



**SHERIFF  
BEAVER COUNTY  
EXAMINATION REPORT  
FOR THE PERIOD  
SEPTEMBER 1, 2008 TO AUGUST 31, 2012**

**COMMONWEALTH OF PENNSYLVANIA**

**EUGENE A. DEPASQUALE - AUDITOR GENERAL**

**DEPARTMENT OF THE AUDITOR GENERAL**



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EUGENE A. DePASQUALE  
AUDITOR GENERAL

### Independent Auditor's Report

Ms. Tracy Zeigler  
Commonwealth Accountant Manager  
Office of Comptroller Operations  
Harrisburg, PA 17101

We have examined the accompanying statement of receipts and disbursements (Statement) of the Sheriff, Beaver County, Pennsylvania (County Officer), for the period September 1, 2008 to August 31, 2012, pursuant to the requirements of Section 401(e) of *The Fiscal Code*, 72 P.S. § 401(e). This Statement is the responsibility of the county office's management. Our responsibility is to express an opinion on this Statement 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. An examination includes examining, on a test basis, evidence supporting the Statement 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(e) 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(e) of *The Fiscal Code*.

### Independent Auditor's Report (Continued)

In our opinion, the Statement referred to above presents, in all material respects, the operations of the County Officer as it pertains to receipts made on behalf of the Pennsylvania Office of Comptroller Operations for the period September 1, 2008 to August 31, 2012, in conformity with the criteria set forth in Note 1.

In accordance with *Government Auditing Standards*, we are required to report findings of significant deficiencies in internal control, violations of provisions of contracts or grant agreements, and abuse that are material to the Statement and any fraud and illegal acts that are more than inconsequential that come to our attention during our examination. We are also required to obtain the views of management on those matters. We performed our examination to express an opinion on whether the Statement is presented in accordance with the criteria described above and not for the purpose of expressing an opinion on the internal control over reporting on the Statement or on compliance and other matters; accordingly, we express no such opinions.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County Officer's ability to initiate, authorize, record, process, or report data reliably in accordance with the applicable criteria such that there is more than a remote likelihood that a misstatement of the County Officer's Statement that is more than inconsequential will not be prevented or detected by the County Officer's internal control. We consider the deficiency described in the finding below to be a significant deficiency in internal control over the reporting on the Statement:

- Bank Deposit Slips Were Not Validated.

Independent Auditor's Report (Continued)

A material weakness is a significant deficiency or combination of significant deficiencies that results in more than a remote likelihood that a material misstatement of the Statement will not be prevented or detected by the County Officer's internal control. Our consideration of the internal control over reporting on the Statement would not necessarily disclose all matters in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We consider the significant deficiency described above to be a material weakness.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Pennsylvania Office of Comptroller Operations and the County Officer and is not intended to be and should not be used by anyone other than these specified parties.



**EUGENE A. DEPASQUALE**  
Auditor General

July 19, 2013

## CONTENTS

	<u>Page</u>
Financial Section:	
Statement Of Receipts And Disbursements.....	1
Notes To The Statement Of Receipts And Disbursements.....	2
Finding And Recommendations:	
Finding - Bank Deposit Slips Were Not Validated .....	4
Report Distribution .....	6

SHERIFF  
 BEAVER COUNTY  
 STATEMENT OF RECEIPTS AND DISBURSEMENTS  
 FOR THE PERIOD  
 SEPTEMBER 1, 2008 TO AUGUST 31, 2012

Receipts:

Deputy Sheriff's Training and Education Surcharges	\$	292,906
Firearms License to Carry Modernization Account Fees		38,665
Firearms License Validation System Account Fees		<u>12,580</u>
Total Receipts (Note 2)		344,151
Disbursements to Office of Comptroller Operations (Note 3)		<u>(344,156)</u>
Balance due Office of Comptroller Operations (County) (Note 4)		(5)
Examination adjustments		<u>-</u>
Adjusted balance due Office of Comptroller Operations (County) for the period September 1, 2008 to August 31, 2012	\$	<u><u>(5)</u></u>

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

SHERIFF  
BEAVER COUNTY  
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
SEPTEMBER 1, 2008 TO AUGUST 31, 2012

1. Criteria

The Statement of Receipts and Disbursements provides a summary of receipts and disbursements by category. The categories and the amounts of surcharges and fees assessed are based on Pennsylvania laws and regulations.

The Statement was prepared in accordance with reporting requirements prescribed by the Pennsylvania Office of Comptroller Operations. 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.

2. Receipts

Receipts consist of monies collected on behalf of the Office of Comptroller Operations. These include monies collected for the following surcharges and fees:

- Deputy Sheriff's Education and Training Surcharges represent a surcharge, ranging from \$2 to \$10 depending upon the year of service, on each fee collected by the sheriff of every county upon acceptance for each service required for any complaint, summons, writ, or other legal paper required to be served or posted by the sheriff.
- Firearms License to Carry Modernization Account Fees represent a \$5 fee imposed for applying for a license to carry a firearm for the period May 9, 2006 through May 10, 2011.
- Firearms License Validation System Account Fees represent a \$1 fee imposed for applying for a license to carry a firearm.

3. Disbursements

Total disbursements are comprised of checks issued to the Office of Comptroller Operations.

4. Balance Due Office Of Comptroller Operations (County) For The Period September 1, 2008 To August 31, 2012

This balance reflects a summary of transmittal reports as settled by the Office of Comptroller Operations.

SHERIFF  
BEAVER COUNTY  
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
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5. County Officer Serving During Examination Period

George J. David served as Sheriff during the period September 1, 2008 to August 31, 2012.



SHERIFF  
BEAVER COUNTY  
FINDING AND RECOMMENDATIONS  
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Finding - Bank Deposit Slips Were Not Validated

Our examination of the sheriff's accounting records disclosed that the office copy of the bank deposit slip was not validated by the bank in 12 of the 36 deposits tested. The sheriff received a validated receipt from the bank, but this only confirmed the total amount deposited and not the actual make up 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 control over funds received by the office, the possibility of funds being lost or misappropriated increases significantly.

The sheriff's office was not aware of the potential internal control weaknesses caused by not having a validated deposit slip or a deposit ticket from the bank.

Recommendations

We recommend that the office obtain cash in slip from the bank teller as to the total cash and total checks deposited. If the sheriff's office cannot obtain a cash in slip from the bank, the office should consider changing banks. 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 sheriff responded as follows:

A procedure of a validated deposit slip cannot be provided by our bank. The bank indicated that they cannot provide a deposit slip separating the cash and check deposits for each day. As an alternative, we photocopy all checks and microfilm each check daily. Our computer does track total checks and cash deposited each day.

SHERIFF  
BEAVER COUNTY  
FINDING AND RECOMMENDATIONS  
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Finding - Bank Deposit Slips Were Not Validated (Continued)

Auditor's Conclusion

Although the sheriff's office implemented the alternative control, this does not ensure that all cash and checks receipted were deposited without the validation from the bank.

SHERIFF  
BEAVER COUNTY  
REPORT DISTRIBUTION  
FOR THE PERIOD  
SEPTEMBER 1, 2008 TO AUGUST 31, 2012

This report was initially distributed to:

Ms. Tracy Zeigler  
Commonwealth Accountant Manager  
Office of Comptroller Operations  
Accounts Receivable

Mr. Derin Myers  
Director  
Office of Financial Management and Administration  
Pennsylvania Commission on Crime and Delinquency

The Honorable George J. David	Sheriff
The Honorable Tony Amadio	Chairperson of the Board of Commissioners
The Honorable David A. Rossi	Controller

This report is a matter of public record and is available online at <http://www.auditorgen.state.pa.us>. Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 231 Finance Building, Harrisburg, PA 17120; via email to: [news@auditorgen.state.pa.us](mailto:news@auditorgen.state.pa.us).