



# Global Concepts Charter School Cash Disbursements

## Report of Examination

Period Covered:

July 1, 2015 – March 17, 2017

2017M- 126



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# State of New York Office of the State Comptroller

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## **Division of Local Government and School Accountability**

February 2018

Dear School Officials:

A top priority of the Office of the State Comptroller is to help charter school officials manage school financial operations efficiently and effectively and, by so doing, provide accountability for money spent to support school operations. The Comptroller audits the financial operations of charter schools outside of New York City to promote compliance with relevant statutes and observance of good business practices. This oversight identifies opportunities for improving school financial operations and Board of Trustees governance. Audits also can identify strategies to reduce costs and to strengthen controls intended to safeguard school assets.

Following is a report of our audit of the financial operations of the Global Concepts Charter School, entitled Cash Disbursements. This audit was conducted pursuant to Article V, Section 1 of the State Constitution and the State Comptroller's authority as set forth in Section 2854 of the New York State Education Law, as amended by Chapter 56 of the Laws of 2014.

This audit's results and recommendations are resources for school officials to use in effectively managing financial operations and in meeting the expectations of the taxpayers, students and their parents. 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*

# Introduction

## Background

A charter school is a public school financed by local, State and federal resources that is not under the control of the local school board. Charter schools generally have fewer legal operational requirements than traditional public schools. Most of the regulations for a charter school are contained in Article 56 of Education Law and its bylaws, charter agreement and fiscal/financial management plans. Charter schools are required to set both financial and academic goals, and a school's renewal of its charter is dependent on meeting these goals.

The Global Concepts Charter School (School) is located in the City of Lackawanna in Erie County. The New York State Board of Regents first chartered the School in 2002 and the School is currently in its third renewal term. The School is governed by a five-member Board of Trustees (Board), which is responsible for the general management and control of the School's financial and educational affairs. The Board Chair<sup>1</sup> oversees the School and is responsible, along with other administrative staff, for the School's day-to-day management under the Board's direction.

The School had 934 enrolled students and 151 employees during the 2016-17 school year. The School's 2016-17 operating expenses totaled \$11.3 million. These expenses were funded primarily with revenues derived from billing the area school districts for resident pupils and from State and federal aid attributable to these pupils.

## Objective

The objective of our audit was to evaluate the cash disbursement process. Our audit addressed the following related question:

- Were cash disbursements adequately supported, properly approved and were purchases made in accordance with the School's policies?

## Scope and Methodology

We examined the School's cash disbursement process for the period July 1, 2015 through March 17, 2017.

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 C of this report. Unless otherwise indicated in this report, samples for testing were selected based on professional

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<sup>1</sup> The charter stipulates that the Chief Executive Officer (CEO) should oversee the School's day-to-day operations. The Board Chair, along with the rest of the Board, should oversee the School's general operations.

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.

**Comments of  
School Officials and  
Corrective Action**

The results of our audit and recommendations have been discussed with School officials, and their comments, which appear in Appendix A, have been considered in preparing this report. School officials disagreed with certain aspects of our findings and recommendations in our report, but indicated that they planned to initiate some corrective action. Appendix B includes our comments on issues raised in the School's response letter.

The Board has the responsibility to initiate corrective action. We encourage the Board to prepare a plan of action that addresses the recommendations in this report and forward the plan to our office within 90 days. For more information on preparing and filing your corrective action plan, 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 School Board Secretary's office.

## Cash Disbursements

The Board is responsible for ensuring that all money disbursed is for proper School purposes. The School's charter and bylaws establish policies and procedures for cash disbursements and purchasing activities. The Board should audit claims to ensure that these policies and procedures are followed, disbursements are properly supported, purchases are properly approved and comply with Board requirements and checks are signed by authorized individuals.

We reviewed 51 cash disbursements totaling \$180,852 and found that they were generally supported by adequate documentation and appeared to be for proper School purposes. However, the Board did not ensure that the policies and procedures in the charter and bylaws were followed and at times allowed the Board Chair to control all aspects of the disbursement and purchasing processes. We also reviewed 48 purchases totaling \$1.9 million and found that School officials did not seek competition for 39 purchases totaling \$1.2 million. As a result, there is an increased risk that errors or irregularities could occur and that taxpayer dollars may not be expended in the most efficient manner.

### Segregation of Duties

It is essential to segregate key duties to ensure no individual controls substantially all phases of a transaction. The authority to approve purchases, prepare checks, audit claims and approve them for payment should be segregated and performed by different individuals. This prevents one person from having access to assets and the responsibility for authorizing transactions affecting those assets.

The Board Chair was actively involved in the School's day-to-day financial operations and performed many administrative procedures even though the charter and bylaws required these duties to be performed by administrators. He signed checks and contracts, and approved purchase requisitions, purchase orders and invoices. He also assumed responsibility for soliciting competitive bids and for maintaining School records including finance committee minutes, original contracts and bid documents. Because of the significant lack of segregation of duties, the Board Chair was able to make five payments for purchases totaling \$12,489 without the involvement of any other School official by authorizing the purchases, approving the invoices for payment and signing the checks. As a Board member, the Board Chair oversees these functions. Generally, the officials responsible for check preparation and signing should not have the Board member's authority to audit and approve claims for payment.

The Board Chair told us he performed these duties as part of the oversight function and because he was training the new Chief Executive Officer (CEO)<sup>2</sup> who was appointed to the position nearly two years ago.

Because management can direct that controls be bypassed or ignored, adequately segregating duties helps mitigate the possibility of management override for personal gain or improper purposes.

## **Check Signing**

Check signing authority should be limited to as few officials as possible and check preparation and signing duties should be segregated from the audit and approval of claims. The charter states that checks over \$5,000 must have dual signatures and may be signed by the Board Chair or his/her designee but the bylaws designate the Treasurer as the check signer.

We reviewed 51 cash disbursements totaling \$180,852 and found that the majority of the checks, 36 totaling \$74,060, were signed by the Board Chair while 10 checks totaling \$99,328, were signed by both the Board Chair and the CEO. We found that the Treasurer only signed two checks totaling \$1,901. The remaining three checks totaling \$5,562 were signed by the CEO.

Check signing authority should be limited to reduce the opportunity for improper checks to be written and signed. The proper segregation of duties prevents an official (or employees under his or her control) from making improper purchases, approving them for payment and then preparing checks to pay for such purchases without being detected.

## **Purchase Approval**

The School uses requisitions and purchase orders to formally document the purchase request and approval process. Purchase approvals help ensure that each purchase is necessary, appropriate and that cost considerations have been evaluated. The School's purchasing policy requires that all purchases over \$100 have a purchase requisition and a purchase order prior to ordering goods.

We also reviewed claim packets including purchase orders and requisitions for the same 51 disbursements to determine whether the related purchases were properly approved. We found that 26 claims over \$100 totaling \$127,129 did not include purchase requisitions and 43 claims totaling \$152,465 did not include purchase orders. All but two claims totaling \$2,780,<sup>3</sup> were approved by the Board Chair.

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<sup>2</sup> The CEO was appointed interim in August 2015 and permanent in March 2017.

<sup>3</sup> These two claims were requisitioned by the Board Chair.

Allowing one individual to both authorize purchases and to approve the related payments significantly increases the risk that improper purchases could be made.

## Purchasing Policy

The School's purchasing policy requires the Principal/CEO or Business Administrator<sup>4</sup> to secure several quotes for purchases less than \$10,000 and competitive bids from at least three vendors when costs are expected to exceed \$10,000. School officials should review any quotes that are received and publically advertise to meet the School's procurement needs.

We reviewed 48 purchases totaling \$1.9 million and found that School officials did not seek competition for 39 purchases totaling \$1.2 million. School officials did not obtain any quotes for 10 purchases totaling \$27,186 and obtained one quote for 19 purchases totaling \$49,758 even though the policy required "several" quotes. We also found that officials did not obtain competitive bids for 10 purchases totaling \$1,089,819.<sup>5</sup> Additionally, School officials sometimes relied on third-party vendors to obtain quotes and bids. For example, the information technology consultant obtained three quotes for new computers with a cost of \$56,000 and recommended a vendor to the Board. The consultant then purchased the computers and submitted a claim for reimbursement. School officials stated they relied on the consultant to obtain quotes and to recommend the best option. Because the Board did not review the quotes, it cannot be assured it received the best deal or lowest cost or that the consultant did not markup the cost of the equipment.

The School's purchasing policy does not require officials to publically advertise for procurement needs, but typically competitive bidding involves public advertisement. Advertising and public invitations to bid foster competition and ensure the largest pool of potential vendors for capital improvement projects. School officials told us that for smaller projects,<sup>6</sup> such as the exterior work on the elementary building totaling \$100,000 the School does not advertise publically to seek competition. Instead, the Board Chair and the School's architect collaborate to invite three to five vendors to bid. The School's architect writes the specifications, contacts the contractors and holds a bid meeting at his office for the contractors to review specifications and submit proposals. We reviewed the proposals for the exterior work and found that the School obtained three bids, as required by the charter, and chose the lowest bid from the vendors who submitted bids but did not advertise the request for bids publically.

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<sup>4</sup> The School's charter, bylaws and purchasing policy are inconsistent on which job title is to perform this function.

<sup>5</sup> This included one purchase for transportation services totaling \$588,380.

<sup>6</sup> School officials generally defined smaller projects as those under \$1 million

Publically advertising to meet procurement needs increases transparency and helps ensure that procurements are not influenced by favoritism, fraud or corruption, and that taxpayer dollars are expended in the most efficient manner.

## **Recommendations**

The Board should:

1. Review and update cash disbursement and purchasing policies to ensure they are consistent with the charter and bylaws. Inform all appropriate staff of the policies and enforce compliance with the policies.
2. Establish clear lines of authority for preparing and signing checks, approving purchases and approving claims for payment.
3. Limit check signing authority to as few individuals as possible and segregate key duties including preparing and signing checks, authorizing purchases and approving claims for payment.
4. Monitor cash disbursements to ensure compliance with Board policies and requirements.
5. Ensure that School officials secure quotes or competitive bids when required, review all quotes that are received and publically advertise to meet the School's procurement needs.

**APPENDIX A**  
**RESPONSE FROM SCHOOL OFFICIALS**

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



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January 11, 2018

Mr. Jeffery D. Mazula  
Division of Local Government and School  
Accountability  
Office of the State Comptroller  
295 Main Street, Suite 1032  
Buffalo, New York 14203-2510

Re: Global Concepts Charter School Cash Disbursements  
Report of Examination 2017M-126; Period Covered June 1, 2015 - March 17,  
2017.

Dear Mr. Mazula:

The Global Concepts Charter School is in receipt of the draft report "Report of Examination - Global Concepts Charter School Cash Disbursements" for the Period July 1, 2015 through March 17, 2017" (hereafter "Report"). On behalf of the Board of Trustees and the Global Concepts Charter School's Administration, we would like to thank the local field staff of the Comptroller's office. While we disagree with the tenor of the Report, they were professional and courteous in working with our business office and other staff.

We have carefully reviewed the findings and recommendations. Please accept this as the response by the Global Concepts Charter School (hereinafter the "School") and attach this document as an Appendix to any report that is issued. Regrettably, the Report contains a number of conclusions and broad subjective statements that we believe reflect a misunderstanding of the manner in which the management of a school under the Charter Schools Law differs from the management of traditional public school district, and lacks consideration for the School's charter and bylaws.

See  
Note 1  
Page 15

.....  
*Global Concepts Charter School does not discriminate on the basis of age, race, creed, color, national origin, sex, disability, marital status, or handicapping condition. \* Excellence in Educational Programming*

### **Publically Advertising**

First, the School is concerned with the Report's characterization of "good business practices." Good business practices under the General Municipal Law require competitive bidding and an advertising duty for municipalities and public school districts. Although it may be a practice recommended by OSC, charter schools are not required to abide by General Municipal Law, that requires competitive bidding and the advertising duty (as discussed in the Report's "Purchasing Policy" section). *See* Education Law §2854(1) (Article 5-A of the General Municipal Law, in which are found the competitive bidding and advertising requirements for political subdivisions, is not among the statutes applied by the Charter School Law to schools created under its authority). Instead, the standard for evaluating charter schools should be private sector standards and the School's own charter and bylaws.

See  
Note 2  
Page 15

### **Financial Controls**

Because the School's own charter and bylaws are the appropriate standard for evaluating the School's cash disbursements, it is a matter of deep concern to us that the Report is silent regarding the School's internal policies and practice. Pursuant to the School's Purchasing Practice Policy, no one individual has control over all aspects of the cash disbursements. First, the requisitioner (a teacher or other staff member) requests the purchase, the requisitioner's supervisor approves said request if it is reasonable. The supervisor sends the request to Finance Office, where it is again reviewed. The CEO then approves the request. If the request is over \$1000, the CEO sends the request to the Finance Committee, which meets monthly to review cash disbursement requests, among other things. The Finance Committee will review the request and if the review is favorable, it will be placed on the agenda of the Board. Once the Board approves said request, only then does the Board Chair sign off. Under the Purchasing Practice, the Board Chair can sign checks, but, contrary to the Report, does not have the authority alone to approve claims for payment. The Board Chair cannot prepare checks and does not have access to checks. Thus, when the Report states that it is "essential to segregate key duties to ensure no individual controls substantially all phases of a transaction," it is ignoring the policies and procedures already put in place by the School.

See  
Note 3  
Page 15

To the extent that the Report comments on Schools policies as being inconsistent on job title or language, the Board considers this a positive recommendation and will correct policies to ensure consistency, and inform all appropriate staff of the updated policies.

### **Check Signing**

Internal Polices dictate that the Chair of the Board, and his or her designee is an authorized check signer. The Treasurer is also a designated signer. As a further safeguard, all checks have required dual signatures and require the signature of the CEO. OSC recommends that "check signing authority should be limited to reduce the opportunity for improper checks to be written and signed." The School already has the minimum number of authorized check signers which is limited to three persons: 1) Board Chair, 2) Board Treasurer and 3) CEO. The number of checks signers cannot be reduced to less than three in order to ensure at least two

See  
Note 4  
Page 15

persons sign checks. The Board Chair serves as a second signer on checks to ensure proper segregation of duties which is best practice. We respectfully disagree with OSC's recommendation that the number of checks signers be reduced. We also respectfully disagree with the OSC's statement that check signing is considered "administrative duties".

### **Purchase Orders and Purchase Requisitions**

The Board concedes that purchase order and purchase requisitions, although required by policy, were not used consistently. The Board appreciated the Report's recommendation that the Board should monitor cash disbursements to ensure compliance with Board policies and requirements, such as the consistent use of purchases orders and purchases requisitions. The Board will address this issue in its forthcoming Corrective Action Plan. We acknowledge that the formal fiscal policy adopted by the board was in need of being updated as the threshold of \$100 which required a purchase order to be prepared was too low and had not been adjusted given the growth of the School. The School is in the process of updating its fiscal policies and is considering increasing dollar threshold for purchase orders.

### **Segregation of Duties**

The Report notes five purchases totaling \$12,489 that were made by the Board Chair without involvement of any other School Official. The School would like to provide further explanation. Included in the \$12,489 was a cash disbursement in the amount of \$9,001 to a vendor for speech services in which the contract was approved at a prior board meeting. The additional payments were not improper because they were for emergencies (such as an emergency roof repair and boiler issue), which the Chair is allowed to pay for without Board approval, as per the Purchasing Policy. Additionally, the remainders of the payments included in the \$12,498 were under \$1,000, which falls below the threshold for of payments needing review by the Finance Committee and approval by the Board, as described above. We disagree with OSC's statement that there was "significant lack of segregation of duties" and believe the above examples were isolated instances identified during the period of the report covering July 1, 2015 to March 17, 2017 which were not as a result of improper segregation of duties. All of the transactions were necessary business expenses of the school.

See  
Note 5  
Page 15

### **Bids**

The Report states that it "reviewed 48 purchases totaling \$1.9 million and found that School officials did not seek competition for 39 purchases totaling \$1.2 million." Of the \$1.2 million, \$588,380 is related to a transportation contract where the School believes it did use good faith efforts to obtain three quotes. The report further states that "[s]chool officials did not obtain any quotes for 10 purchases totaling \$27,186 and obtained only one quote for 19 purchases totaling \$49,758." The Board respectfully disagrees with the way in which those values were calculated.

See  
Note 6  
Page 16

Additionally, there were two contracts that the Board considers to be professional service contracts from licensed special education providers, which were not required to be out to bid per

the School's purchasing policy. According to the Purchasing Practice, professional service contracts are excluded from the requirement to seek multiple bids, and as such, the Board was not required to seek competitive bids for these contracts.

See  
Note 7  
Page 16

Moreover, in order to reach the threshold of \$10,000 to trigger the need for competitive bids, the Report combines multiple invoices from a single vendor for the period of time covered under the report (July 1, 2015 - March 17, 2017) which is more than a year. In those instances in which the School's fiscal policies require bidding the Board agrees that it is a sound business practice to aggregate like purchases over a fiscal year or other period, and will amend its policy accordingly. Additionally, the Board disagrees with requiring additional layers of approval for payments made pursuant to a contract already approved and signed by the Board.

See  
Note 8  
Page 16

The Report also faults the Board for relying on third party vendors to obtain quotes and bids, and specifically references a \$56,000 purchase of new computers from a technology vendor, stating that "[b]ecause the Board did not review the quotes, it cannot be assured it received the best deal or lowest cost or that the consultant didn't markup the cost of the equipment." However, the Board did not rely exclusively on third party vendor recommendations, but rather used third party vendors to obtain advice and to facilitate the procurement of bids, as is common practice.

See  
Note 9  
Page 16

The Board also concedes that, in some cases, it did not obtain, "whenever possible, several quotes" for purchases less than \$10,000 that were not covered by a blanket purchases agreements. The Board will revise its policies concerning such purchases.

### **Recommendations**

The Report makes five recommendations as follows our response of which is noted after each recommendation:

The Board should:

1. Review and update cash disbursement and purchasing policies to ensure they are consistent with the charter and bylaws. Inform all appropriate staff of the purchasing policies and enforce compliance with the policies.
2. **Response:** The School is in the process of evaluating its purchasing policies to ensure consistent practice and will address in preparing the corrective action plan.
3. Establish clear lines of authority for preparing and signing checks, approving purchases and approving claims for payment.
4. **Response:** The Board understands the importance of proper lines of authority and proper board governance. The School has a clear process for check signing. While we appreciate the need for proper lines of authority, OSC's Report did not take into consideration the existing controls in place and extenuating

See  
Note 3  
Page 15

circumstances. We acknowledge that there were some isolated instances totaling \$12,489, which did not follow the usual controls and procedures. The Board will review policies and procedures and document when an exception is made to the usual policy based on extenuating circumstances.

5. Limit check signing authority to as few individuals as possible and segregate key duties including preparing and signing checks, authorizing purchases and approving claims for payment.
6. **Response:** We respectfully disagree with this recommendation. The School already has the minimum number of authorized check signers which is limited to three persons: 1) Board Chair, 2) Board Treasurer and 3) CEO. The number of checks signers cannot be reduced to less than three in order to ensure at least two persons sign checks. The Board Chair serves as a second signer on checks to ensure proper segregation of duties which is best practice.
7. Monitor cash disbursements to ensure compliance with Board policies and requirements.
8. **Response:** The Board will ensure the existing procedures in place are updated and clearly communicated to staff to ensure compliance with the existing policies. The School is in the process of updating its policy and, once adopted by the board, will be clearly communicated to those involved in the purchase and procurement process.
9. Ensure that School officials secure quotes or competitive bids when required, review all quotes that are received and publically advertise to meet the School's procurement needs.
10. **Response:** We respectfully disagree with this recommendation. While the General Municipal Law model favored by the OSC serves the goals of municipal spending, alternative approaches to business and education are at the core of the charter school movement. We believe that adapting purchasing methods from private as well as public models is consistent with the charter school mission, and that is one reason why Article 5-A of the General Municipal Law is not made expressly applicable to charter schools under Education Law Section 2854, while they are made expressly subject to the conflict of interest provisions of the General Municipal Law. Rather, the Charter School Law requires only that the financial "...procedures and standards shall be consistent with generally accepted accounting and audit standards" (Education Law §2854(1) (c)).

See  
Note 4  
Page 15

See  
Note 2  
Page 15

Although, for the reason set forth below, we disagree with several sections of the report, we will carefully consider the recommendations in our forthcoming Corrective Action Plan, which will be submitted to you after the Board of Trustees has had the opportunity to evaluate a draft and approve the Plan.

Sincerely,

Tracy McGee, M.S. M.Ed.  
CEO

## APPENDIX B

### OSC COMMENTS ON THE SCHOOL'S RESPONSE

#### Note 1

The criteria we used for evaluating cash disbursements and purchasing practices is included in the School's charter, bylaws and cash disbursement and purchasing policies. We also used best practices as outlined in OSC's *Local Government Management Guide, Seeking Competition in Procurement*.

#### Note 2

The New York State General Municipal Law was not used to evaluate the School's practices. The School's purchasing policy requires that certain purchases be competitively bid. If the Board does not want to competitively bid purchases then it should modify its policy. However, increasing competition can result in cost savings and schools typically use advertising and public invitations to bid to foster competition and ensure the largest pool of potential vendors will be reached.

#### Note 3

The School's charter, bylaws and policies established certain internal controls but the controls were consistently circumvented and were therefore not effective at minimizing risk. Although the charter and bylaws are silent regarding the finance committee's role in reviewing disbursements, we considered the finance committee's role during our review and found no evidence that this control was in place and working properly. After reviewing finance committee minutes and disbursement documentation, we found that only 13 of the 36 purchases requiring finance committee approval had been reviewed by the finance committee prior to payment.

#### Note 4

Officials did not comply with the School's check signing policies. Of the 51 checks, only 10 had dual signatures and 36 were signed by only the Board Chair. Our recommendations are not to reduce the number of authorized check signers but to follow School policies. Officials should establish clear lines of authority for preparing and signing checks, limit check signing authority to as few individuals as possible and segregate key duties.

#### Note 5

The report mentions these five purchases as examples of the Board Chair's ability to make purchases and payments without oversight and circumvent Board policies. According to the School's records, the Board Chair had a significant amount of influence with many other purchases. In addition, we found no evidence that the speech contract was approved by the Board, or that the noted "emergency purchases" were subsequently approved by the Board, as required by the School's policy.

#### Note 6

School officials told us they obtained a quote from one vendor for transportation services and compared it to the price of the vendor the School used at the time. School officials also told us they did not publically advertise for bids because there was only one transportation service vendor in the area willing to serve the School; however, officials provided no documentation to support this assertion.

#### Note 7

The School's charter states "Professional service contracts are excluded from the requirement to seek multiple bids, but nothing shall preclude the Principal/CEO from seeking such multiple bids for these contracts." It is a best practice to request proposals for a professional service contract from multiple vendors to ensure the School hires a vendor who will best meet the needs of the School.

#### Note 8

Purchases in our sample were aggregated over the last completed fiscal year at the time of our audit (July 1, 2015 through June 30, 2016), and not for July 1, 2015 through March 17, 2017.

#### Note 9

The School's charter requires the Business Manager or CEO to obtain quotes or bids for purchases. If third-party vendors facilitate the process, the Business Manager should still obtain and review those quotes or bids.

## APPENDIX C

### AUDIT METHODOLOGY AND STANDARDS

To achieve our audit objective and obtain valid evidence, we performed the following procedures:

- We reviewed the School's charter, bylaws and written policies and procedures and interviewed personnel to gain an understanding of the cash disbursement process.
- We selected a judgmental sample of 51 non-payroll cash disbursements. We selected disbursements considered high risk, including material dollar amounts, unusual dollar amounts, payments to individuals and payments to unusual vendors. We reviewed all invoices and supporting documentation to determine whether payments were properly supported, approved and contained sufficient evidence that goods were received and services were rendered as contracted.
- We selected a judgmental sample of 48 purchases above and below the School's bid threshold of \$10,000. We reviewed Board minutes, contracts, quotes and other documentation and interviewed School officials to determine the extent to which the School complied with the procurement policy and sought competition for purchases.

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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**AND SCHOOL ACCOUNTABILITY**

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