

TOWN OF CLAY,  
NEW YORK

AGREED UPON  
PROCEDURES REPORT

December 31, 2017

**TOWN OF CLAY, NEW YORK**

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## Independent Accountant's Report on Applying Agreed-Upon Procedures

Town Council  
Town of Clay, New York

We have performed the procedures described in pages 2 through 6 of this report, which were agreed to by the Town of Clay, New York, solely to assist you with respect to the Town Justices, for the year ended December 31, 2017. Town of Clay, New York's management is responsible for its accounting records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified parties of the report. Consequently, we make no representation regarding the sufficiency of the procedures either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are described in Pages 2 through 6 of this report.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management and the Town Board and is not intended to be and should not be used by anyone other than the specified parties.

*D'Arcangelo + Co., LLP*

November 15, 2018

Syracuse, New York

**TOWN OF CLAY  
AGREED-UPON PROCEDURES  
TOWN JUSTICES  
For the Year Ended December 31, 2017**

**Cash Receipts - Judge Lauri**

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Review procedures and internal controls over the issuance of cash receipts for the following:

- Timely bank deposits
- Duplicate receipts retained
- Receipt forms are pre-numbered, appropriate and properly completed
- Receipts are posted timely and properly to ledgers and computer system

Procedures Performed:

We selected 25 cash receipts from the receipts account and 10 receipts from the bail account throughout the year for Judge Lauri. From these receipts we reviewed the cash receipts journal and bank statements to ensure deposits were made timely, receipts were pre-numbered, duplicate copies of receipts were retained, and that the receipts were recorded within the SEI system accurately and timely.

Findings:

No relevant findings noted.

**Cash Disbursements - Judge Lauri**

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Review procedures and internal controls over the issuance of cash disbursements for the following:

- Checks signed by Justice
- Cancelled checks retained
- Checks are recorded timely
- Payments are made timely

Procedures Performed:

We selected 25 disbursements from the receipts account and 10 disbursements from the bail account throughout the year for Judge Lauri. For each disbursement chosen, we ensured that the cancelled check image was in the Judge's possession. We also reviewed the disbursements to ensure all checks were pre-numbered and signed by Judge Lauri. In addition, we traced the selected disbursements to the accounting records to ensure what was recorded was complete and accurate.

Findings:

We noted that the cancelled checks are not returned to the justice, nor are the cancelled check images being received with the bank statements or available via the bank's online system. Per the NYS Comptroller's Annual Town Justice Checklist, cancelled check images should be retained by the court. The Justice has made significant effort to correct this finding and is in the process of changing banks in order to comply with the recommendation.

**TOWN OF CLAY  
AGREED-UPON PROCEDURES  
TOWN JUSTICES  
For the Year Ended December 31, 2017**

**Bank Reconciliation - Judge Lauri**

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Review procedures and internal controls over bank reconciliations for the following:

- Bank statements are reconciled to the check registers in a timely manner
- Cash receipt and disbursement registers are used to ensure the completeness and accuracy of the reconciliation
- Reconciliation is reviewed by someone other than the preparer

*Procedures Performed:*

We selected 4 months of bank reconciliations to ensure that they were both computed accurately and on a timely basis. We also reviewed the bank reconciliations with respect to the cash receipts and cash disbursement journals to ensure they reconcile. In addition, we reviewed the bank reconciliations to ensure they were being reviewed by another individual separate from the individual performing the reconciliation.

*Findings:*

We noted that no one is reviewing the bank reconciliations once they are completed. In addition, we noted that there is an amount of \$1,037.13 that is unreconcilable.

**Additional Supporting Records - Judge Lauri**

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Review procedures and internal controls over maintaining the additional following required supporting records:

- Review the list of bail held on account
- Review record of uncollected installment payments
- Review docket and case files maintained for completeness and agreement with amounts reported

*Procedures Performed:*

Through inquiry of the Justice, we noted that installment payment plans were not accepted. We examined the bail activity for the judge throughout the year. We reviewed case files and selected 20 fines assessed and traced them to the cash receipts book to ensure payment was for the correct amount. We also randomly selected 20 cases and requested the case files to ensure a file was being maintained on the cases and that it matched what was recorded in the system. With regard to the case files we also reviewed all fines in the file to ensure they agreed to the reported amounts.

*Findings:*

No relevant findings noted

**TOWN OF CLAY  
AGREED-UPON PROCEDURES  
TOWN JUSTICES  
For the Year Ended December 31, 2017**

**Reporting to State Agencies - Judge Lauri**

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Review procedures and internal controls over reporting to the following agencies:

- Reports are made timely to the NYS Division of Criminal Justice
- Reports are made timely to the Justice Court Fund and amounts reported agree with the dispositions and case files, and with the cash receipt and disbursement books
- Reports are made timely to the NYS Department of Motor Vehicles, and the information reported appears reasonable

*Procedures Performed:*

We reviewed the CDR reports showing the open cases that the State has on file for the Town. Reviewed all 12 monthly reports to Justice Court Fund, and ensured they were submitted in a timely manner, by the tenth day of the following month as recommended by the NYS Comptroller, and agreed monthly amount to the bank statement noting correct amounts. Also, viewed image of check and noted that the amount agreed to the report. We discussed with the Judge whether TSLED reports are being maintained and utilized. We reviewed this report and noted that this report is constantly being reviewed for errors so that any would be caught and corrected. In addition, we reviewed open cases shown as pending for over 90 days and the actions that have been taken to dispose of said cases.

*Findings:*

There was one instance in which the monthly report to the Justice Court Fund for Judge Lauri was submitted after the tenth day of the month. The submission of the monthly report for June 2017 was dated July 15, 2017. We also noted that it is Judge Lauri's interpretation that this is not a legal requirement.

**Cash Receipts - Judge Gosch**

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Review procedures and internal controls over the issuance of cash receipts for the following:

- Timely bank deposits
- Duplicate receipts retained
- Receipt forms are pre-numbered, appropriate and properly completed
- Receipts are posted timely and properly to ledgers and computer system

*Procedures Performed:*

We selected 25 cash receipts from the receipts account and 10 receipts from the bail account throughout the year for Judge Gosch. From these receipts we reviewed the cash receipts journal and bank statements to ensure deposits were made timely, receipts were pre-numbered, duplicate copies of receipts were retained, and that the receipts were recorded within the SEI system accurately and timely.

*Findings:*

No relevant findings noted.

**TOWN OF CLAY  
AGREED-UPON PROCEDURES  
TOWN JUSTICES  
For the Year Ended December 31, 2017**

**Cash Disbursements - Judge Gosch**

---

Review procedures and internal controls over the issuance of cash disbursements for the following:

- Checks signed by Justice
- Cancelled checks retained
- Checks are recorded timely
- Payments are made timely

Procedures Performed:

We selected 25 disbursements from the receipts account and 10 disbursements from the bail account throughout the year for Judge Gosch. For each disbursement chosen, we ensured that the cancelled check image was in the Judge's possession. We also reviewed the disbursements to ensure all checks were pre-numbered and signed by Judge Gosch. In addition, we traced the selected disbursements to the accounting records to ensure what was recorded was complete and accurate.

Findings:

No relevant findings noted.

**Bank Reconciliation - Judge Gosch**

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Review procedures and internal controls over bank reconciliations for the following:

- Bank statements reconciliation to the check registers are performed timely
- Cash receipt and disbursement registers are used to ensure the completeness and accuracy of the reconciliation
- Reconciliation is reviewed by someone other than the preparer

Procedures Performed:

We selected 4 months of bank reconciliations to ensure that they were both computed accurately and on a timely basis. We also reviewed the bank reconciliations with respect to the cash receipts and cash disbursement journals to ensure they reconcile. In addition, we reviewed the bank reconciliations to ensure they were being reviewed by another individual separate from the individual performing the reconciliation.

Findings:

We noted that no one is reviewing the bank reconciliations once they are completed.

**TOWN OF CLAY  
AGREED-UPON PROCEDURES  
TOWN JUSTICES  
For the Year Ended December 31, 2017**

**Additional Supporting Records - Judge Gosch**

Review procedures and internal controls over maintaining the additional following required supporting records:

- Review the list of bail held on account
- Review record of uncollected installment payments
- Review docket and case files maintained for completeness and agreement with amounts reported

**Procedures Performed:**

Through inquiry of the Justice, we noted that installment payment plans were not accepted. We examined the bail activity for the judge throughout the year. We reviewed case files and selected 20 fines assessed and traced them to the cash receipts book to ensure payment was for the correct amount. We also randomly selected 20 cases and requested the case file to ensure a file was being maintained on the cases and that it matched what was recorded in the system. With regard to the case files we also reviewed all fines in the file to ensure they agreed to the reported amounts.

**Findings:**

No relevant findings noted.

**Reporting to State Agencies - Judge Gosch**

Review procedures and internal controls over reporting to the following agencies:

- Reports are made timely to the NYS Division of Criminal Justice
- Reports are made timely to the Justice Court Fund and amounts reported agree with the dispositions and case files, and with the cash receipt and disbursement books
- Reports are made timely to the NYS Department of Motor Vehicles, and the information reported appears reasonable

**Procedures Performed:**

We reviewed the CDR reports showing the open cases that the State has on file for the Town. Reviewed all 12 monthly reports to Justice Court Fund to ensure they were submitted in a timely manner, by the tenth day of the following month as recommended by the NYS Comptroller, and agreed monthly amount to the bank statement noting correct amounts. Also, viewed image of check and noted that the amount agreed to the report. We discussed with the Judge whether TSLED reports are being maintained and utilized. We reviewed this report and noted that this report is constantly being reviewed for errors so that any would be caught and corrected. In addition, we reviewed open cases shown as pending for over 90 days and the actions that have been taken to dispose of said cases.

**Findings:**

There was one instance in which the monthly report to the Justice Court Fund for Judge Gosch was submitted after the tenth day of the month. The submission of the monthly report for February 2017 was dated March 15, 2017. It was noted that the reason for this was that the Judge was on vacation.