



# CITIZENS SUMMARY

## Findings in the audit of the Village of South Greenfield

Internal Controls, Records, and Procedures	There are significant weaknesses with the village's internal controls, records, and procedures. The Board of Trustees (Board) has not adequately segregated accounting duties, and there is insufficient oversight of work performed by the Board Chairperson and Village Clerk. The Board needs to improve accounting records, maintain accurate fund ledgers, and ensure bank reconciliations are performed for all village accounts. The Board lacks procedures to ensure trustee candidates are qualified to run for office.
Utility System Controls and Procedures	There are significant weaknesses in utility system controls and procedures. Receipt slips are not issued for some utility payments received, receipts are not kept in a secure location, and payments are not posted to the billing system timely. Current water and sewer rates are not supported by a statement of costs or other documentation supporting how the costs were determined. Refundable water deposit monies are not accounted for properly. The village does not charge customers for certain statutory fees.
Disbursements	Significant weaknesses exist in the controls and procedures over disbursements. The Board's review and approval of disbursements was not adequately documented. The Board does not have contracts with its Water or Sewer Operator and did not document the reasons for classifying the Village Clerk as an independent contractor rather than an employee. The Board has not established controls to ensure transfers between funds are proper and approved by the Board. Some disbursements were not adequately supported, and numerous disbursements allocated to only one fund could have been allocated to several funds.
Ordinances and Sunshine Law Issues	Village ordinances are not organized, complete, or up to date. The village lacks a written policy regarding public access to records, and open record requests are not maintained to ensure compliance with state law. In addition, meeting minutes do not contain adequate documentation.
Budgets and Financial Reporting	Annual budgets are not prepared in accordance with state law and significant improvement is needed in financial reporting practices.

In the areas audited, the overall performance of this entity was **Fair**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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