

ATTESTATION ENGAGEMENT

Treasurer

Montour County, Pennsylvania

For the Period

Hunting - February 1, 2009 to June 30, 2014

Fishing and Dog - February 1, 2009 to
December 31, 2013

January 2016



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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EUGENE A. DEPASQUALE
AUDITOR GENERAL

Independent Auditor's Report

The Honorable Jesse Kline
Treasurer
Montour County
Danville, PA 17821

We have examined the accompanying statements of receipts and disbursements (Statements) of the Treasurer, Montour County, Pennsylvania (County Officer), for the license period identified on the contents page, pursuant to the requirements of Section 401(d) of *The Fiscal Code*, 72 P.S. § 401(d). The County Office's management is responsible for these Statements. Our responsibility is to express an opinion on these Statements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence supporting the Statements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

We are mandated by Section 401(d) of *The Fiscal Code* to audit the accounts of each county officer to determine whether all moneys collected on behalf of the Commonwealth have been correctly assessed, reported and promptly remitted. *Government Auditing Standards* issued by the Comptroller General of the United States include attestation engagements as a separate type of audit. An attestation engagement performed pursuant to *Government Auditing Standards* involves additional standards that exceed the standards provided by the American Institute of Certified Public Accountants. Accordingly, this attestation engagement complies with both *Government Auditing Standards* and Section 401(d) of *The Fiscal Code*.

As discussed in Finding No. 2, our examination disclosed that all unissued dog licenses for our examination period totaling \$26,770 were missing and unavailable for examination. As a result of this issue, we could not perform our standard examination procedures. As such, the scope of our examination of the County Officer's Statement was limited, and we were unable to satisfy ourselves by other examination procedures.

Independent Auditor's Report (Continued)

In our opinion, except for the effects, if any, of the matters noted in the preceding paragraph, the Statements referred to above present, in all material respects, the operations of the County Officer as it pertains to receipts made on behalf of the of the licensing agencies, for the license period identified on the contents page, in conformity with the criteria set forth in Note 1.

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the Statements; and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the Statements. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our examination to express an opinion on whether the Statements are presented in accordance with the criteria described above and not for the purpose of expressing an opinion on internal control over reporting on the Statements or on compliance and other matters; accordingly, we express no such opinions.

Our consideration of internal control over reporting on the Statements was for the limited purpose of expressing an opinion on whether the Statements are presented in accordance with the criteria described above and was not designed to identify all deficiencies in internal control over reporting on the Statements that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Statement will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies listed below to be material weaknesses.

- Inadequate Internal Controls Over The Bank Account - Recurring.
- Missing Records - Recurring.
- Inadequate Segregation of Duties - Recurring.
- Bank Deposit Slips Were Not Validated.

Independent Auditor's Report (Continued)

As part of obtaining reasonable assurance about whether the Statements are free from material misstatement, we performed tests of the County Office's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of Statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our engagement, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We are concerned that the County Office's failed to correct previously reported findings regarding the inadequate internal controls over the bank account, missing records and inadequate segregation of duties. During our current examination, we noted that there were inadequate internal controls over the bank account, missing records, inadequate segregation of duties and deposit slips were not validated by the bank. The County Office should strive to implement the recommendations and corrective actions noted in this report

This report is intended solely for the information and use of the Pennsylvania Game Commission, Pennsylvania Fish and Boat Commission, Pennsylvania Department of Agriculture, and the County Officer and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the courtesy extended by the Treasurer, Montour County, to us during the course of our examination. If you have any questions, please feel free to contact Michael B. Kashishian, CPA, CGAP, CFE, Director, Bureau of County Audits, at 717-787-1363.



Eugene A. DePasquale
Auditor General

September 29, 2015

CONTENTS

Page

Financial Section:

Statements Of Receipts And Disbursements:

Hunting License Sales:

For The License Period February 1, 2009 To June 30, 2009.....	1
For The License Period July 1, 2009 To June 30, 2010	2
For The License Period July 1, 2010 To June 30, 2011	3
For The License Period July 1, 2011 To June 30, 2012	4
For The License Period July 1, 2012 To June 30, 2013	5
For The License Period July 1, 2013 To June 30, 2014	6

Fishing License Sales:

For The License Period February 1, 2009 To December 31, 2009.....	7
For The License Period January 1, 2010 To December 31, 2010.....	8
For The License Period January 1, 2011 To December 31, 2011.....	9
For The License Period January 1, 2012 To December 31, 2012.....	10
For The License Period January 1, 2013 To December 31, 2013.....	11

Dog License Sales:

For The License Period February 1, 2009 To December 31, 2009.....	12
For The License Period January 1, 2010 To December 31, 2010.....	13
For The License Period January 1, 2011 To December 31, 2011.....	14
For The License Period January 1, 2012 To December 31, 2012.....	15
For The License Period January 1, 2013 To December 31, 2013.....	16

Notes To The Statements Of Receipts And Disbursements	17
---	----

Findings and Recommendations:

Finding No. 1 - Inadequate Internal Controls Over The Bank Account - Recurring	19
Finding No. 2 - Missing Records - Recurring	21
Finding No. 3 - Inadequate Segregation of Duties - Recurring	23
Finding No. 4 - Bank Deposit Slips Were Not Validated	25

Summary of Prior Examination Recommendations	26
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Report Distribution	27
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TREASURER
 MONTOUR COUNTY
 HUNTING LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE LICENSE PERIOD FEBRUARY 1, 2009 TO JUNE 30, 2009

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Game Commission</u>
Resident		
Adult	3	\$ 57.00
Junior	5	25.00
Military	4	4.00
Reserves	1	1.00
Non-resident		
Adult	2	200.00
Replacements	2	10.00
Totals (Note 2)	<u>17</u>	<u>297.00</u>
Disbursements to Game Commission (Note 3)		(296.00)
Credits taken for licenses issued for Disabled Veterans and Senior Lifetime Hunt renewals		<u>(1.00)</u>
Balance due Game Commission (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Game Commission (County) for the license period February 1, 2009 to June 30, 2009		<u>\$ -</u>

Notes to the Statements of Receipts and Disbursements are an integral part of this report.

TREASURER
 MONTOUR COUNTY
 HUNTING LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE LICENSE PERIOD JULY 1, 2009 TO JUNE 30, 2010

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Game Commission</u>
Resident		
Adult	410	\$ 8,077.00
Junior	18	102.60
Junior combination	44	382.80
Senior	29	368.30
Senior Lifetime Combo	11	1,107.70
Senior Lifetime Hunting	6	304.20
Senior Lifetime Upgrade Combo	1	50.70
Military	38	64.60
Spring Turkey	45	931.50
Mentored Youth	24	40.80
Non-resident		
Adult	7	704.90
Junior	3	122.10
Seven day	2	61.40
Archery - Resident and Non-resident	222	3,485.40
Muzzleloaders - Resident and Non-resident	180	1,926.00
Antlerless deer		
Resident	2,770	15,789.00
Resident landowners	1	5.70
Non-resident	29	745.30
Armed forces	31	176.70
Disabled veterans	9	51.30
Elk - Antlered and Antlerless	16	171.20
Bobcat	6	34.20
Furtaker		
Adult resident	19	374.30
Senior resident	1	12.70
Migratory - Resident and Non-resident	99	267.30
Bear - Resident and Non-resident	158	2,480.60
DMAP - Resident and Non-resident	22	213.40
Replacements	11	62.70
Totals (Note 2)	<u>4,212</u>	<u>38,114.40</u>
Disbursements to Game Commission (Note 3)		(37,918.40)
Credits taken for licenses issued for Disabled Veterans and Senior Lifetime Hunt renewals		<u>(196.00)</u>
Balance due Game Commission (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Game Commission (County) for the license period July 1, 2009 to June 30, 2010		<u>\$ -</u>

Notes to the Statements of Receipts and Disbursements are an integral part of this report.

TREASURER
 MONTOUR COUNTY
 HUNTING LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE LICENSE PERIOD JULY 1, 2010 TO JUNE 30, 2011

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Game Commission</u>
Resident		
Adult	394	\$ 7,789.80
Junior	14	79.80
Landowner	1	3.70
Junior combination	40	348.00
Senior	29	368.30
Senior Lifetime Combo	10	1,007.00
Senior Lifetime Hunting	3	152.10
Senior Lifetime Upgrade Combo	2	101.40
Military	35	59.50
Reserves	3	5.10
Spring Turkey	39	807.30
Mentored Youth	35	59.50
Non-resident		
Adult	3	302.10
Junior	2	81.40
Seven day	1	30.70
Archery - Resident and Non-resident	198	3,108.60
Muzzleloaders - Resident and Non-resident	186	1,995.20
Antlerless deer		
Resident	2,625	14,962.50
Resident landowners	1	5.70
Non-resident	19	488.30
Armed forces	34	193.80
Disabled veterans	3	17.10
Elk - Antlered and Antlerless	14	149.80
Bobcat	16	91.20
Fisher	3	17.10
Furtaker		
Adult resident	16	315.20
Senior resident	1	12.70
Migratory - Resident and Non-resident	76	205.20
Bear - Resident and Non-resident	167	2,621.90
DMAP - Resident and Non-resident	29	281.30
Replacements	20	114.00
Totals (Note 2)	<u>4,019</u>	<u>35,775.30</u>
Disbursements to Game Commission (Note 3)		(35,565.30)
Credits taken for licenses issued for Disabled Veterans and Senior Lifetime Hunt renewals		<u>(210.00)</u>
Balance due Game Commission (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Game Commission (County) for the license period July 1, 2010 to June 30, 2011		<u>\$ -</u>

Notes to the Statements of Receipts and Disbursements are an integral part of this report.

TREASURER
 MONTOUR COUNTY
 HUNTING LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE LICENSE PERIOD JULY 1, 2011 TO JUNE 30, 2012

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Game Commission</u>
Resident		
Adult	396	\$7,801.20
Junior	9	51.30
Landowner	1	3.70
Junior combination	45	391.50
Senior	23	292.10
Senior Lifetime Combo	14	1,409.80
Senior Lifetime Hunting	3	152.10
Senior Lifetime Upgrade Combo	1	50.70
Military	35	55.50
Reserves	3	5.10
Spring Turkey	37	765.90
Mentored Youth	27	45.90
Non-resident		
Adult	3	302.10
Junior	2	81.40
Seven day	2	61.40
Archery - Resident and Non-resident	214	3,369.80
Muzzleloaders - Resident and Non-resident	175	1,882.50
Antlerless deer		
Resident	3,063	17,459.10
Resident landowners	2	11.40
Non-resident	28	719.60
Armed forces	35	199.50
Disabled veterans	3	17.10
Elk - Antlered and Antlerless	14	149.80
Bobcat	17	96.90
Fisher	1	5.70
Furtaker		
Adult resident	22	433.40
Migratory - Resident and Non-resident	85	229.50
Bear - Resident and Non-resident	166	2,626.20
DMAP - Resident and Non-resident	28	271.60
Replacements	39	218.30
Totals (Note 2)	<u>4,493</u>	<u>39,160.10</u>
Disbursements to Game Commission (Note 3)		(38,956.20)
Credits taken for licenses issued for Disabled Veterans and Senior Lifetime Hunt renewals		<u>(203.90)</u>
Balance due Game Commission (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Game Commission (County) for the license period July 1, 2011 to June 30, 2012		<u>\$ -</u>

Notes to the Statements of Receipts and Disbursements are an integral part of this report.

TREASURER
 MONTOUR COUNTY
 HUNTING LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE LICENSE PERIOD JULY 1, 2012 TO JUNE 30, 2013

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Game Commission</u>
Resident		
Adult	373	\$ 7,348.10
Junior	9	51.30
Landowner	1	3.70
Junior combination	33	287.10
Senior	26	330.20
Senior Lifetime Combo	14	1,409.80
Senior Lifetime Hunting	3	152.10
Senior Lifetime Upgrade Combo	1	50.70
Military	15	25.50
Reserves	2	3.40
Spring Turkey	33	683.10
Mentored Youth	28	47.60
Non-resident		
Adult	3	302.10
Junior	2	81.40
Seven day	2	61.40
Archery - Resident and Non-resident	215	3,375.50
Muzzleloaders - Resident and Non-resident	177	1,893.90
Antlerless deer		
Resident	3,301	18,815.70
Non-resident	24	616.80
Armed forces	18	102.60
Disabled veterans	3	17.10
Elk - Antlered and Antlerless	12	128.40
Bobcat	14	79.80
Fisher	2	11.40
Furtaker		
Adult resident	26	512.20
Senior resident	1	12.70
Migratory - Resident and Non-resident	71	191.70
Bear - Resident and Non-resident	171	2,684.70
DMAP - Resident and Non-resident	24	232.80
Replacements	15	85.50
Totals (Note 2)	<u>4,619</u>	<u>39,598.30</u>
Disbursements to Game Commission (Note 3)		(39,408.10)
Credits taken for licenses issued for Disabled Veterans and Senior Lifetime Hunt renewals		<u>(190.20)</u>
Balance due Game Commission (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Game Commission (County) for the license period July 1, 2012 to June 30, 2013		<u>\$ -</u>

Notes to the Statements of Receipts and Disbursements are an integral part of this report.

TREASURER
 MONTOUR COUNTY
 HUNTING LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE LICENSE PERIOD JULY 1, 2013 TO JUNE 30, 2014

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Game Commission</u>
Resident		
Adult	354	\$ 6,973.80
Junior	9	51.30
Landowner	1	3.70
Junior combination	41	356.70
Senior	21	266.70
Senior Lifetime Combo	13	1,309.10
Senior Lifetime Hunting	6	304.20
Senior Lifetime Upgrade Combo	1	50.70
Military	17	28.90
Reserves	2	3.40
Spring Turkey	33	683.10
Mentored Youth	33	56.10
Non-resident		
Adult	6	604.20
Archery - Resident and Non-resident	209	3,291.30
Muzzleloaders - Resident and Non-resident	171	1,829.70
Antlerless deer		
Resident	3,332	18,992.40
Resident landowners	1	5.70
Non-resident	20	514.00
Armed forces	19	108.30
Disabled veterans	4	22.80
Elk - Antlered and Antlerless	14	149.80
Bobcat	14	79.80
Fisher	8	45.60
Furtaker		
Adult resident	22	433.40
Migratory - Resident and Non-resident	80	216.00
Bear - Resident and Non-resident	165	2,610.50
DMAP - Resident and Non-resident	23	223.10
Replacements	26	148.20
Donations for the Game Commission	35	93.30
Totals (Note 2)	<u>4,680</u>	<u>39,455.80</u>
Disbursements to Game Commission (Note 3)		(39,231.50)
Credits taken for licenses issued for Disabled Veterans and Senior Lifetime Hunt renewals		<u>(224.30)</u>
Balance due Game Commission (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Game Commission (County) for the license period July 1, 2013 to June 30, 2014		<u>\$ -</u>

Notes to the Statements of Receipts and Disbursements are an integral part of this report.

TREASURER
 MONTOUR COUNTY
 FISHING LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE LICENSE PERIOD FEBRUARY 1, 2009 TO DECEMBER 31, 2009

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Fish and Boat Commission</u>
Resident	186	\$ 4,036.20
Replacements	3	17.10
Senior resident	8	85.60
National Guard/Armed Forces	10	17.00
Non-resident	2	103.40
Tourist		
Three day	1	25.70
Seven day	1	33.70
Senior lifetime	18	912.60
Lifetime Upgrade Card	7	46.90
Replacements	4	22.80
Lake Erie Stamp	1	8.70
Lake Erie And Trout/Salmon Combo Stamp	5	73.50
Trout/Salmon Stamp	<u>157</u>	<u>1,365.90</u>
Totals (Note 2)	<u><u>403</u></u>	6,749.10
Disbursements to Fish and Boat Commission (Note 3)		<u>(6,749.10)</u>
Balance due Fish and Boat Commission (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Fish and Boat Commission (County) for the license period February 1, 2009 to December 31, 2009		<u><u>\$ -</u></u>

Notes to the Statements of Receipts and Disbursements are an integral part of this report.

TREASURER
 MONTOUR COUNTY
 FISHING LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE LICENSE PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2010

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Fish and Boat Commission</u>
Resident	216	\$ 4,687.20
Replacements	3	17.10
Senior resident	8	85.60
National Guard/Armed Forces	11	18.70
Non-resident	1	51.70
Tourist		
Three day	3	77.10
Seven day	1	33.70
Senior lifetime	16	811.20
Lifetime Upgrade Card	4	26.80
Replacements	4	22.80
Lake Erie Stamp	3	26.10
Lake Erie And Trout/Salmon Combo Stamp	8	117.60
Trout/Salmon Stamp	<u>185</u>	<u>1,609.50</u>
Totals (Note 2)	<u><u>463</u></u>	7,585.10
Disbursements to Fish and Boat Commission (Note 3)		<u>(7,585.10)</u>
Balance due Fish and Boat Commission (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Fish and Boat Commission (County) for the license period January 1, 2010 to December 31, 2010		<u><u>\$ -</u></u>

Notes to the Statements of Receipts and Disbursements are an integral part of this report.

TREASURER
 MONTOUR COUNTY
 FISHING LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE LICENSE PERIOD JANUARY 1, 2011 TO DECEMBER 31, 2011

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Fish and Boat Commission</u>
Resident	180	\$ 3,906.00
Replacements	2	11.40
Senior resident	6	64.20
National Guard/Armed Forces	6	10.20
Non-resident	1	51.70
Tourist		
One day	1	25.70
Senior lifetime	18	912.60
Lifetime Upgrade Card	2	13.40
Replacements	2	11.40
Donations for the Fish and Boat Commission		-
Lake Erie Stamp	1	8.70
Lake Erie And Trout/Salmon Combo Stamp	10	147.00
Trout/Salmon Stamp	<u>155</u>	<u>1,348.50</u>
Totals (Note 2)	<u><u>384</u></u>	6,510.80
Disbursements to Fish and Boat Commission (Note 3)		<u>(6,510.80)</u>
Balance due Fish and Boat Commission (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Fish and Boat Commission (County) for the license period January 1, 2011 to December 31, 2011		<u><u>\$ -</u></u>

Notes to the Statements of Receipts and Disbursements are an integral part of this report.

TREASURER
 MONTOUR COUNTY
 FISHING LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE LICENSE PERIOD JANUARY 1, 2012 TO DECEMBER 31, 2012

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Fish and Boat Commission</u>
Resident	206	\$ 4,470.20
Replacements	2	11.40
Senior resident	7	74.90
National Guard/Armed Forces	10	17.00
Non-resident	1	51.70
Tourist		
Three day	1	25.70
Seven day	2	67.40
Senior lifetime	11	557.70
Lifetime Upgrade Card	3	20.10
Replacements	4	22.80
Lake Erie Stamp	4	34.80
Lake Erie And Trout/Salmon Combo Stamp	8	117.60
Trout/Salmon Stamp	177	1,539.90
Angler and Boater Magazine	1	12.70
Totals (Note 2)	<u>437</u>	<u>7,023.90</u>
Disbursements to Fish and Boat Commission (Note 3)		<u>(7,023.90)</u>
Balance due Fish and Boat Commission (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Fish and Boat Commission (County) for the license period January 1, 2012 to December 31, 2012		<u>\$ -</u>

Notes to the Statements of Receipts and Disbursements are an integral part of this report.

TREASURER
 MONTOUR COUNTY
 FISHING LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE LICENSE PERIOD JANUARY 1, 2013 TO DECEMBER 31, 2013

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Fish and Boat Commission</u>
Resident	179	\$ 3,884.30
3 Year Resident	5	318.50
5 Year Resident	6	634.20
Replacements	2	11.40
Senior resident	9	96.30
One day resident	1	10.70
National Guard/Armed Forces	4	6.80
Replacements	1	5.70
Non-resident	2	103.40
Tourist		
One day	1	25.70
Three day	4	102.80
Senior lifetime	16	811.20
Replacements	4	22.80
Lake Erie Stamp	1	8.70
Lake Erie And Trout/Salmon Combo Stamp	18	264.60
3 Year Lake Erie and Trout/Salmon	1	42.70
5 Year Lake Erie and Trout/Salmon	2	141.40
Trout/Salmon Stamp	155	1,348.50
3 Year Trout/Salmon	3	74.10
5 Year Trout/Salmon	2	81.40
Totals (Note 2)	<u>416</u>	<u>7,995.20</u>
Disbursements to Fish and Boat Commission (Note 3)		<u>(7,995.20)</u>
Balance due Fish and Boat Commission (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Fish and Boat Commission (County) for the license period January 1, 2013 to December 31, 2013		<u>\$ -</u>

Notes to the Statements of Receipts and Disbursements are an integral part of this report.

TREASURER
 MONTGOMERY COUNTY
 DOG LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE LICENSE PERIOD FEBRUARY 1, 2009 TO DECEMBER 31, 2009

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Department of Agriculture</u>
Individual	1,525	\$ 8,899.00
Senior citizen	354	1,246.00
Lifetime	102	3,150.00
Totals (Note 2)	<u>1,981</u>	<u>13,295.00</u>
Disbursements to Department of Agriculture (Note 3)		<u>(13,295.00)</u>
Balance due Department of Agriculture (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Department of Agriculture (County) for the license period January 1, 2009 to December 31, 2009		<u>\$ -</u>

Notes to the Statements of Receipts and Disbursements are an integral part of this report.

TREASURER
 MONTGOMERY COUNTY
 DOG LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE LICENSE PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2010

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Department of Agriculture</u>
Individual	2,122	\$ 12,096.00
Senior citizen	600	2,118.00
Lifetime	120	3,530.00
Totals (Note 2)	<u>2,842</u>	17,744.00
Disbursements to Department of Agriculture (Note 3)		<u>(17,731.00)</u>
Balance due Department of Agriculture (County) per settled reports (Note 4)		13.00
Examination adjustments (Note 6)		<u>(13.00)</u>
Adjusted balance due Department of Agriculture (County) for the license period January 1, 2010 to December 31, 2010		<u>\$ -</u>

Notes to the Statements of Receipts and Disbursements are an integral part of this report.

TREASURER
 MONTOUR COUNTY
 DOG LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE LICENSE PERIOD JANUARY 1, 2011 TO DECEMBER 31, 2011

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Department of Agriculture</u>
Individual	1,757	\$ 9,919.00
Senior citizen	600	2,096.00
Lifetime	<u>111</u>	<u>3,280.00</u>
Totals (Note 2)	<u><u>2,468</u></u>	15,295.00
Disbursements to Department of Agriculture (Note 3)		<u>(15,295.00)</u>
Balance due Department of Agriculture (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Department of Agriculture (County) for the license period January 1, 2011 to December 31, 2011		<u><u>\$ -</u></u>

Notes to the Statements of Receipts and Disbursements are an integral part of this report.

TREASURER
 MONTGOMERY COUNTY
 DOG LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE LICENSE PERIOD JANUARY 1, 2012 TO DECEMBER 31, 2012

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Department of Agriculture</u>
Individual	1,630	\$ 9,298.00
Senior citizen	575	2,023.00
Lifetime	112	3,180.00
Totals (Note 2)	<u>2,317</u>	14,501.00
Disbursements to Department of Agriculture (Note 3)		<u>(14,501.00)</u>
Balance due Department of Agriculture (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Department of Agriculture (County) for the license period January 1, 2012 to December 31, 2012		<u>\$ -</u>

Notes to the Statements of Receipts and Disbursements are an integral part of this report.

TREASURER
 MONTGOMERY COUNTY
 DOG LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE LICENSE PERIOD JANUARY 1, 2013 TO DECEMBER 31, 2013

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Department of Agriculture</u>
Individual	1,909	\$ 10,829.00
Senior citizen	610	2,110.00
Lifetime	<u>122</u>	<u>3,490.00</u>
Totals (Note 2)	<u><u>2,641</u></u>	16,429.00
Disbursements to Department of Agriculture (Note 3)		<u>(16,429.00)</u>
Balance due Department of Agriculture (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Department of Agriculture (County) for the license period January 1, 2013 to December 31, 2013		<u><u>\$ -</u></u>

Notes to the Statements of Receipts and Disbursements are an integral part of this report.

TREASURER
MONTOUR COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS FOR THE
HUNTING LICENSE PERIOD FEBRUARY 1, 2009 TO JUNE 30, 2014 AND FOR THE
FISHING AND DOG LICENSE PERIOD FEBRUARY 1, 2009 TO DECEMBER 31, 2013

1. Criteria

The Statements of Receipts and Disbursements provide a summary of receipts and disbursements by category. The categories and the costs of licenses are based on Pennsylvania laws and regulations.

The Statements were prepared in accordance with reporting requirements prescribed by the licensing agencies. Under this method, only the Commonwealth portion of cash receipts and disbursements are presented, revenues are recognized when received, and expenditures are recognized when paid.

The following schedule identifies the licensing agencies and the respective reporting period:

<u>License Type</u>	<u>Licensing Agency</u>	<u>License Period</u>
Hunting	Game Commission	July 1 to June 30
Fishing	Fish and Boat Commission	January 1 to December 31
Dog	Department of Agriculture	January 1 to December 31

With all of the license types listed above, there are licenses that are sold the month prior to the official license period beginning date. For our reporting purposes, these sales are included in the official first month of the license period.

2. Receipts

Receipts consist of monies collected on behalf of the licensing agency.

3. Disbursements

The proceeds from the sale of paper hunting licenses for partial license year of 2008 were remitted monthly by check with the monthly reports of sales. The proceeds from the sale of hunting licenses, sold electronically, for license years 2008 through 2013 were remitted weekly through an electronic funds transfer program.

TREASURER
MONTGOMERY COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS FOR THE
HUNTING LICENSE PERIOD FEBRUARY 1, 2009 TO JUNE 30, 2014 AND FOR THE
FISHING AND DOG LICENSE PERIOD FEBRUARY 1, 2009 TO DECEMBER 31, 2013

3. Disbursements (Continued)

The proceeds from the sale of fishing licenses, sold electronically, for license years 2009 through 2013 were remitted weekly through an electronic funds transfer program.

The proceeds from the sale of dog licenses for the license years 2009 through 2013 were remitted by check to the appropriate licensing agency with the monthly reports of sales.

4. Balance Due Licensing Agency (County) Per Settled Reports

This balance reflects the summary of monthly sales reports as settled by the appropriate licensing agency. It does not reflect adjustments disclosed by our examination.

5. Prior Examination Period Balance Due

We noted that there was a prior examination balance due the Commonwealth of \$957 which was not paid as of the end of our current examination period.

6. Examination Adjustment - Dog License Statement 2010

The examination adjustment represents a receipt totaling \$13 that was voided in March 2010.

7. County Officers Serving During Examination Period

Kim Schooley served as Treasurer during the hunting license period February 1, 2009 to December 31, 2009 and during the fishing and dog license period February 1, 2009 to December 31, 2009.

Jim Petro served as Treasurer during the hunting license period January 1, 2010 to January 5, 2014 and during the fishing and dog license period January 1, 2010 to December 31, 2013.

Jesse A. Kline served as Treasurer during the hunting license period January 6, 2014 to June 30, 2014.

TREASURER
MONTGOMERY COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE HUNTING LICENSE PERIOD FEBRUARY 1, 2009 TO JUNE 30, 2014 AND FOR
THE FISHING AND DOG LICENSE PERIOD FEBRUARY 1, 2009 TO DECEMBER 31, 2013

Finding No. 1 - Inadequate Internal Controls Over The Bank Account - Recurring

We cited the issue of inadequate internal controls over the bank account in our prior examination report for the hunting license period July 1, 2006 to January 31, 2009 and the fishing and dog license period January 1, 2007 to January 31, 2009. Our current examination found that the office did not correct this issue. Once again, our examination of the accounting records for the office disclosed the following deficiencies in the internal controls over the bank account:

- Bank reconciliations were not prepared.
- There was inadequate accountability over undisbursed funds.

These conditions existed because the office failed to establish and implement an adequate system of internal controls over the bank account and take appropriate action as recommended in our prior examination report.

A good system of internal controls ensures that:

- Bank statements are reconciled to the book balance on a monthly basis and any discrepancies are immediately investigated and resolved.
- The ending adjusted bank balance is reconciled with liabilities on a monthly basis and any discrepancies are immediately investigated and resolved. Since the bank account of the office is essentially an escrow account on behalf of the Commonwealth, County, and other participating entities, all available funds on hand should equal unpaid obligations.

Without a good system of internal controls over the bank account, the possibility of funds being lost or misappropriated increases significantly.

Recommendation

We strongly recommend that the office establish and implement an adequate system of internal controls over the bank account as noted above.

TREASURER
MONTOUR COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE HUNTING LICENSE PERIOD FEBRUARY 1, 2009 TO JUNE 30, 2014 AND FOR
THE FISHING AND DOG LICENSE PERIOD FEBRUARY 1, 2009 TO DECEMBER 31, 2013

**Finding No. 1 - Inadequate Internal Controls Over The Bank Account - Recurring
(Continued)**

Management's Response

The Treasurer responded as follows:

Excess funds accumulated in the License Fee Account due to inadequate account maintenance will be removed at the time of reconciliation of the September 2015 License Fee Account. Starting in September 2015, an account reconciliation will be done each month on the License Fee Account and will be reviewed and signed off by myself and my Deputy.

Auditor's Conclusion

We appreciate the office's steps to correct this issue. This is a recurring finding. It is imperative that the office take all steps necessary to comply with our recommendation. During our next examination we will determine if the office complied with our recommendation.

TREASURER
MONTGOMERY COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE HUNTING LICENSE PERIOD FEBRUARY 1, 2009 TO JUNE 30, 2014 AND FOR
THE FISHING AND DOG LICENSE PERIOD FEBRUARY 1, 2009 TO DECEMBER 31, 2013

Finding No. 2 - Missing Records - Recurring

We cited the issue of missing records in our prior examination report for the hunting license period July 1, 2006 to January 31, 2009 and the fishing and dog license period January 1, 2007 to January 31, 2009. Our current examination found that the office did not correct this issue. Once again, our examination of the office found that certain records were not available for examination. The following records were not available for examination.

- All unissued dog licenses for the examination period, which included:
 - 1,361 individual dog licenses and tags totaling \$9,520 for the period January 1, 2009 to December 31, 2009.
 - 420 senior dog licenses and tags totaling \$2,100 for the period January 1, 2009 to December 31, 2009.
 - 861 individual dog licenses and tags totaling \$6,020 for the period January 1, 2010 to December 31, 2010,
 - 41 senior licenses and tags totaling \$205 for the period January 1, 2010 to December 31, 2010.
 - 734 individual dog licenses and tags totaling \$5,130 for the period January 1, 2011 to December 31, 2011.
 - 49 senior dog licenses and tags totaling \$245 for the period January 1, 2011 to December 31, 2011.
 - 350 individual dog licenses and tags totaling \$2,450 for the period January 1, 2012 to December 31, 2012.
 - 73 senior dog licenses and tags totaling \$365 for the period January 1, 2012 to December 31, 2012
 - 80 individual dog licenses and tags totaling \$560 for the period January 1, 2013 to December 31, 2013
 - 35 senior dog licenses and tags totaling \$175 for the period January 1, 2013 to December 31, 2013

TREASURER
MONTGOMERY COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE HUNTING LICENSE PERIOD FEBRUARY 1, 2009 TO JUNE 30, 2014 AND FOR
THE FISHING AND DOG LICENSE PERIOD FEBRUARY 1, 2009 TO DECEMBER 31, 2013

Finding No. 2 - Missing Records - Recurring (Continued)

This condition existed because the office failed to establish and implement an adequate system of internal controls over the accountability of records and take appropriate action as recommended in our prior examination report. The current Treasurer, who assumed office on January 6, 2014, stated that he inadvertently disposed of all unissued licenses from the current examination period once he took office.

Good internal accounting controls ensure that all records are properly accounted for and maintained. In addition, all documentation should be kept until audited by the Department of the Auditor General.

Without a good system of internal controls over record retention, the potential for fraud or misappropriation is increased.

Recommendation

We strongly recommend that the office establish and implement procedures to ensure that all unissued licenses are available for review.

Management's Response

The Treasurer responded as follows:

Beginning in 2014, we have developed an unissued Dog license inventory management program which will keep accurate records of all unissued licenses and maintain a specific area for storage of all unissued license inventory specifically marked for audit purposes. For future audits, there will be both written and electronic records maintained and made readily available of all transactions regarding licenses.

Auditor's Conclusion

We appreciate the office's steps to correct this issue. This is a recurring finding. It is imperative that the office take all steps necessary to comply with our recommendation. During our next examination we will determine if the office complied with our recommendation.

TREASURER
MONTGOMERY COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE HUNTING LICENSE PERIOD FEBRUARY 1, 2009 TO JUNE 30, 2014 AND FOR
THE FISHING AND DOG LICENSE PERIOD FEBRUARY 1, 2009 TO DECEMBER 31, 2013

Finding No. 3 - Inadequate Segregation Of Duties - Recurring

We cited the issue of inadequate segregation of duties in our prior examination report for the hunting license period July 1, 2006 to January 31, 2009 and the fishing and dog license period January 1, 2007 to January 31, 2009. Our current examination found that the office did not correct this issue.

Our examination disclosed that one employee in the office was responsible for performing the following functions:

- Collecting cash, entering collection information into the computer system, and issuing receipts.
- Preparing deposit slips.
- Approving disbursements
- Reconciling the bank account.
- Reconciling collections to accounting records and/or receipts.
- Summarizing accounting records.
- Making voided transaction adjustments.

This condition existed because the office did not establish and implement an adequate segregation of duties and take appropriate action as recommended in our prior examination report.

A good system of internal controls requires adequate segregation of duties.

In order to achieve adequate segregation of duties, one employee should not have custody of cash and at the same time maintain the accounting records for the cash. These duties should be segregated and rotated daily. As an alternative control, someone independent from maintaining the accounting records and handling cash should review the employee's work daily. The reviewer should sign and date the records and documents reviewed.

TREASURER
MONTOUR COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE HUNTING LICENSE PERIOD FEBRUARY 1, 2009 TO JUNE 30, 2014 AND FOR
THE FISHING AND DOG LICENSE PERIOD FEBRUARY 1, 2009 TO DECEMBER 31, 2013

Finding No. 3 - Inadequate Segregation Of Duties - Recurring (Continued)

Without adequate segregation of duties, the possibility of funds being lost or misappropriated increases significantly.

Recommendations

We strongly recommend that the office provide for greater segregation of duties within the office. This can be done by cross-training personnel and rotating job functions that include the handling of cash and maintaining the accounting records for the cash. As an alternative and/or additional control, someone independent from the handling of cash and the accounting records should review the employee's work at the end of each day. The reviewer should sign and date the records and documents reviewed.

Management's Response

The Treasurer responded as follows:

In the interest of verification, accuracy, and transparency, we now require that both I and my Deputy sign off on the accuracy of all reports, summaries, and bank transactions regarding the License Fee Account Management.

Auditor's Conclusion

We appreciate the office's steps to correct this issue. This is a recurring finding. It is imperative that the office take all steps necessary to comply with our recommendations. During our next examination we will determine if the office complied with our recommendations.

TREASURER
MONTOUR COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE HUNTING LICENSE PERIOD FEBRUARY 1, 2009 TO JUNE 30, 2014 AND FOR
THE FISHING AND DOG LICENSE PERIOD FEBRUARY 1, 2009 TO DECEMBER 31, 2013

Finding No. 4 - Bank Deposit Slips Were Not Validated

Our examination of the office's accounting records disclosed that the office copy of the bank deposit slip was not validated by the bank for all 35 deposits tested. The office received a validated receipt from the bank, but this only confirmed the total amount deposited and not the actual makeup of the deposit (i.e. cash and check mix).

Good internal accounting controls require that the amount of each check and the total amount of cash deposited are identified on the deposit slip. The office copy of each deposit should be brought to the bank to be validated. If the bank cannot validate the deposit slip, the office should obtain a deposit ticket from the bank that validates total cash and the total deposit. After the office receives the validation from the bank, it should be reconciled to the receipts by someone other than the person preparing or making the deposit.

Without a good system of internal controls over funds received by the office, the possibility of funds being lost or misappropriated increases significantly.

The office was not aware of the potential internal control weaknesses caused by not having a validated deposit slip.

Recommendations

We recommend that the office obtain a validation from the bank as to the mix of cash and checks deposited. We further recommend that the validation is reconciled to receipts by someone other than the person preparing or making the deposit.

Management's Response

The Treasurer responded as follows:

Beginning August 2015, all deposits made into the License Fee Account will now receive a stamped and dated deposit receipt with specifics on amount of checks or cash deposited.

Auditor's Conclusion

During our next examination, we will determine if the office complied with our recommendations.

TREASURER
MONTOUR COUNTY
SUMMARY OF PRIOR EXAMINATION RECOMMENDATIONS
FOR THE HUNTING LICENSE PERIOD FEBRUARY 1, 2009 TO JUNE 30, 2014 AND FOR
THE FISHING AND DOG LICENSE PERIOD FEBRUARY 1, 2009 TO DECEMBER 31, 2013

Summary of Prior Examination Recommendations

During our prior examination, we recommended that the office:

- Establish and implement an adequate system of internal controls over receipts.
- Establish and implement an adequate system of internal controls over the sale of small games of chance licenses.
- Establish and implement an adequate system of internal controls over Commonwealth collections. We also recommended that the office ensures that amounts are disbursed to the appropriate Commonwealth agencies.
- Provide for greater segregation of duties within the office.
- Establish and implement an adequate system of internal controls over the safeguarding of records. In addition, we recommended that all documentation is kept until audited by the Department of Auditor General.
- Establish and implement an adequate system of internal controls over the bank account.

During our current examination, we noted that the office complied with our first three bulleted recommendations. However, the office did not comply with our last three bulleted recommendations. Please see the current year Finding Nos. 1, 2, and 3 for additional information.

TREASURER
MONTOUR COUNTY
REPORT DISTRIBUTION
FOR THE HUNTING LICENSE PERIOD FEBRUARY 1, 2009 TO JUNE 30, 2014 AND THE
FISHING AND DOG LICENSE PERIOD FEBRUARY 1, 2009 TO DECEMBER 31, 2013

This report was initially distributed to:

The Honorable Russell C. Redding

Secretary
Department of Agriculture

Mr. D. Holbrook Duer

Assistant Counsel
Governor's Office of General Counsel
Department of Agriculture

Mr. John Arway

Executive Director
Fish and Boat Commission

Mr. R. Matthew Hough

Executive Director
Pennsylvania Game Commission

The Honorable Jesse A. Kline

Treasurer

The Honorable Trevor S Finn

Chairperson of the Board of Commissioners

This report is a matter of public record and is available online at www.PaAuditor.gov. Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 229 Finance Building, Harrisburg, PA 17120; via email to: news@PaAuditor.gov.