



TREASURER

FRANKLIN COUNTY

EXAMINATION REPORT OF LICENSE SALES

HUNTING - JANUARY 1, 2006 TO JUNE 30, 2008

FISHING AND DOG - JANUARY 1, 2006 TO DECEMBER 31, 2008

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Independent Auditor's Report

The Honorable David M. Secor
Treasurer
Franklin County
Chambersburg, PA 17201

We have examined the accompanying statements of receipts and disbursements (Statements) of the Treasurer, Franklin 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). These Statements are the responsibility of the county office's management. 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. An examination includes 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*.

In our opinion, 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.

Independent Auditor's Report (Continued)

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 Statements 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 Statements are 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 Statements 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 Statements that is more than inconsequential will not be prevented or detected by the County Officer's internal control. We consider the deficiencies described in the findings below to be significant deficiencies in internal control over the reporting on the Statements:

- Inadequate Internal Control Over Receipts.
- Certain Dog Licenses Were Not Available For Examination.

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 Statements will not be prevented or detected by the County Officer's internal control. Our consideration of the internal control over reporting on the Statements 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 all the significant deficiencies described above to be material weaknesses.

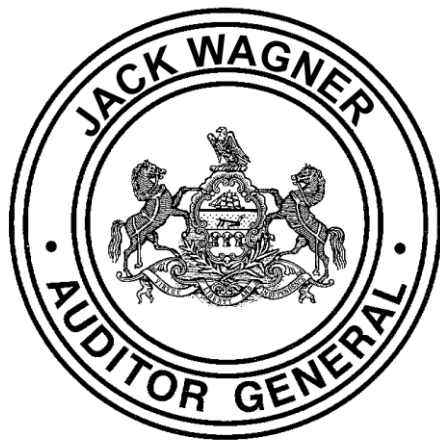
Independent Auditor's Report (Continued)

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 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.

December 3, 2009

JACK WAGNER
Auditor General



TREASURER
FRANKLIN COUNTY
HUNTING LICENSE SALES
STATEMENT OF RECEIPTS AND DISBURSEMENTS
LICENSE PERIOD JANUARY 1, 2006 TO JUNE 30, 2006

<u>License Type</u>	<u>Licenses Sold</u>	<u>License Value</u>	<u>Amount Due Game Commission</u>
Resident			
Adult	7	\$ 19.00	\$ 133.00
Junior	5	5.00	25.00
Replacements	2	5.00	10.00
Non-resident			
Adult	2	100.00	200.00
Seven day	12	30.00	360.00
Replacements	1	5.00	5.00
Furtaker			
Adult resident	1	19.00	19.00
Migratory			
Non-resident	1	5.00	5.00
Totals (Note 2)	<u>31</u>		<u>757.00</u>
Disbursements to Game Commission (Note 3)			(756.00)
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 January 1, 2006 to June 30, 2006			<u>\$ -</u>

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

TREASURER
FRANKLIN COUNTY
HUNTING LICENSE SALES
STATEMENT OF RECEIPTS AND DISBURSEMENTS
LICENSE PERIOD ENDING JUNE 30, 2007

<u>License Type</u>	<u>Licenses Sold</u>	<u>License Value</u>	<u>Amount Due Game Commission</u>
Resident			
Adult	131	\$ 19.00	\$ 2,489.00
Junior	17	5.00	85.00
Junior combination	6	8.00	48.00
Senior	37	12.00	444.00
Replacements	7	5.00	35.00
Military	42	1.00	42.00
Non-resident			
Adult	13	100.00	1,300.00
Seven day	3	30.00	90.00
Replacements	1	5.00	5.00
Archery			
Resident	46	15.00	690.00
Muzzleloaders			
Resident	76	10.00	760.00
Antlerless deer			
Resident	14,322	5.00	71,610.00
Resident landowners	29	5.00	145.00
Non-resident	163	25.00	4,075.00
Armed forces	48	5.00	240.00
Disabled veterans	24	5.00	120.00
Replacements	11	5.00	55.00
Furtaker			
Adult resident	8	19.00	152.00
Migratory			
Resident	59	2.00	118.00
Non-resident	2	5.00	10.00
Bear			
Resident	42	15.00	630.00
Non-resident	1	35.00	35.00
Totals (Note 2)	<u>15,088</u>		<u>83,178.00</u>
Disbursements to Game Commission (Note 3)			(82,916.00)
Credits taken for licenses issued for Disabled Veterans and Senior Lifetime Hunt renewals			<u>(263.00)</u>
Balance due Game Commission (County) per settled reports (Note 4)			(1.00)
Examination adjustments			<u>-</u>
Adjusted balance due Game Commission (County) for the license period ending June 30, 2007			<u>\$ (1.00)</u>

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

TREASURER
FRANKLIN COUNTY
HUNTING LICENSE SALES
STATEMENT OF RECEIPTS AND DISBURSEMENTS
LICENSE PERIOD ENDING JUNE 30, 2008

<u>License Type</u>	<u>Licenses Sold</u>	<u>License Value</u>	<u>Amount Due Game Commission</u>
Resident			
Adult	151	\$ 19.00	\$ 2,869.00
Junior	11	5.00	55.00
Junior combination	8	8.00	64.00
Senior	38	12.00	456.00
Replacements	11	5.00	55.00
Military	39	1.00	39.00
Non-resident			
Adult	15	100.00	1,500.00
Seven day	4	30.00	120.00
Archery			
Resident	66	15.00	990.00
Non-resident	1	25.00	25.00
Replacements	1	5.00	5.00
Muzzleloaders			
Resident	85	10.00	850.00
Non-resident	1	20.00	20.00
Replacements	1	5.00	5.00
Antlerless deer			
Resident	11,857	5.00	59,285.00
Resident landowners	32	5.00	160.00
Non-resident	158	25.00	3,950.00
Armed forces	56	5.00	280.00
Disabled veterans	29	5.00	145.00
Replacements	25	5.00	125.00
Furtaker			
Adult resident	8	19.00	152.00
Migratory			
Resident	45	2.00	90.00
Non-resident	1	5.00	5.00
Bear			
Resident	47	15.00	705.00
Non-resident	1	35.00	35.00
Totals (Note 2)	<u>12,691</u>		<u>71,985.00</u>
Disbursements to Game Commission (Note 3)			(71,719.00)
Credits taken for licenses issued for Disabled Veterans and Senior Lifetime Hunt renewals			<u>(266.00)</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 ending June 30, 2008			<u>\$ -</u>

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

TREASURER
FRANKLIN COUNTY
FISHING LICENSE SALES
STATEMENT OF RECEIPTS AND DISBURSEMENTS
LICENSE PERIOD ENDING DECEMBER 31, 2006

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Fish and Boat Commission</u>
Resident	72	\$ 1,512.00
Senior resident	8	80.00
National Guard/Armed Forces	4	4.00
Non-resident	1	51.00
Tourist		
Three day	3	75.00
Senior lifetime	131	6,550.00
Replacements	10	42.50
Lake Erie Stamp	4	32.00
Lake Erie And Trout/Salmon Combo Stamp	13	182.00
Trout/Salmon Stamp	<u>211</u>	<u>1,688.00</u>
Totals (Note 2)	<u><u>457</u></u>	10,216.50
Disbursements to Fish and Boat Commission (Note 3)		<u>(10,216.50)</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 ending December 31, 2006		<u><u>\$ -</u></u>

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

TREASURER
FRANKLIN COUNTY
FISHING LICENSE SALES
STATEMENT OF RECEIPTS AND DISBURSEMENTS
LICENSE PERIOD ENDING DECEMBER 31, 2007

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Fish and Boat Commission</u>
Resident	84	\$ 1,764.00
Senior resident	6	60.00
National Guard/Armed Forces	9	9.00
Non-resident	2	102.00
Tourist		
Three day	1	25.00
Seven day	2	66.00
Senior lifetime	109	5,450.00
Lifetime Upgrade Card	85	425.00
Replacements	14	59.50
Lake Erie Stamp	2	16.00
Lake Erie And Trout/Salmon Combo Stamp	9	126.00
Trout/Salmon Stamp	<u>206</u>	<u>1,648.00</u>
Totals (Note 2)	<u><u>529</u></u>	<u>9,750.50</u>
Disbursements to Fish and Boat Commission (Note 3)		<u>(9,750.50)</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 ending December 31, 2007		<u><u>\$ -</u></u>

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

TREASURER
FRANKLIN COUNTY
FISHING LICENSE SALES
STATEMENT OF RECEIPTS AND DISBURSEMENTS
LICENSE PERIOD ENDING DECEMBER 31, 2008

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Fish and Boat Commission</u>
Resident	76	\$ 1,632.40
Replacements	1	5.70
Senior resident	4	42.10
National Guard/Armed Forces	2	3.40
Non-resident	1	51.70
Senior lifetime	83	4,197.60
Lifetime Upgrade Card	121	675.70
Replacements	4	21.35
PFBC Donations	1	7.60
Lake Erie Stamp	5	42.10
Lake Erie And Trout/Salmon Combo Stamp	9	130.90
Trout/Salmon Stamp	<u>153</u>	<u>1,303.10</u>
Totals (Note 2)	<u><u>460</u></u>	8,113.65
Disbursements to Fish and Boat Commission (Note 3)		<u>(8,113.65)</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 ending December 31, 2008		<u><u>\$ -</u></u>

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

TREASURER
FRANKLIN COUNTY
DOG LICENSE SALES
STATEMENT OF RECEIPTS AND DISBURSEMENTS
LICENSE PERIOD ENDING DECEMBER 31, 2006

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Department of Agriculture</u>
Individual	14,143	\$ 80,187.00
Senior citizen	2,891	10,199.00
Lifetime	<u>344</u>	<u>10,850.00</u>
Totals (Note 2)	<u><u>17,378</u></u>	101,236.00
Disbursements to Department of Agriculture (Note 3)		<u>(101,236.00)</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 ending December 31, 2006		<u><u>\$ -</u></u>

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

TREASURER
FRANKLIN COUNTY
DOG LICENSE SALES
STATEMENT OF RECEIPTS AND DISBURSEMENTS
LICENSE PERIOD ENDING DECEMBER 31, 2007

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Department of Agriculture</u>
Individual	14,560	\$ 82,246.00
Senior citizen	3,102	10,926.00
Lifetime	448	13,880.00
Totals (Note 2)	<u>18,110</u>	107,052.00
Disbursements to Department of Agriculture (Note 3)		<u>(107,052.00)</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 ending December 31, 2007		<u>\$ -</u>

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

TREASURER
FRANKLIN COUNTY
DOG LICENSE SALES
STATEMENT OF RECEIPTS AND DISBURSEMENTS
LICENSE PERIOD ENDING DECEMBER 31, 2008

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Department of Agriculture</u>
Individual	16,710	\$ 94,138.00
Senior citizen	3,724	12,958.00
Lifetime	533	16,240.00
Totals (Note 2)	<u>20,967</u>	123,336.00
Disbursements to Department of Agriculture (Note 3)		<u>(123,338.00)</u>
Balance due Department of Agriculture (County) per settled reports (Note 4)		(2.00)
Examination adjustments		<u>-</u>
Adjusted balance due Department of Agriculture (County) for the license period ending December 31, 2008		<u>\$ (2.00)</u>

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

TREASURER
FRANKLIN COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE HUNTING LICENSE PERIOD JANUARY 1, 2006 TO JUNE 30, 2008 AND FOR
THE FISHING AND DOG LICENSE PERIOD JANUARY 1, 2006 TO DECEMBER 31, 2008

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	January 1, 2006 to June 30, 2008
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 hunting and dog licenses for the license years were remitted by check to the appropriate licensing agency with the monthly reports of sales.

The proceeds from the sale of paper fishing licenses for the license years 2006 and 2007 were remitted monthly by check with the monthly reports of sales. The proceeds from the sale of fishing licenses, sold electronically, for license years 2007 and 2008 were remitted weekly through an electronic funds transfer program.

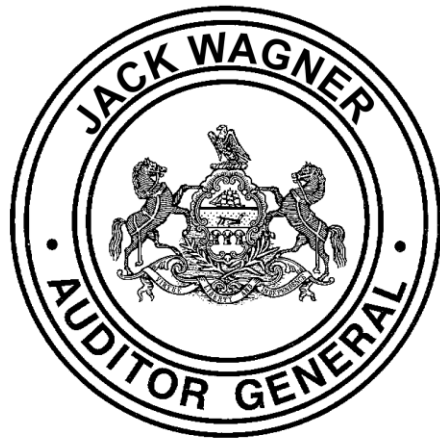
TREASURER
FRANKLIN COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE HUNTING LICENSE PERIOD JANUARY 1, 2006 TO JUNE 30, 2008 AND FOR
THE FISHING AND DOG LICENSE PERIOD JANUARY 1, 2006 TO DECEMBER 31, 2008

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.

5. County Officer Serving During Examination Period

David M. Secor served as Treasurer during the hunting license period January 1, 2006 to June 30, 2008 and during the fishing and dog license period January 1, 2006 to December 31, 2008.



TREASURER
FRANKLIN COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE HUNTING LICENSE PERIOD JANUARY 1, 2006 TO JUNE 30, 2008 AND FOR
THE FISHING AND DOG LICENSE PERIOD JANUARY 1, 2006 TO DECEMBER 31, 2008

Finding No. 1 - Inadequate Internal Controls Over Receipts

Our review of the accounting records for the office disclosed the following deficiencies in the internal controls receipts:

- Of 18 receipts tested, 15 receipts were not deposited on the same day as collected. The time lapse from the date of receipt to the subsequent date of deposit ranged from 3 days to 28 days.
- Of 18 deposits tested, 7 deposits did not agree with the corresponding receipts ledger.

These conditions existed because the office failed to establish adequate internal controls over its receipts.

A good system of internal controls ensures that:

- All monies collected are deposited in the bank at the end of every day.
- All collections received are properly recorded and deposited intact as received on a daily basis ensuring that deposits equal the corresponding receipts ledger.

Without a good system of internal controls over funds received by the office, the potential is increased that funds could be lost or misappropriated.

Recommendation

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

Management's Response

The current Treasurer, David M. Secor, responded as follows:

Audit findings were corrected prior to this report after verbal notification by the auditor.

Auditor's Conclusion

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

TREASURER
FRANKLIN COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE HUNTING LICENSE PERIOD JANUARY 1, 2006 TO JUNE 30, 2008 AND FOR
THE FISHING AND DOG LICENSE PERIOD JANUARY 1, 2006 TO DECEMBER 31, 2008

Finding No. 2 - Certain Dog Licenses Were Not Available For Examination

The office is authorized to sell dog licenses as an agent for the Commonwealth. In performing our examination, we noted that nine Individual licenses and one Senior Citizen/Disabled license were not available for our examination.

Good internal accounting controls ensure that all licenses 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 licenses, the potential is increased that collections associated with licenses could be misappropriated.

This condition existed because the office failed to establish and implement an adequate system of internal controls over licenses.

Recommendation

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

Management's Response

The current Treasurer, David M. Secor, responded as follows:

Audit findings were corrected prior to this report after verbal notification by the auditor.

Auditor's Conclusion

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

TREASURER
FRANKLIN COUNTY
REPORT DISTRIBUTION
FOR THE HUNTING LICENSE PERIOD JANUARY 1, 2006 TO JUNE 30, 2008 AND FOR
THE FISHING AND DOG LICENSE PERIOD JANUARY 1, 2006 TO DECEMBER 31, 2008

This report was initially distributed to:

The Honorable Russell C. Redding
Secretary
Department of Agriculture

Ms. Susan L. West
Director
Department of Agriculture

Mr. John Arway
Executive Director
Fish and Boat Commission

Mr. Carl G. Roe
Executive Director
Pennsylvania Game Commission

Treasurer
Franklin County
157 Lincoln Way East
Chambersburg, PA 17201

The Honorable David M. Secor

Treasurer

The Honorable Carol Fix Diller

Controller

The Honorable Robert Thomas

Chairman of the Board of Commissioners

This report is a matter of public record. Copies of this report may be obtained from the Pennsylvania Department of the Auditor General, Office of Communications, 318 Finance Building, Harrisburg, PA 17120. To view this report online or to contact the Department of the Auditor General, please access our web site at www.auditorgen.state.pa.us.