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**Introduction:**

Pursuant to the City of Syracuse General Ordinance 332, as amended by Ordinance 179, a financial examination into the Regional Training Facility Program for the year ended June 30, 2004 was performed. The examination was administered in accordance with the *Government Auditing Standards*, issued by the Comptroller General of the United States and *Standards for the Professional Practice of Internal Auditing*, as circulated by the Institute of Internal Auditors.

These standards necessitate that the audit is planned and performed to attain a reasonable foundation for the judgments and conclusions regarding the function under examination. The management of the City of Syracuse, New York, is responsible for establishing, maintaining and complying with the internal control structure and for compliance with applicable laws, regulations and contracts.

This report is intended solely for the information of the Mayor, Common Council and related departments of the City of Syracuse, New York yet it is understood to be a matter of public record and its distribution is not limited. Further information regarding this audit is available at the City of Syracuse's Audit Department upon request. The Audit Department would like to thank the personnel who assisted and cooperated with us during the audit.

**Scope:**

The scope of the audit entailed reviewing all financial activity relating to the Fire Department's Regional Training Facility Program for the period July 1, 2003 through June 30, 2004.

**Objective:**

The Department of Audit's objective was to determine the accuracy of the receipts and disbursements related to the Regional Fire Training Center Program for the fiscal year ending June 30, 2004.

**Methodology:**

To reach this assurance, the Department of Audit reviewed the related invoice, cash report, journal entry request, general ledger detail as well as any supporting documentation for the period July 1, 2003 through June 30, 2004.

**Finding 1: Expenditure Recorded Incorrectly: Violation of Ordinance 179**

A journal entry was made on October 28, 2003 transferring \$17,350 of overtime costs from the Fire Department uniform account, 01.34100.0.104, to the Regional Fire Training Center account, 01.34130.0.104. The \$17,350 expense was the Fire Department's instructors' payroll cost for training the airport firefighters.

Ultimately, the journal entry caused a deduction of \$17,350 to the Fire Training Center Reserves account, 01.30.889.01, for the fiscal year ending June 30, 2004. This account is the reserves from any revenues which exceed the expenses incurred by the Regional Training Facility Program. These profits are to be used "for the purchase of training supplies and equipment for the Department of Fire," as designated in the City of Syracuse General Ordinance 179. The ordinance was effective until 2004.

Applying the instructor costs to account 01.34130.0.104 and ultimately to 01.30.889.01 was a violation to General Ordinance 179.

**Recommendation 1:**

The City Auditor recommends a reversal of the 10/28/03 entry (accounts 01.34100.0.104 and 01.34130.104) and an adjustment to the 6/30/04 closing entry (accounts 01.34130 and 01.300.889.01). This will ensure the proper recording of the Fire Department's expenditures and the Regional Fire Training Center's reserve account.

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Management Response 1:

The Finance Department concurred that the overtime salaries, \$17,350, should not have been charged to the Regional Fire Training Center and corrective steps are being taken.

**Finding 2: General Ordinance 179 Expired in 2004**

As stated above, the ordinance regulating the Regional Training Facility Program expired in 2004 yet \$23,388 deriving from this program, based on the reversal of the 10/28/03 journal entry, exists in the reserve account, 01.30.889.01.

Recommendation 2:

The City Auditor recommends the Common Council either extend the program by amending Ordinance 179 or pass legislation regulating the utilization of the reserves. Keeping in the spirit of the ordinance, it is recommended that these reserves be used for training supplies and equipment for the Fire Department.

Management Response 2:

The Fire Department is not requesting a continuation of the Regional Training Facility Program.

**Conclusion:**

The Department of Audit determined the receipts and disbursements related to the Regional Training Center Program for the fiscal year ending June 30, 2004 had a violation to the City of Syracuse's General Ordinance 179. The appropriate steps are being taken to correct the errors.

Philip J. LaTessa  
City Auditor

January 28, 2005