



DIVISION OF LOCAL GOVERNMENT
& SCHOOL ACCOUNTABILITY



	Page
AUTHORITY LETTER	1
INTRODUCTION	2

Introduction

Background

Objective

Scope and
Methodology

We examined BOCES' claims auditing process for the period July 1, 2014 through January 31, 2016.

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 are included in Appendix B of this report. 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.

Comments of BOCES
Officials

The results of our audit have been discussed with BOCES officials, and their comments, which appear in Appendix A, have been considered in preparing this report. BOCES officials agreed with our report.

Claims Auditing

The Board is responsible for auditing and approving all claims prior to payment. This responsibility can be delegated to a claims auditor to act on the Board's behalf. The claims audit should be a deliberate and thorough process to ensure each claim contains sufficient supporting documentation to verify compliance with Board-adopted policies or statutory requirements and that each claim is for a proper BOCES purpose. Furthermore, checks should not be signed prior to the claims being reviewed and approved for payment.

BOCES officials have established adequate controls over the claims processing function that allow claims to be audited in a timely manner in accordance with BOCES' policy and New York State Education Law. The Board delegated its responsibility to a claims auditor and established a claims auditing policy to provide guidance to the claims auditor. The policy requires the claims auditor to perform a thorough audit of claims verifying that claims are properly itemized and supported and whether the BOCES has actually received the goods or services described in each claim by reviewing detailed receipts before the Treasurer pays claims.

Prior to a check being signed, the claims auditor routinely reviews each claim to ensure it is for a valid and legal BOCES purpose, the items or services for which payment is claimed were received or rendered and the purchase was initiated by an authorized BOCES official. The claims auditor also routinely ensures that each claim is in the proper form, mathematically correct, does not represent a previously paid claim and is in agreement with the originating purchase order. Upon completion of his audit, the claims auditor signs each claim and signs and dates the warrant to approve payment of claims. The warrant is then provided to both the Board and the Treasurer so that checks can be signed and distributed to vendors.

BOCES made 22,236 claims for disbursements totaling \$260.1 million during our audit period. We reviewed 88 of these disbursements, which paid for 177 claims totaling approximately \$2 million to determine if they contained sufficient documentation and were properly authorized and approved, sufficiently itemized and for valid business purposes. Except for minor issues that we discussed with BOCES officials, we found that claims were properly authorized, approved and audited before payment, appropriately supported and for legitimate BOCES purposes.

We commend BOCES officials for establishing and implementing an effective system of controls over claims pr1.611 -1menw_____

APPENDIX A
RESPONSE FROM BOCES OFFICIALS

The BOCES officials' response to this audit can be found on the following page.

OFFICE

APPENDIX C

APPENDIX D
OFFICE OF THE STATE COMPTROLLER
DIVISION OF LOCAL GOVERNMENT
AND SCHOOL ACCOUNTABILITY

Andrew A. SanFilippo, Executive Deputy Comptroller
Gabriel F. Deyo, Deputy Comptroller
Tracey Hitchen Boyd, Assistant Comptroller

LOCAL REGIONAL OFFICE LISTING

BINGHAMTON REGIONAL OFFICE

H. Todd Eames, Chief Examiner
Office of the State Comptroller
State Office Building, Suite 1702
44 Hawley Street
Binghamton, New York 13901-4417
(607) 721-8306 Fax (607) 721-8313
Email: Muni-Binghamton@osc.state.ny.us

Serving: Broome, Chenango, Cortland, Delaware,
Otsego, Schoharie, Sullivan, Tioga, Tompkins Counties

BUFFALO REGIONAL OFFICE

Jeffrey D. Mazula, Chief Examiner
Office of the State Comptroller
295 Main Street, Suite 1032
Buffalo, New York 14203-2510
(716) 847-3647 Fax (716) 847-3643
Email: Muni-Bufferalo@osc.state.ny.us

Serving: Allegany, Cattaraugus, Chautauqua, Erie,
Genesee, Niagara, Orleans, Wyoming Counties

GLENS FALLS REGIONAL OFFICE

Jeffrey P. Leonard, Chief Examiner
Office of the State Comptroller
One Broad Street Plaza
Glens Falls, New York 12801-4396
(518) 793-0057 Fax (518) 793-5797
Email: Muni-GlensFalls@osc.state.ny.us

Serving: Albany, Clinton, Essex, Franklin,
Fulton, Hamilton, Montgomery, Rensselaer,
Saratoga, Schenectady, Warren, Washington Counties

HAUPPAUGE REGIONAL OFFICE

Ira McCracken, Chief Examiner
Office of the State Comptroller
NYS Office Building, Room 3A10
250 Veterans Memorial Highway