



Elmont Public Library

Board Oversight and Professional Services

Report of Examination

Period Covered:

July 1, 2011 — April 30, 2013

2014M-60



Thomas P. DiNapoli

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State of New York Office of the State Comptroller

Division of Local Government and School Accountability

July 2014

Dear Library Officials:

A top priority of the Office of the State Comptroller is to help local government officials manage government resources efficiently and effectively and, by so doing, provide accountability for tax dollars spent to support government operations. The Comptroller oversees the fiscal affairs of local governments statewide, as well as compliance with relevant statutes and observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving operations and Board governance. Audits also can identify strategies to reduce costs and to strengthen controls intended to safeguard local government assets.

Following is a report of our audit of the Elmont Public Library, entitled Board Oversight and Professional Services. This audit was conducted pursuant to Article V, Section 1 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the General Municipal Law.

This audit's results and recommendations are resources for local government officials to use in effectively managing operations and in meeting the expectations of their constituents. If you have questions about this report, please feel free to contact the local regional office for your county, as listed at the end of this report.

Respectfully submitted,

*Office of the State Comptroller
Division of Local Government
and School Accountability*



State of New York Office of the State Comptroller

EXECUTIVE SUMMARY

The Elmont Public Library (Library) is located in the Town of Hempstead in Nassau County. The Library is a school district public library that received its charter from the New York State (NYS) Board of Regents and is overseen by the NYS Education Department.

The Library is governed by a seven-member Board of Trustees (Board), each of whom is elected by the Elmont Union Free School District voters. Library officers include the Board President, Board Vice President, Library Director (Director), Board Secretary, and Board Treasurer. The Director is responsible for day-to-day Library operations and is appointed by the Board. For the 2012-13 fiscal year, the Library's budgeted appropriations totaled \$3,240,092.

Scope and Objective

The objective of our audit was to determine if the Board provided adequate oversight of the Library's financial operations during the period July 1, 2011 through April 30, 2013. Our audit addressed the following related questions:

- Does the Board adequately audit and approve claims and have proper controls over the administrative checking account?
- Has the Board established an appropriate Treasurer function?
- Did the Board require solicitation of competition when procuring professional services?

Audit Results

The Board does not audit and approve claims before they are paid from the administrative checking account (ACA). Furthermore, the Board authorized the Library Director and an administrative assistant to manage this account, sign checks and pay vendors before submitting claims to the Board for audit and approval. The Treasurer does not have access to or custody of the funds maintained in the ACA. The Library Director and administrative secretary issued 521 checks totaling \$153,290 from the ACA during our audit period. According to the Board's own policy, none of these transactions were required to be audited by the Board before payment. In addition, we found that the Board does not closely monitor the ACA activity. For instance, the Board did not take any action when cash balances in this account ranged between \$17,980 and \$34,389 – nearly 10 times more than the \$3,500 authorized limit during our audit period.

Also, the Board inappropriately delegated the Treasurer's functions to an independent contractor. The Board appointed an independent contractor as the Treasurer, who did not take an oath of office and is being paid through a claim voucher rather than through the payroll system. Because the Treasurer is responsible for the care and custody of Library funds, the Board cannot delegate these functions to an independent contractor. In addition, without having taken an oath of office, the Treasurer does not have the authority to sign checks on the behalf of the Library.

Finally, the Board did not require the solicitation of competition at reasonable intervals when procuring professional services. The Library's procurement policy requires the use of a request for proposal (RFP) process only when the services or the individual who had been providing the service had changed, rather than requiring Library officials to solicit competition at reasonable intervals. We found that the Board had retained six professional service providers for approximately 10 to 30 years without periodically seeking competition. For example, the Library has contracted with a management consultant since 1981 without seeking competition for these services. Because the Library paid this consultant a significant amount (\$203,939) during our audit period, this increases the need for the Library to periodically solicit competition to ensure that it is receiving the best value for the price paid.

Comments of Library Officials

The results of our audit and recommendations have been discussed with Library officials and their comments, which appear in Appendix A, have been considered in preparing this report. Except as specified in Appendix A, Library officials generally agreed with our recommendations and indicated they planned to take corrective action. Appendix B includes our comments on issues raised in the Library's response letter.

Introduction

Background

The Elmont Public Library (Library) is located in the Town of Hempstead in Nassau County. The Library is a school district public library that received its charter from the New York State (NYS) Board of Regents and is overseen by the NYS Education Department.

The Library is governed by a seven-member Board of Trustees (Board), each of whom is elected by the Elmont Union Free School District voters. Library officers include the Board President, Board Vice President, Library Director (Director), Board Secretary and Board Treasurer. The Director is responsible for day-to-day Library operations and is appointed by the Board.

During our fieldwork, the Director position was filled on an interim basis by the Librarian in Charge. The Library Treasurer (Treasurer) is responsible for receiving, disbursing, and maintaining custody of Library moneys, maintaining accurate and complete accounting records and providing the Board with required periodic financial reports. For the 2012-13 fiscal year, the Library's budgeted appropriations totaled \$3,240,092.

Objective

The objective of our audit was to determine if the Board provided adequate oversight of the Library's financial operations. Our audit addressed the following related questions:

- Does the Board adequately audit and approve claims and have proper controls over the administrative checking account?
- Has the Board established an appropriate Treasurer function?
- Did the Board require solicitation of competition when procuring professional services?

Scope and Methodology

We examined the Board's oversight over claims auditing, monitoring of the administrative checking account's activities, monitoring of the Library Treasurer function, and its procedures for selecting professional service providers during the period July 1, 2011 through April 30, 2013.

We conducted our audit in accordance with generally accepted government auditing standards (GAGAS). More information on such standards and the methodology used in performing this audit is included in Appendix C of this report.

Comments of Library Officials and Corrective Action

The results of our audit and recommendations have been discussed with Library officials and their comments, which appear in Appendix A, have been considered in preparing this report. Except as specified in Appendix A, Library officials generally agreed with our recommendations and indicated they planned to take corrective action. Appendix B includes our comments on issues raised in the Library's response letter.

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 forwarded to our office within 90 days, pursuant to Section 35 of the 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 this plan available for public review in the Business Office.

Board Oversight

Education Law requires the Board to audit and approve all claims against the Library prior to directing the Treasurer to pay them. The Board may, by resolution, authorize payment in advance of audit for claims related to public utility services (electric, gas, water, sewer, and telephone), postage, freight, and express charges. However, claims for such prepayments must be presented at the next regular Board meeting for audit. Also, the Treasurer is the custodian of all Library funds and is required to sign all Library disbursement checks. The Treasurer's duties carry with them a high degree of public trust and, therefore, in the absence of express statutory authority, those functions may not be delegated to an independent contractor.

The Board does not audit and approve claims before they are paid from the administrative checking account (ACA). Furthermore, the Board authorized the Library Director and an administrative assistant to manage this account, sign checks and pay vendors before submitting claims to the Board for audit and approval. The Treasurer does not have access to or custody of the funds maintained in the ACA. Without a proper audit and approval of Library claims by the Board prior to payment, the Board cannot be assured that all payments are for legitimate Library purposes or that taxpayer dollars are being disbursed in the most prudent and economical manner. In addition, the Board appointed an independent contractor as the Treasurer, who did not take an oath of office and is being paid through a claim voucher rather than through the payroll system. Because the Treasurer is responsible for the care and custody of Library funds, the Board cannot delegate these functions to an independent contractor.

Claims Audit

The Board has sole authority over the expenditure of Library funds. Therefore, the Board must adopt a policy and procedures to ensure that all claims are audited and approved by the Board before the Treasurer can pay them. Although some claims for items such as petty cash, recurring utilities or subscriptions may be paid prior to audit, these claims must be presented to the Board for audit at the next Board meeting. The Treasurer should have custody of all Library funds and should sign all Library checks.

The Library's policy requires a monthly warrant (list of claims) to be submitted to the Board for audit and approval before the Treasurer pays the related claims. The policy also allows the Treasurer to pay certain claims before the Board audits and approves them. However, these claims must be included in the warrant that is submitted to the Board for the following month. The policy also requires the Treasurer

and either the Board President or Vice President to sign all non-payroll checks.

The Board also adopted a policy that established the ACA and authorized the Library Director to write checks from this account to purchase furniture, equipment and supplies, with a total purchase price of up to \$1,000 per item, without prior audit and approval by the Board. The policy limits the balance in the account to \$3,500 and allows only the Library Director or the administrative secretary to sign checks written against this account.

The ACA policy contradicts the Library's policy and good business practices by restricting the Treasurer's access to all Library funds, allowing claims¹ to be paid before they are audited and approved by the Board, and allowing individuals² other than the Treasurer to sign Library checks. In addition, we found that the Board does not closely monitor the ACA activity. For instance, the Board did not take any action when cash balances in this account ranged between \$17,980 and \$34,389 – nearly 10 times more than the \$3,500 authorized limit – from July 1, 2011 through April 30, 2013.

The Library Director and administrative secretary issued 521 checks totaling \$153,290 from the ACA during our audit period. We reviewed 66 of these payments, representing 105 purchases totaling \$49,637,³ to determine whether the purchases were for furniture, equipment or supplies, as was intended by the ACA policy. Although all purchases appeared to be for legitimate Library purposes, only 26 totaling \$5,637 were for purchases of furniture, equipment or supplies as prescribed by the ACA policy. The remaining 79 totaling \$44,319 included purchases of services such as piano tuning, theater lighting, legal services, one-day performance contracts for Library-sponsored programs, and payments for unemployment insurance, conference fees, travel expenses, museum and other membership fees, and lost book fees. In addition, 11 of the 105 purchases totaling \$28,382 were in excess of the \$1,000 limit set by the ACA policy.

Except for five purchases totaling \$13,156, which were for expenditures that can be paid in advance of audit, all of the other 100 purchases totaling \$36,481 should have been handled through the normal claims audit process and audited and approved by the Board before they were paid by the Treasurer. Furthermore, none of the 66

¹ Claims that are not listed as approved claims to be paid before audit, according to the Library's policy

² The Library Director and administrative secretary signed the checks. According to the Library's claims audit policy, the Treasurer and either the Board President or Vice President must sign all non-payroll checks.

³ Refer to Appendix B for further information on our sample selection.

checks were signed by the Treasurer, as required by the Library's policy. Instead, they were all signed by the Administrative secretary.

We found no special circumstances or urgency to justify the processing and payment of these claims before they were audited and approved by the Board. They should have been processed in the same manner as other Library claims, audited and approved by the Board and paid from the Library's regular checking account.

Without a proper audit and approval of Library claims by the Board prior to payment, the Board cannot be assured that all payments are for legitimate Library purposes or that taxpayer dollars are being disbursed in the most prudent and economical manner. Furthermore, an environment in which checks are not signed by the Treasurer increases the risk that unauthorized or improper payments occur and remain undetected.

Treasurer as Independent Contractor

The duties of a local government chief financial officer/treasurer, including the custody and disbursement of public funds, carry with them a high degree of public trust and, therefore, in the absence of express statutory authority, these functions may not be delegated to an independent contractor. Consequently, the Library may not contract with a private party to perform the functions that involve the custody and disbursement of public funds. New York State Public Officers Law requires every public officer to take and file an oath or affirmation prior to the discharge of any of their official duties.

The Board annually appoints an individual as an independent contractor to the position of Treasurer at its annual reorganization meeting. At the 2012 reorganization meeting, the Board reappointed the Treasurer for the 2012-13 fiscal year at an annual fee of \$2,980. Library officials told us that the Treasurer is appointed as an independent contractor. We also found that the Treasurer does not take an oath of office, which is a requirement for holding public office, and is not compensated through the payroll as are other Library officers and employees.⁴

Because the Treasurer is responsible for the care and custody of Library funds, the Board cannot delegate these functions to an independent contractor. In addition, without having taken an oath of office, the Treasurer does not have the authority to sign checks on behalf of the Library.

Recommendations

1. Except as otherwise provided by law, the Board should audit and approve all claims prior to payment.

⁴ The Treasurer submits a claim voucher to the Library for payment of his services.

2. The Board should ensure that all Library funds are in the custody of the Treasurer and that the Treasurer signs all disbursement checks, after audit and approval of the claims by the Board.
3. The Board should ensure that the Treasurer meets all the requirements of a Library officer, including filing an oath of office, being compensated through the payroll and having appropriate payroll deductions withheld.

Professional Services

General Municipal Law requires the Board to adopt written policies and procedures for the procurement of goods and services that are not subject to competitive bidding, such as professional services, to ensure that the Library obtains these services from qualified providers at the most economical cost. Generally, there are no set rules regarding the frequency of initiating competition for professional services. However, the Library's procurement policy should address this matter and require competition at reasonable intervals. While not legally required, using a competitive method, such as a request for proposal (RFP) process, would help ensure that the Library obtains qualified services at reasonable prices and in the best interests of the taxpayers.

The Library's procurement policy addresses the methods that Library officials must use when selecting professional service providers and requires the Board to review the Library's need for issuing RFPs on an annual basis. However, the policy requires the use of an RFP process only when the services or the individual who had been providing the service had changed, rather than requiring competition to be solicited at reasonable intervals.

During our audit period, the Library paid a total of \$294,142 to six professional service providers: three legal firms, two accounting firms and a management consultant. We reviewed 10 claims⁵ paid to these providers totaling \$38,062 and found that the Board had retained these professional service providers for approximately 10 to 30 years without periodically seeking competition. For example, the Library has contracted with the management consultant since 1981 without seeking competition for these services. Because the Library paid this consultant a significant amount (\$203,939) during our audit period, this increases the need for the Library to periodically solicit competition to ensure that it is receiving the best value for the price paid.

The Board also contracted with one of the three law firms since 1999 and one of the two accounting firms since 1991 without periodically soliciting competition.⁶ Library officials used an RFP process to procure the legal services of one legal firm only after the original firm that had been providing these services resigned at the end of the 2010-11 fiscal year.

⁵ Refer to Appendix B for further information on our sample selection.

⁶ The Library paid \$24,052 to these two professional service providers during our audit period.

Also, Library officials procured additional legal services in June 2007 without soliciting competitive proposals. Because the Library did not have a previous legal firm providing these specific services, Library officials were not required by the procurement policy to use an RFP process to obtain them. Under the direction of the procurement policy, only when the current firm that is providing these services changes, or the services changes, will Library officials be required to seek competition. However, the Board does periodically use an RFP process for procuring auditing services, which it did most recently in May 2010.

Our review of payments made to these professionals showed that payments were consistent with written agreements or Board resolutions. However, because the Board awarded professional services contracts without soliciting competition at reasonable intervals, there is no assurance the Library procured these services from qualified providers at the most economical cost. In this case, the Library's lack of competition undermines the purpose of its procurement policy.

Recommendation

4. The Board should revise its procurement policy to require Library officials to periodically procure professional services through a competitive process.

APPENDIX A

RESPONSE FROM LIBRARY OFFICIALS

The Library officials' response to this audit can be found on the following pages.



June 23, 2014

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

RE: Elmont Public Library
Draft Report of Examination, 2014M – 060
Period covered: July 1, 2011 – April 30, 2013

Dear Comptroller,

Please accept this letter as the Elmont Public Library's official response letter to the above referenced audit and our corrective action plan in reply to the State Comptroller's four (4) recommendations.

1. *Comptroller's Recommendation: "Except as otherwise provided by Law, the Board should audit and approve all claims prior to payment."*

Response: the Comptroller's recommendation (1.) refers to the expenditures in the Library's Administrative Checking Account (ACA). The total expenditures from the ACA during the audit period was \$153,290., which represents approximately 2.6% of the Library's total expenditures during the audit period. Although the Board of Trustees did review the ACA's expenditures on a monthly basis, the Comptroller is correct in their recommendation that the Board should approve all claims prior to payment.

Corrective Action Plan: prior to the State Comptroller's audit, the Library had an independent CPA firm perform a three-year managerial audit. In their management letter dated May 27, 2011, they also recommended not using the ACA due to the same reasons as the Comptroller cited. When the Board received the independent auditor's recommendation, the Administrative Staff (Library Director, Administrative Assistant) were directed to reduce the usage of the ACA to the point where issuing checks from the fund were limited to emergencies and nominal expenditures. Over the last nine (9) months, there have been a total of eight (8) checks written from the ACA, four (4) of which were for credit card payments to avoid late charges and interest fees. The Library has since changed the credit card payment

due date and no longer uses the ACA to make those payments. The ACA will only be used for emergencies and the Library Board will amend its Board Policy to reflect this.

2. *Comptroller's Recommendation: "The Board should ensure that all Library funds are in the custody of the Treasurer and that the Treasurer signs all disbursement checks after audit and approval of the claims by the Board."*

Response: this recommendation also is referring to the ACA, which represented 2.6% of all expenditures during the audit period.

Corrective Action Plan: the ACA will *only* be used for emergencies and the Treasurer will be added as the second signer to the ACA.

3. *Comptroller's Recommendation: "The Board should ensure that the Treasurer meets all of the requirements of the Library Officer, including filing an Oath of Office, being compensated through the payroll and appropriate payroll deductions withheld."*

Response: if the Board had known that the Treasurer should be on the Library's payroll, they would have ensured that this was being done. As discussed with the Comptroller's examiners, that recommendation is not reflected in the Law or in the "Handbook for Library Trustees of New York State," which is distributed by the New York State Education Department. Putting the Treasurer on the Library's payroll is a simple task.

Corrective Action Plan: the Library will pay the Treasurer through its payroll system and withhold the appropriate deductions. The Treasurer also will take an Oath of Office and that Oath will be filed with the Nassau County Clerk's Office.

4. *Comptroller's Recommendation: "The Board should revise its Procurement Policy to require Library Officials to periodically procure professional services through a competitive process."*

Response: the language of the Library's Policy 300-6, adopted by the Board in 2006 and amended in 2007 states, in pertinent part, "The Library Board of Trustees will review and vote on the independent contractors' (Business Manager, Attorney, Accountant, Board Clerk and Treasurer) annually at its reorganization meeting. The Library Board also will review annually the need for Request for Proposals for those services. Whenever those services or individuals are changes, the Board will use written Requests for Proposals." Stating that the Board should revise its procurement policy to require Library Officials to periodically procure professional services through a competitive process at reasonable intervals, the State Comptroller's Office seeks to mandate a procurement that is not required by law. Not only is this artificial mandate, requiring solicitation at reasonable intervals, not contemplated with the General Municipal Law, but it is in contradiction to the Local Government Management Guide, Seeking Competition in Procurement, issued by the New York State Office of the State Comptroller Division of Local Government and School Accountability in May 2013 (herein "LGM"). Had the legislature intended for governments to be required to solicit at reasonable intervals for professional services, they would have incorporated it into law. Instead, discretion is left to

See
Note 1
Page 18

See
Note 2
Page 18

governments to procure Professional Services as they have been noted as one of the “most prominent exceptions to competitive bidding (LGM, pg. 17).” The LGM Guide states that “generally, there are no set rules regarding the frequency of RFP’s. However, provision should be made for periodic solicitations at reasonable intervals (LGM, pg. 18).” The LGM also recognizes that there are other plausible, effective and prudent means to attain Professional Service Contracts and that the RFP is not the only means of doing so. “Your procurement policy should designate whether RFP’s or other similar procedures should be used to solicit professional services (LGM, pg. 18).”

See
Note 2
Page 18

In the Comptroller’s report, it states that three (3) legal firms, two (2) accounting firms and a management consultant were retained without periodically seeking competition. Of those six (6) professional services, four (4) were obtained through the RFP process when initially retained. Only two (2) were not sought through the RFP process: one (1) Attorney and the Management Consultant. The Management Consultant’s contract, and the Attorney and Accounting firms’ contracts, are reviewed and approved annually by the Board.

Over the last 33 years, different elected Library Boards have served the taxpayers of the District. Each Board unanimously approved, after annual review, the Management Consultant’s Professional Services contract. Prudent, cost effective analysis has been the method by which a Professional Service Contract has been sustained year after year. The benefit to our taxpayers of a zero increase in their taxes over the past five years, without sacrificing building integrity and quality of services, in an economic downturn where all municipalities and school districts have been financially burdened, has been the Board’s methodology and reason for continued renewal of a contract for Professional Services of our Management Consultant. The Elmont Public Library is the third largest, and one of the busiest, libraries in Nassau County. Of the 10 largest libraries, Elmont’s expenditures are far below all of the others. Therefore, the methodology in which the Board uses to sustain Professional Services is prudent, comprehensive, fair and economical, albeit not via an RFP process. In light of these facts, a strong probability exists that the legislature left such procurement at the discretion of governments because they are in the best position to determine and define “best value” as it relates specifically to their districts. That being the case, the Elmont Library Board feels very strongly that they are—and have been—acting in the “...best interest of the taxpayers,” the same reason the Comptroller is suggesting periodically issuing RFP’s. Additionally, the Library Board follows the law and policy regarding the engagement of professional service providers.

See
Note 2
Page 18

The Board of Trustees respectfully request that the Office of the State Comptroller strike Recommendation No. 4, as such recommendation is contrary to the current law and in contradiction with the Office’s own “Local Government Management Guide.”

See
Note 3
Page 18

Corrective Action Plan: the Board of Trustees recognizes the importance of the RFP process and competitive bidding. We serve at the pleasure of our taxpayers and it is our fiduciary duty to act in the best interest of the public.

The Board will continue to follow the laws regarding procurement of Professional Services. While the law provides that professional services are not required to be competitively bid, the Board will continue to procure services in a manner that assures

prudent and economical use of public moneys in the best interest of our taxpayers (General Municipal Law, Sec. 104b-1).

The Board also will revise and fully develop its Procurement Policy to accurately and precisely reflect the cost benefit relationship between procedures and expected outcomes, while ensuring that required actions do not outweigh the costs, nor overburden the process. The Policy will adopt a method for procurement, not subject to the bidding requirement, that furthers the purpose of the law.

The Board also will review its Policy annually to ensure that procedures are current and appropriate to meet the changing needs of our District.

In closing, the Board would like to thank the State Comptroller's Office and examiners for all of their hard work and professionalism during the audit period. Your staff was extremely mindful of our staff's work load and was as non-intrusive to day-to-day operations as possible.

Very truly yours,

Monique Hardial, President
Library Board of Trustees

cc: Board of Trustees
Dr. Roger Podell, Director
Tom Volz, Esq., Library Attorney

APPENDIX B

OSC COMMENTS ON THE LIBRARY'S RESPONSE

Note 1

While not mandated by law, periodically procuring professional services through a competitive process at reasonable intervals is not only a good business practice, it also will help the Board ensure that the Library and taxpayers are receiving the best value for those services.

Note 2

All of the guidance provided to the Library in this report coincides and is consistent with the guidance provided by the State Comptroller's *Local Government Management Guide: Seeking Competition in Procurement* (LGMG). The full text that the Library has taken these individual quotes from can be found on the State Comptroller's website.⁷ The Board has annually awarded a contract to the same individual for providing the same professional services without soliciting competition for 30 consecutive years. Because the Library's procurement policy does not specify a competitive method for procuring the services of professionals at reasonable intervals, the Board and taxpayers have no assurance that the Library has obtained quality services under the most favorable terms and conditions possible.

Note 3

Our recommendation is consistent with the guidance provided in the LGMG and with the intent of Section 104b of the General Municipal Law.

⁷ <http://www.osc.state.ny.us/localgov/pubs/lmg/seekingcompetition.pdf>

APPENDIX C

AUDIT METHODOLOGY AND STANDARDS

During this audit, we examined the Library's operations for the period July 1, 2011 through April 30, 2013. Our audit procedures included examining payment records, ledgers, and contracts for the administrative checking account (ACA). In addition, we reviewed the records that pertained to the solicitation of proposals for professional services and the records that pertain to those functions of the Treasurer that may properly be characterized as discretionary or can only be performed by the Treasurer. To accomplish our audit objective and obtain valid audit evidence, we interviewed appropriate officials and employees, and tested selected records and transactions. Our procedures included the following steps:

- We examined records related to the establishment and management of the ACA, such as Board policies, vendor invoices and claim vouchers, warrants, bank statements, canceled checks and bank deposits. We also reviewed account ledgers and other related records.
- We selected and reviewed 66 transactions made from the ACA totaling \$49,637 to determine if the payments were made in accordance with policy, were documented and were for proper Library purposes. The 66 transactions were judgmentally selected to obtain payments to a variety of vendors and of the largest dollar amounts made during the audit period.
- We reviewed job descriptions, the minutes of the Board's proceedings and policies and procedures. We also interviewed Library officials regarding the Treasurer's job responsibilities.
- We reviewed contracts, vouchers and payments records for the Treasurer and documentation pertaining to the Treasurer's duties to determine if the Library had entrusted discretionary authority to an independent contractor.
- We reviewed the records that pertained to the solicitation of competitive proposals for professional services, such as Board policies, Board minutes, contracts, disbursement records and account ledgers of payments to professional service providers and determined the nature of the services provided.
- From a population of six professional service providers, we randomly selected 10 claims paid to the service providers and compared the amounts claimed on vendors' invoices to their respective contracts to determine if payments were in accordance with contract terms.

We conducted this performance audit in accordance with 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.

APPENDIX D

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