected on the reconciliation forms for the Ley Creek and Rock Cut Road transfer stations to the sales recorded in the system for July 2017 to September 2017. The Ley Creek attendant did not record the sequence of trash bag stickers numbers sold on reconciliation forms in 57 of the 69 (83 percent) days reviewed.<sup>13</sup> When the range of sticker numbers sold was not reflected on the reconciliation form, we used the next daily reconciliation form that shows the sequence of sticker sales to determine the number of stickers that should have been sold on the days the forms were incomplete. Our testing found that 461 more trash bag stickers were recorded as sold in the system than was recorded on the reconciliation forms at the two transfer stations.

**Figure 2: Trash Bag Stickers Sold Comparison  
July 2017 - September 2017**

<b>Transfer Station</b>	<b>Rock Cut Road</b>	<b>Ley Creek</b>	<b>Total</b>
System Total	13,548	855	14,403
Forms Total	13,104	838	13,942
<b>Difference</b>	<b>444</b>	<b>17</b>	<b>461</b>

When we conducted an unannounced cash count at Rock Cut Road on July 12, 2018 (see cash count discussed previously in the report), we found that 17 more stickers (13 percent) were recorded as sold in the system that day than was indicated on the attendant’s reconciliation form. The attendant told us customers occasionally may pay for trash bag stickers but drive off to dispose of their waste before he can provide them with the associated stickers purchased. In addition, while the Agency has established pre-defined user rates for residents

<sup>13</sup> For 31 days, the reconciliation forms did not show any sticker numbers sold. For 26 days, the reconciliation form showed only the beginning sticker number sold.

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(ex., cars are charged a flat fee of \$15 to dispose solid waste), the attendant told us that he sometimes charges different rates to customers and records the transactions as sticker sales without issuing the stickers. For example, the attendant explained that a customer with non-bagged waste in a car who should be charged the established \$15 flat rate fee might be charged \$6 (two trash bag stickers) because he assessed that the non-bagged waste would fit into two trash bags. When employees are allowed discretion in deciding when to vary from the established flat-rate fee schedule, there is an increased risk that errors and/or irregularities could occur and go undetected, and the Agency may not realize all the revenue it should be collecting.

We also found that attendants did not always sell trash bag stickers in sequential order at Rock Cut Road. For example, on September 6, 2017, the last trash bag sticker sold was 412000 and the subsequent trash bag sticker sold was 414001, skipping two rolls (trash sticker numbers 412001-413000 and 413001-414000) which they began to sell September 16, 2017. Finally, while the attendant at Rock Cut Road secured unsold trash bag stickers in a locked safe daily, the weighmaster at Ley Creek left unsold stickers unsecured on the counter. Because officials do not have adequate inventory control procedures in place to account for and secure trash stickers, officials have no assurance that stickers are adequately protected from loss, theft or misuse.

## **What Do We Recommend?**

Agency officials should:

1. Ensure employees are following the written cash collection procedures.
2. Ensure attendants are providing a receipt to all customers and install signage at all cash collection points directing customers to call if a receipt is not provided.
3. Ensure an employee who is independent of the cash collection process reviews receipts before the customer disposes of waste and verifies that the receipt and type of disposal are accurate.
4. Ensure that individual accountability is maintained for cash receipts collected at the Ley Creek transfer station and that cash register tapes are retained on file.
5. Periodically review video footage to monitor whether employees responsible for collecting and recording cash receipts are following established cash collection procedures.

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6. Perform periodic unannounced cash counts for all employees responsible for collecting and recording cash receipts and document and investigate discrepancies.
  7. Establish written inventory procedures for trash bag stickers and compost passes and provide a copy to all employees responsible for purchasing, distributing, collecting and recording trash bag stickers and compost passes.
  8. Ensure trash bag stickers and compost passes are secured and sold in sequential order and that sales are properly recorded on the daily reconciliation forms and compared to the sales recorded in the system.
  9. Ensure attendants charge fees in accordance with the established flat-rate fee schedule.
  10. Ensure trash bag stickers are attached to all bags prior to a customer disposing waste, when applicable.
  11. Ensure periodic physical inventories are performed for trash bag stickers and compost passes and investigate any differences between inventory records and the stickers and passes on hand.

# Appendix A: Response From Agency Officials



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April 30, 2019

Ms. Rebecca Wilcox, Chief Examiner  
State Office Building, Room 409  
333 E. Washington Street  
Syracuse, NY 13202-1428

Dear Ms. Wilcox,

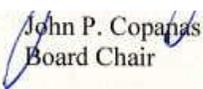
The Onondaga County Resource Recovery Agency acknowledges the receipt of the draft Report of Examination 2018M-217 concerning Transfer Station and Compost Facility Cash Receipts.

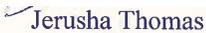
The Board would like to thank you and your staff for your recommendations and expertise.

The Agency will examine the control deficiencies outlined in the report and will reply with both a corrective action plan and the corrective action that has taken place since the completion of the audit.

The corrective action plan will be submitted within 90 days of the release of the final audit report.

Sincerely,

  
John P. Copanas  
Board Chair

  
Jerusha Thomas  
Audit Committee Chair

[www.OCRRA.org](http://www.OCRRA.org)

## Appendix B: Audit Methodology and Standards

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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 Agency officials and employees and reviewed cash receipt procedures to obtain an understanding of the controls over the cash collection process. We also observed operations and reviewed cash receipt records for the Ley Creek and Rock Cut Road transfer stations and the Amboy and Jamesville composting facilities to gain an understanding of the receipt and collection process.
- We interviewed and obtained information from officials regarding the alleged employee theft that occurred at the Ley Creek flat-rate shed in March 2018 as well as information regarding the January 2018 reconciliation discrepancy. We also obtained and reviewed documentation regarding corrective action taken by Agency officials.
- We traced all cash receipt payments received at Ley Creek and Rock Cut Road transfer stations and at the Amboy and Jamesville compost facilities from July 9 through July 22, 2017 from daily reconciliation forms to system cash reports to deposit slips to the bank statement to determine if recorded cash receipts were deposited timely. We selected two weeks in July 2017 because it was one of the months with a higher amount of cash receipt collections. We performed additional testing of Ley Creek receipts for February 2018 because this site was considered a higher risk based on the cash receipt discrepancies that were identified.
- We reviewed all voided receipts for the transfer stations and compost facilities for July 2017. We traced the transactions on the receipts from the void reports to original and subsequent cash receipts to determine if voided transactions appeared legitimate and were adequately supported.
- We compared inventory recorded on daily reconciliation forms of trash bag stickers sold to the amount recorded in the computerized system for July through September 2017 at Ley Creek and Rock Cut Road transfer stations to determine if trash bag sticker sales were properly recorded. Additionally, we interviewed employees to obtain an understanding of how trash bag stickers were recorded in the system.
- We compared inventory recorded on daily reconciliation forms of compost passes sold to the amount recorded in the computerized system for July 2017 at Amboy and Jamesville compost facilities to determine if compost passes sales were properly recorded. Additionally, we interviewed employees to document how compost passes were recorded in the system.

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- We reviewed select video footage<sup>14</sup> of transaction activity that occurred at the Ley Creek flat-rate shed from March 19 to March 29, 2018 and reviewed the footage to observe the flat-rate attendant's end of day cash-out procedures. We documented instances where the flat-rate shed attendant did not enter cash receipts transactions into the cash register and instances where the cash drawer remained open following transactions.
  - We conducted an unannounced cash count at the Rock Cut Road transfer station flat-rate shed on July 12, 2018. With the attendant and an employee present, we counted, verified and recorded the amount of money in the attendant's cash drawer and compared it to the cash report. Additionally, we verified trash bag sticker inventory recorded on the attendant's daily reconciliation form at Rock Cut Road and compared the totals to the system. We selected July 12, 2018 to conduct the cash count after officials were unable explain why more trash bag stickers were recorded in the system than were recorded on the reconciliation forms during our sample test period.

We conducted this performance audit in accordance with GAGAS (generally accepted government auditing standards). 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.

Good management practices dictate that the Board has the responsibility to initiate corrective action. As such, the Board should prepare a plan of action that addresses the recommendations in this report and forward the plan to our office within 90 days.

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<sup>14</sup> During the review of video footage, we fast forwarded the video during periods of inactivity.

## Appendix C: Resources and Services

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### **Regional Office Directory**

[www.osc.state.ny.us/localgov/regional\\_directory.pdf](http://www.osc.state.ny.us/localgov/regional_directory.pdf)

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

[www.osc.state.ny.us/localgov/costsavings/index.htm](http://www.osc.state.ny.us/localgov/costsavings/index.htm)

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

[www.osc.state.ny.us/localgov/fiscalmonitoring/index.htm](http://www.osc.state.ny.us/localgov/fiscalmonitoring/index.htm)

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

[www.osc.state.ny.us/localgov/pubs/listacctg.htm#lgmg](http://www.osc.state.ny.us/localgov/pubs/listacctg.htm#lgmg)

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

[www.osc.state.ny.us/localgov/planbudget/index.htm](http://www.osc.state.ny.us/localgov/planbudget/index.htm)

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

[www.osc.state.ny.us/localgov/pubs/cyber-security-guide.pdf](http://www.osc.state.ny.us/localgov/pubs/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/localgov/finreporting/index.htm](http://www.osc.state.ny.us/localgov/finreporting/index.htm)

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

[www.osc.state.ny.us/localgov/researchpubs/index.htm](http://www.osc.state.ny.us/localgov/researchpubs/index.htm)

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

[www.osc.state.ny.us/localgov/academy/index.htm](http://www.osc.state.ny.us/localgov/academy/index.htm)

## Contact

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