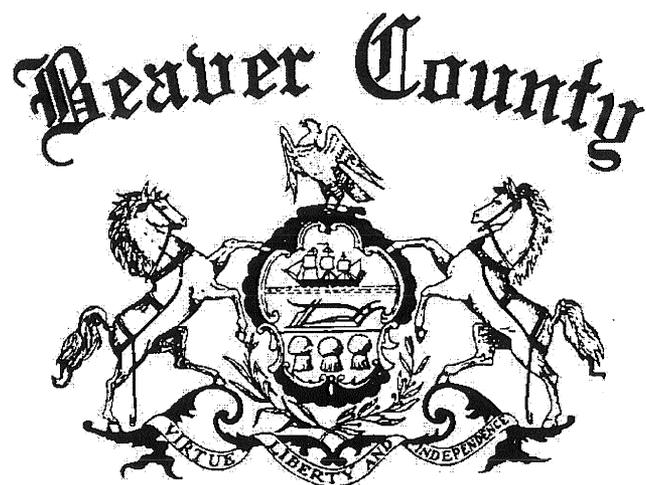


THE OFFICE OF BEAVER COUNTY SHERIFF
BEAVER, PENNSYLVANIA

FINANCIAL EXAMINATION REPORT

FOR THE FISCAL YEARS ENDED
2010, 2011, and 2012



Office of Controller

DAVID A. ROSSI, CONTROLLER

www.beavercountypa.gov

TABLE OF CONTENTS

	<u>Page(s)</u>
Report of County Controller	1
Statements of Cash Receipts and Disbursements	2-4
Notes to Financial Statements.....	5-7
Findings, Observations, and Recommendations.....	8-20
Sheriff's Responses, Comments, and Ancillary Documentation.....	21-47
Controller's Remarks to Sheriff's Responses and Comments.....	48-49
Sheriff's Representation Letter	50-51

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December 10, 2013

Sheriff of Beaver County, Pennsylvania

REPORT OF COUNTY CONTROLLER

We have examined the financial affairs relating to the Sheriff General Account, the Sheriff Surcharge Bank Account, and related compliance with the pertinent provisions of law of the Office of the Sheriff of Beaver County, Pennsylvania (the "Office"), for the fiscal years 2010 through 2012 solely for the purposes of satisfying §1724 of Title XVI of the Pennsylvania Statutes and for providing recommendations for improvement to internal control and effectiveness over the Office's operations. The financial affairs, operation, and compliance with applicable law are the responsibility of the Office's management. We do not express an opinion or provide any assurance on the information examined because the limited procedures executed do not provide us with sufficient evidence to express an opinion. We did, however, find several instances that warrant mention and recommendations for correction and/or improvement. These instances are described in the section entitled Findings and Recommendations.

We have also compiled the Statements of Cash Receipts and Disbursements for the years ended December 31, 2010, 2011, and 2012.

On December 5, 2013, the Office refused to submit documentation requested for purposes of our examination on the basis of protection of confidentiality. The Office of Controller treats all examination evidence as confidential. This refusal to access evidence constitutes a limitation on our intended scope of examination.

This report is intended for the information and use of the Sheriff of Beaver County and the Beaver County Board of Commissioners, and is not intended and should not be used by anyone other than these parties listed. However, public policy dictates that this report is a matter of public record and its distribution is not limited.

Beaver County Controller

The Office of the Sheriff
Statement of Receipts and Disbursements
January 1, 2010, through December 31, 2010

Balance January 1, 2010		\$ 455,346.53
 Receipts:		
	Advances to Escrow	2,127,856.57
	Permits, licenses, and other user fees	<u>82,867.48</u>
		2,210,724.05
 Disbursements:		
	For the County	(645,938.82)
	For the Commonwealth	(81,944.16)
	For Other Payees	<u>(1,558,301.23)</u>
		(2,286,184.21)
 Adjustments (Voids):		
	For the County	-
	For the Commonwealth	-
	For Other Payees	<u>28,669.66</u>
		<u>28,669.66</u>
 Balance December 31, 2010		 <u>\$ 408,556.03</u>

The Office of the Sheriff
Statement of Receipts and Disbursements
January 1, 2011, through December 31, 2011

Balance January 1, 2011		\$ 408,556.03
 Receipts:		
Advances to Escrow	1,533,505.74	
Permits, licenses, and other user fees	<u>66,947.64</u>	
		1,600,453.38
 Disbursements:		
For the County	(523,418.74)	
For the Commonwealth	(84,678.95)	
For Other Payees	<u>(1,167,226.54)</u>	
		(1,775,324.23)
 Adjustments (Voids):		
For the County	-	
For the Commonwealth	-	
For Other Payees	<u>24,777.72</u>	
		<u>24,777.72</u>
 Balance December 31, 2011		 <u>\$ 258,462.90</u>

**The Office of the Sheriff
Statement of Receipts and Disbursements
January 1, 2012, through December 31, 2012**

Balance January 1, 2012		\$ 258,462.90
Receipts:		
Advances to Escrow	1,402,386.82	
Permits, licenses, and other user fees	<u>106,180.42</u>	
		1,508,567.24
Disbursements:		
For the County	(491,767.26)	
For the Commonwealth	(64,318.42)	
For Other Payees	<u>(967,317.16)</u>	
		(1,523,402.84)
Adjustments (Voids):		
For the County	-	
For the Commonwealth	-	
For Other Payees	<u>11,670.90</u>	
		<u>11,670.90</u>
Balance December 31, 2012		<u>\$ 255,298.20</u>

The Office of the Sheriff
Notes to Financial Statements
For the period January 1, 2010, through December 31, 2012

Note A – OFFICE DESCRIPTION

The Office of the Sheriff of Beaver County, Pennsylvania, (the “Office”) performs a number of functions for the general public, the citizenry of Beaver County, and Beaver County’s government (the “County”). Just to cite a few, services provided include transporting prisoners to/from court hearings, securing County property, processing certain license and permit applications, serving warrants to individuals, posting public notices on private property, and processing home foreclosure sales. A more complete narrative of the Office’s duties and functions can be found on the Beaver County website, at <http://www.beavercountypa.gov/sheriff>.

The Sheriff is in charge of the Office. The Sheriff is a public official elected to a four-year term by voting citizens of Beaver County.

The Office is staffed by approximately 51 uniformed full-time and part-time deputies and 8 administrative associates. All non-managerial positions are part of collective bargaining agreements.

The Office of the Sheriff is an integral part of Beaver County, Pennsylvania, a local government entity. As such, it is subject to the policies and procedures set by Beaver County’s governing body and any applicable laws.

The Sheriff and his management staff are responsible for the accuracy of the financial information produced at the Office. Management is also responsible for establishing and maintaining internal controls to safeguard the financial resources for which it is accountable. Internal controls are designed to:

1. Prevent or timely detect unauthorized acquisition, use, or disposition of assets;
2. Ensure the reliability of financial reporting; and
3. Provide reasonable assurance that applicable laws and regulations are complied with.

Note B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Office reports on the cash basis of accounting. Under the cash basis of accounting, revenues are recognized when received and expenses are recognized when the disbursement is made. The Office does not periodically prepare Statements of Cash Receipts and Disbursements.

The Office of the Sheriff
Notes to Financial Statements (continued)
For the period January 1, 2010, through December 31, 2012

Note B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Office manages the Sheriff General Account, a bank account that is used for most transactions that take place at the Office. These transactions were included in the scope of this examination. The Office used the Sheriff Surcharge Account until October 2010. The Sheriff Surcharge Account is a bank account that was used to temporarily hold funds destined for the Commonwealth of Pennsylvania. Following the closure of the Sheriff Surcharge Account, all funds due the Commonwealth are disbursed from the Sheriff General Account.

Note C – SHERIFF SURCHARGE ACCOUNT

Balances, receipts, and disbursements of the Sheriff Surcharge Account are not included in the accompanying Statements of Receipts and Disbursements. Below follows a schedule of receipts and disbursements for the Sheriff Surcharge Account:

Balance January 1, 2010		\$ 19,887.47
Receipts:		
From Sheriff General Account	62,926.00	
Interest Earnings	<u>8.13</u>	
		62,934.13
Disbursements:		
For the County (Interest)	(85.62)	
For the Commonwealth	<u>(82,736.00)</u>	
		<u>(82,813.47)</u>
Balance December 31, 2010		<u>\$ -</u>

Note D – RECEIPTS/DISBURSEMENTS CATEGORIES

The Office receives cash, money orders, and checks for deposit into the Sheriff General Account for the following: gun permits, license to sell firearms, license to sell precious metals, accident reports, parking violations, advance payments for various services, Writs of Execution, Writs of Possession, proceeds from Sheriff's real estate sales, Booking Center fees, and several other miscellaneous costs and fees.

The Office of the Sheriff
Notes to Financial Statements (continued)
For the period January 1, 2010, through December 31, 2012

Note D – RECEIPTS/DISBURSEMENTS CATEGORIES (continued)

Disbursements are made from this account for the following: costs due to the County, costs due to the Commonwealth, and refunds of excess advance payments. Additionally, disbursements are also routinely made for case filings (Prothonotary / Recorder of Deeds), real estate tax payments, case advertising costs, disbursements to financial institutions for real estate sale proceeds, and plaintiffs' disbursements.

Note E – VOIDS

During the course of each year some disbursement checks are voided due to error by the Office or an outside party. When the Office discovers or is informed of the error, the original transaction is voided and, if needed, a corrected transaction is initiated. The following table illustrates the amounts voided during the years examined:

	<u>2010</u>	<u>2011</u>	<u>2012</u>
From previous years	\$ 5,432.62	\$ 7,844.99	\$ 154.40
From the current year	<u>23,237.04</u>	<u>16,932.73</u>	<u>11,516.50</u>
Total:	\$ 28,669.66	\$ 24,777.72	\$ 11,670.90

Note F – OBSERVATIONS, RECOMMENDATIONS, AND MANAGEMENT'S RESPONSES

The Controller reported certain findings along with recommendations for improvement as a result of the examination performed. Additionally, a summary status description is provided on observations resulting from the immediately previous examination by the Controller and from the Preliminary Views, a document released by the Controller on November 5, 2012. The section detailing these findings, recommendations, and status summaries, follow this note.

Additionally, the Office has provided responses and comments to specific items in this report. The Controller, in turn, has remarked to these statements. These responses and comments, selected ancillary documentation provided along with the responses and comments, and the Controller's remarks have been included in this report as well.

Finally, the Office has made certain representations to the Controller which are included as the last section of this report.

The Office of the Sheriff
Summary of Findings
For the period January 1, 2010, through December 31, 2012
Status of Previous Audit Observations

Background:

On July 9, 2010, the Controller issued an audit report on the Office of the Sheriff for the period of January 1, 2008 to December 31, 2009. The audit noted a number of observations along with their related recommendations. Please refer to that document for a description of such prior observations. We followed up throughout our current work on the status of the observations previously disclosed and provide our comments below. Observations are numbered and titled as originally done in the 2008-09 audit report.

Observation #1: Budget/Expenditures

We noted one accounts payable transaction that was not coded correctly. Also, as noted below under Current Observations and Recommendations, point 4., we encountered ten transactions that did not have the required purchase orders issued.

We recommend to follow both the recommendations presented in the 2008-09 audit report and those presented at point 4. of the Current Observations and Recommendations.

Observation #2: Surcharge Bank Account

We evidenced payment of all interest earnings accumulated in the Surcharge Bank Account to the County's General Fund. The Surcharge Bank Account was closed in October 2010.

Observation #3: Receipting / Daily Deposit

We believe based on inquiries made and other evidence that down time of the Office's computer system has not ensued during the current audit period and, therefore, no harm to the public transpired as a result of this specific issue. However, we do still recommend that the Office follow the recommendation presented in the 2008-09 audit report in case the occasion of system down time does arise.

We found that receipts are sequentially numbered and all receipts can be tracked in Infocon. However, the Office did not follow the recommendation presented in the 2008-09 audit report. We recommend that the Office review the sequential order of receipts on a daily basis as well as the transition of receipting from the end of one day to the beginning of the next day. Further, we recommend this review be documented appropriately.

We also noted that the number of transactions voided has decreased significantly.

The Office of the Sheriff
Summary of Findings
For the period January 1, 2010, through December 31, 2012
Status of Previous Audit Observations

Observation #4: Cash Controls

We found that receipts are generated at the time of service and provided to the customer in person or by mail. Further, we noticed that checks are endorsed at the time of acceptance except when staff is otherwise too busy. The latest any check gets endorsed is right before the prior day's deposit is taken to the bank.

We observed that the Daily Receipt/Transfer Register does not present anybody's initials. We continue to endorse the recommendation presented in the 2008-09 audit report in this regard.

Observation #5: Petty Cash

We were not provided with information necessary to assess the status of this observation made in the 2008-09 audit.

Observation #6: Escrow Account

The Office implemented a system whereby all escrow accounts are reviewed on a monthly basis by an administrative assistant. Accounts without activity for a few months or more are inquired about internally and a decision is reached as to the status of the particular account and what action to take, if any. Per inquiry and observation we found this system to work well.

The Office of the Sheriff
Summary of Findings
For the period January 1, 2010, through December 31, 2012
Status of Preliminary Views

Background:

On November 5, 2012, the Controller issued a preliminary examination document on the Office of the Sheriff for the period spanning from January 1, 2010, through September 30, 2012 (the “Preliminary Views”). Please refer to that document for a description of findings and observations noted as part of the examination work. What follows below is a current status summary on those outcomes upon the release of this final examination report. Findings are numbered and titled as originally done in the Preliminary Views.

1. *Services are billed at less than the cost of providing them* Many of the billed outside services provided by Sheriff’s personnel ceased. Services to certain governmental entities are now being provided under a written contract and for fees that allow recovery of all costs. Security services at the County’s Human Services Building continue to be provided as reported in the Preliminary Views.
2. *Services provided are not billed for* Evidence has come about that may indicate certain private security services continued after September 30, 2012, and into 2013.
3. *Services for outside parties are not permitted* A Pennsylvania Court of Common Pleas Judge ordered on February 7, 2013, that “the Sheriff and deputy sheriffs Beaver County shall refrain from performing, directly or indirectly, any official services or official duties for any person, association or corporation, during a period of official service as a sheriff or a sheriff’s deputy” and that “the Sheriff and deputy sheriffs Beaver County shall not receive, directly or indirectly, any compensation, gifts or gratuities from any person, association or corporation during a period of official service as a sheriff or a sheriff’s deputy”. The Judge’s order left it up to the County to decide on whether or not to continue providing services to governmental entities. As explained above, certain services are provided to government organizations under written contracts with them.
4. *Compensation of deputies is not paid according to agreements and standards* It became apparent that the practice of “compensatory time” ended shortly after September 2012 and all outstanding wages were paid to the affected personnel during May 2013.
5. *Part-time deputies may have to be considered on full-time status* It is the opinion of the Beaver County Deputy Sheriffs Association that the Sheriff has ultimate authority over the working status (part-time or full-time) of the deputies, as an arbitrator’s award dated November 11, 2004, dictates in the case of five grieving County deputies. Further, nobody has taken action in this matter since issuance of the Preliminary Views, including potentially affected deputies.

The Office of the Sheriff
Summary of Findings
For the period January 1, 2010, through December 31, 2012
Current Observations and Recommendations

1. Certain County-owned vehicles are driven only to/from the assigned drivers' homes

Background:

Some of the Office's personnel have access to County-owned vehicles that allow them to perform their assigned duties, such as transporting prisoners, serving warrants, posting notices, etc.

Description of Condition:

In reviewing fuel records for County-owned vehicles driven by the Office's personnel we came across three vehicles that accumulated total miles near the equivalent of their drivers' commute between their homes and the court house. It appears that these vehicles are used exclusively for the personal commute of their drivers. Also, drivers of these vehicles do not submit mileage logs and receipts for gasoline purchases as required by the County's Gas Card Program Policy (see Finding 3. below).

Cause of Condition:

The Office does not follow written policies for the use of the vehicles under its jurisdiction and it allows drivers personal use of the vehicles.

Effect of Condition:

The County assumes the cost of owning and maintaining three vehicles for the exclusive use of their drivers' personal commute.

Recommendation:

We recommend that the Office undertake or commission a study of the use of vehicles under its control and determine the necessary number of vehicles based on the results of such study. Following the results of the study, we recommend that the Office develop written policies and procedures dealing with the use of its vehicles.

2. Personal use of vehicles is taxable income to the driver benefitting from it

Background:

Personal use of vehicles provided by employers (including commuting privileges) is considered taxable income to the person benefitting from it according to the United States' Internal Revenue Code of 1986, as amended, in most instances. Section 1.274-5 of the federal regulations provides exceptions to personal use of employer-provided vehicles' taxability by stating:

The Office of the Sheriff
Summary of Findings
For the period January 1, 2010, through December 31, 2012
Current Observations and Recommendations

2. *Personal use of vehicles is taxable income to the driver benefitting from it (cont.)*

Background (cont.):

“(k) Exceptions for qualified nonpersonal use vehicles— (1) In general. The substantiation requirements of section 274(d) and this section do not apply to any qualified nonpersonal use vehicle (as defined in paragraph (k)(2) of this section).

(2) Qualified nonpersonal use vehicle— (i) In general. For purposes of section 274(d) and this section, the term qualified nonpersonal use vehicle means any vehicle which, by reason of its nature (that is, design), is not likely to be used more than a de minimis amount for personal purposes.

(ii) List of vehicles. Vehicles which are qualified nonpersonal use vehicles include the following:

(A) Clearly marked police, fire, and public safety officer vehicles (as defined and to the extent provided in paragraph (k)(3) of this section).

(B) Ambulances used as such or hearses used as such.

(C) Any vehicle designed to carry cargo with a loaded gross vehicle weight over 14,000 pounds.

(D) Bucket trucks (cherry pickers).

(E) Cement mixers.

(F) Combines.

(G) Cranes and derricks.

(H) Delivery trucks with seating only for the driver, or only for the driver plus a folding jump seat.

(I) Dump trucks (including garbage trucks).

(J) Flatbed trucks.

(K) Forklifts.

(L) Passenger buses used as such with a capacity of at least 20 passengers.

(M) Qualified moving vans (as defined in paragraph (k)(4) of this section).

(N) Qualified specialized utility repair trucks (as defined in paragraph (k)(5) of this section).

(O) Refrigerated trucks.

(P) School buses (as defined in section 4221(d)(7)(c)).

The Office of the Sheriff
Summary of Findings
For the period January 1, 2010, through December 31, 2012
Current Observations and Recommendations

2. *Personal use of vehicles is taxable income to the driver benefitting from it (cont.)*

Background (cont.):

(Q) Tractors and other special purpose farm vehicles.

(R) Unmarked vehicles used by law enforcement officers (as defined in paragraph (k)(6) of this section) if the use is officially authorized.

(S) Such other vehicles as the Commissioner may designate.

(3) Clearly marked police, fire, or public safety officer vehicles. A police, fire, or public safety officer vehicle is a vehicle, owned or leased by a governmental unit, or any agency or instrumentality thereof, that is required to be used for commuting by a police officer, fire fighter, or public safety officer (as defined in section 402(1)(4)(C) of this chapter) who, when not on a regular shift, is on call at all times, provided that any personal use (other than commuting) of the vehicle outside the limit of the police officer's arrest powers or the fire fighter's or public safety officer's obligation to respond to an emergency is prohibited by such governmental unit. A police, fire, or public safety officer vehicle is clearly marked if, through painted insignia or words, it is readily apparent that the vehicle is a police, fire, or public safety officer vehicle. A marking on a license plate is not a clear marking for purposes of this paragraph (k)."

In addition, personal use of vehicles may be considered taxable income to the beneficiaries of such use in state and/or local jurisdictions. So called "social security" and "medicare taxes" also apply to this type of income, which is payable by both the recipient of the benefit and the employer providing the vehicle.

Description of Condition:

Several Office personnel use the County's vehicles for commuting between their homes and their work location and/or engage in other personal use without meeting the exceptions for non-taxable use of vehicles under the Internal Revenue Code.

Cause of Condition:

The Office does not have written policies for the use of the vehicles under its jurisdiction and it allows drivers occasional personal use of the vehicles. Additionally, the Office did not consider the effects of income and employment taxes on the personal use of such vehicles.

Effect of Condition:

Affected personnel and the County may owe taxes on the personal use benefit of the County's vehicles.

The Office of the Sheriff
Summary of Findings
For the period January 1, 2010, through December 31, 2012
Current Observations and Recommendations

2. *Personal use of vehicles is taxable income to the driver benefitting from it (cont.)*

Recommendation:

We recommend that the Office and the County's office of Human Resources jointly study pertinent laws and regulations regarding taxation on the use of employer-provided vehicles and then develop a resulting conclusion and policy on such use and taxability. Finally, that any needed adjustments in compensation be made to accommodate changes resulting from the outcomes of the study undertaken.

3. *Drivers were noted to have consistently disregarded the County's enacted Gas Card Program Policy*

Background:

The County enacted a Gas Card Program Policy assigning responsibilities to departments wishing to utilize fleet fuel management cards as well as to the drivers utilizing such cards. The policy was made effective as of June 1, 2006.

Description of Condition:

During our review of fuel management records for County-owned vehicles, we noticed that two drivers consistently disregarded a specific provision of the Gas Card Program Policy. One of these employees repeatedly input a mileage of "0" into the gas card system for the car refueled and the other employee consistently input a mileage of "155,000". According to the aforementioned gas card policy, employees must enter the "vehicle odometer reading with each transaction". Additionally, some drivers do not submit mileage logs and actual receipts of purchases made with their cards to the Office as is also required by the Gas Card Program Policy. These drivers could be accumulating personal or unauthorized travel that cannot be substantiated due to lacking written evidence.

Cause of Condition:

The Office does not have written policies for the use of the vehicles under its jurisdiction. The Office condones occasional personal use of vehicles under its control. The Office and the County do not entirely enforce the Gas Card Program Policy.

Effect of Condition:

Personnel may be using the County's fleet fuel management cards in non-authorized ways without documentation required by the Gas Card Program Policy, as necessary to track the use of such cards. Additionally, personnel may be using vehicles for personal purposes without assuming responsibility for it through the use of a mileage log.

The Office of the Sheriff
Summary of Findings
For the period January 1, 2010, through December 31, 2012
Current Observations and Recommendations

3. *Drivers were noted to have consistently disregarded the County's enacted Gas Card Program Policy (cont.)*

Recommendation:

We recommend that the Office and the County overall better monitor the use of the County's vehicles and enforce the Gas Card Program Policy. Also, that the Office develop written policies and procedures specific to its own needs that encompass the use of fleet fuel management cards.

4. *Purchases were made in violation of the County's purchasing policy and pertinent Pennsylvania statutes*

Background:

Pennsylvania counties are bound by certain laws governing the procurement of goods and services. Specifically, Title 16, Chapter 1, "The County Code", of the Pennsylvania Statutes deals to a certain extent with the provisions and requirements of procurement for counties. In addition, the County elaborated its own "County of Beaver Policy on Purchasing and Procurement" (the "Purchasing Policy"), which guides the County's officers and other responsible officials on the steps to take in procuring goods and services.

Description of Condition:

During the period examined, we observed the following purchase transactions that did not follow certain provisions of law and/or the Purchasing Policy:

- Written contracts were not entered into for real estate transactions with two vendors. These were transactions originating from the Sheriff General Account.
- One contract for real estate advertising was entered into by the Sheriff. The County Code and the County's own Purchasing Policy stipulate that the Commissioners are the only members of county government authorized to enter into contracts on behalf of the County.
- Ten transactions lacked a purchase order when required to have one. These were transactions originating from the County's General Fund.

Cause of Condition:

The Office did not follow the applicable provisions of the Purchasing Policy.

Effect of Condition:

An equivalent item could have been available for a lower cost. Lack of a written contract or an otherwise properly executed contract may invalidate warranties and/or it may prevent the County from enforcing clauses normally included in contracts. It may expose the County to legal prosecution.

The Office of the Sheriff
Summary of Findings
For the period January 1, 2010, through December 31, 2012
Current Observations and Recommendations

4. *Purchases were made in violation of the County's purchasing policy and pertinent Pennsylvania statutes (cont.)*

Recommendation:

We recommend that the County develop and unfold a training program on the procedures to follow for the procurement of goods and services to all County officers and department heads. Also, that the County routinely enforce the provisions of the Purchasing Policy and of all pertinent related laws and that all bank accounts bearing the County's name be incorporated in the County's overall financial reporting system.

5. *Lack of written policies and procedures*

Background:

The existence and use of written policies and procedures enables employees to follow a set, standard, and desired conduct in the day-to-day activities of the Office.

Description of Condition:

During the period examined, we observed that the Office lacked any written policies and procedures specific to the activities it is responsible for. We particularly observed this in the area of handling vehicles and weapons, monetary transactions with the public, and internal transactions.

Cause of Condition:

The Office did not establish as a priority the composition of written policies and procedures for the benefit of better fulfilling its own objectives and to provide its employees with a clear set of standards to follow.

Effect of Condition:

Not having a dedicated written set of policies and procedures may have the following consequences for the Office:

- Employees lacking the necessary standard guidance to fulfill their obligations.
- Conflicts when different supervisors instruct employees in diverse ways.
- The safety of employees and others is jeopardized.
- Resources are wasted.
- County policies and/or "The County Code" are disregarded.

The Office of the Sheriff
Summary of Findings
For the period January 1, 2010, through December 31, 2012
Current Observations and Recommendations

5. *Lack of written policies and procedures (cont.)*

Recommendation:

We recommend that the Office dedicate resources to redacting a carefully thought out set of policies and procedures. That the approved set of policies and procedures be implemented for use by employees and that its effectiveness be periodically assessed and monitored.

6. *Accounting practice inconsistent with Generally Accepted Accounting Principles*

Background:

The Office provides services to the County's department of Tax Claims. Sheriff's deputies routinely post notice on properties and to owners and lienholders related to delinquent real estate taxes.

Description of Condition:

During the period examined, we observed that the Office billed and subsequently recorded revenue for services provided to the County's Tax Claims department while also charging some of its deputies' compensation to the Tax Claims expense accounts. In each of the years 2010, 2011, and 2012, the Office billed and recorded revenue amounting to \$210,534.42, \$213,140.95, and \$207,110.79, respectively, from interdepartmental services provided to Tax Claims. During the same periods, compensation of Office personnel dedicating services to Tax Claims was charged to that department as well, amounting to \$10,937 for 2010, \$9,854 for 2011, and \$13,511 for 2012. This way the Office partially recovered its costs of providing services to Tax Claims by charging the affected wages to the Tax Claims budgeted line item and it billed Tax Claims a fee for service that includes all costs (except for the direct wage charges to Tax Claims) and a margin of profit.

Cause of Condition:

The Office did not analyze its own department's financial statements to recognize potential misstatements and elements that may skew the presentation of financial results.

Effect of Condition:

Financial information is misrepresented and not in accordance with the promulgated body of financial accounting pronouncements, Generally Accepted Accounting Principles ("GAAP").

The Office of the Sheriff
Summary of Findings
For the period January 1, 2010, through December 31, 2012
Current Observations and Recommendations

6. *Accounting practice inconsistent with Generally Accepted Accounting Principles (cont.)*

Recommendation:

We recommend that the Office study its operational practices and design accounting procedures that appropriately reflect the financial transactions surrounding those practices, always conforming to GAAP. That the resulting procedures be applied to the transactions and monitored periodically to assess their continued effectiveness.

7. *Fees on firearms permits are not properly collected*

Background:

The Office is responsible for taking applications and collecting the corresponding fees to apply for a permit to carry a firearm concealed on or about one's person or in a vehicle throughout Pennsylvania for residents of Beaver County. The fee for such application is \$5 and a \$15 fee is added upon successful issuance of the permit. The fees are derived from two sections of legislation, 18 Pa.C.S. § 6109 and the Sheriff Fee Act of 1984, as amended.

Description of Condition:

During the period examined, we observed that several gun permits were issued for fees less than those legally prescribed. Approximately 47 permits were issued at no charge and 370 at less than the required fee. Additionally, an estimated 178 denied applicants were either not charged or refunded their fee payment, as opposed to collecting \$5 per application per 18 Pa.C.S. § 6109(h)(6). It is estimated that \$6,621 was not remitted to the County Treasurer as a result of undercharging and exempting applicants from fee charges during the period examined. During the years 2008 and 2009 we found that approximately 30 permits were issued at no charge and another 396 applicants were charged less than the \$20 or \$5 fee, as appropriate, amounting to a total \$6,512 not submitted to the County Treasurer for that period.

Cause of Condition:

The Office did not adhere to Section 6109 of the Uniform Firearms Act and the Sheriff Fee Act, which combined govern the imposition of fees for the firearms licensing process.

Effect of Condition:

Governing bodies are owed moneys according to Section 6109 of the Uniform Firearms Act and the Sheriff Fee Act, as amended. These statutes describe the collection and remittance of firearms licensing fees.

The Office of the Sheriff
Summary of Findings
For the period January 1, 2010, through December 31, 2012
Current Observations and Recommendations

7. *Fees on firearms permits are not properly collected (cont.)*

Recommendation:

We recommend that an accurate accounting of all moneys due for firearms' applications and permits be made. Then, that all moneys due be collected and remitted to the County Treasurer and the Commonwealth of Pennsylvania, if applicable. Additionally, that procedures to receive and process firearms' applications to reasonably ensure all pertinent fees are collected be designed, implemented, and monitored on an ongoing basis.

8. *Weak internal controls over processing of transactions*

Background:

The Office processes most of its transactions with the public using specialized public sector software commonly known as "Infocon". Essentially all cash receipts and disbursements are initiated and processed with the aid of Infocon. The Office accepts cash, money orders, and checks as a form of payment for their fees and costs from the public.

Description of Condition:

During the period examined, we observed that the fees charged to the public can be manipulated by Infocon's users without any warning or need for a supervisory approval. Also, certain fees are not fixed in Infocon and the user has to type the amount every time a permit is processed. Additionally, we observed that the Office's cash drawers remain unlocked at all times.

Cause of Condition:

The Office disregarded the risks of misstatement and/or fraud that arise from a poorly designed framework of internal controls over financial reporting and misappropriation of assets.

Effect of Condition:

The following are risks resulting from the internal control deficiencies described above:

- The public is more likely to be undercharged or overcharged for the service requested.
- Amounts remitted to governing bodies are more likely to be over- or understated.
- Error and fraud with all of their unwanted consequences are more likely to occur within the Office.

The Office of the Sheriff
Summary of Findings
For the period January 1, 2010, through December 31, 2012
Current Observations and Recommendations

8. *Weak internal controls over processing of transactions (cont.)*

Recommendation:

We recommend that the Office carry out an internal control study over financial and operational transactions to determine weaknesses that need addressed within the Office's systems, such as the ones described here. That subsequently the Office address the weaknesses encountered through thoughtfully planned remediation systems and related procedures.



Beaver County Sheriff's Office

• CRIMINAL DIVISION •
(724) 770-4602
Fax (724) 728-5080

GEORGE J. DAVID, SHERIFF

Chief Deputy Jay P. Alstadt
Lt. Walter L. Acheson

Captain James P. McGeehan
Lt. Thomas R. Ochs

• CIVIL DIVISION •
(724) 770-8613
Fax (724) 728-2412

January 3, 2014

David A. Rossi
Controller, Beaver County
810 Third Street
Beaver County Courthouse
Beaver, PA 15009

Re: Financial Examination Report
Fiscal Years Ended 2010, 2011, & 2012

Dear Mr. Rossi:

Please be advised that I have been directed by the Office of the Sheriff to provide a written response to the above referenced report. This response is based on the documentation provided to me, through that office. It is a compilation of notes by the Sheriff's Staff in response to the Report. It has been determined by certain members of the Sheriff's staff, that your report is replete with errors, editorializing, and legal conclusions which are not supported by Pennsylvania Statutes, or the documentation which you have reviewed.

The following is a list of responses and corrections which should be made to your report before it is made final:

1. Note B, page 5. It is not necessary to periodically prepare Statements of Cash Receipts and Disbursements. This is based on the practice of performing a Daily Receipt/Transfer Register which provides a detailed

listing of daily transactions including receipts, disbursements, and the total amount of escrow on hand. The amounts are balanced daily.

2. Note D, page 6. This paragraph is unclear. Any voided check has the proof attached to it and it is noted that a new check is issued and to whom it is written.
3. Observation #3, page 8. "We also noted that the number of transactions voided has decreased significantly." Most of the voided checks are returned from the tax collector and refunded to the attorney handling the case. This has been very well documented. Voided checks get returned because by the time the check from the office of the Sheriff is received, the mortgage company has made the payment. It is possible that the Sheriff's clerk could put a note on the check sent to the mortgage company indicating that they should deposit the check in their account and return the money to the attorney. It is the clerk's opinion that this would not be conducive to good practice or documentation.
4. Observation #5, page 9. Monthly forms are being completed regarding the use of Petty Cash.
5. Page 10, #2. Is a conclusion of law, and it is not within the power of the Controller to render an opinion.
6. Page 10, #3. This statement is a conclusion of law which is now under appeal to the Commonwealth Court of Pennsylvania. It is not within the power of the Controller to render an opinion.
7. Page 10, #5. This issue has been litigated by the County in Arbitration and this statement is contrary to law. No part-time deputy is able to claim full-time status. Full-time status can only be obtained by the Sheriff making an appointment.
8. Page 11, Recommendation. Title II, of the Procedure Manual, chapter 20, sets forth the requirements for vehicle operation and maintenance. (See Attached)

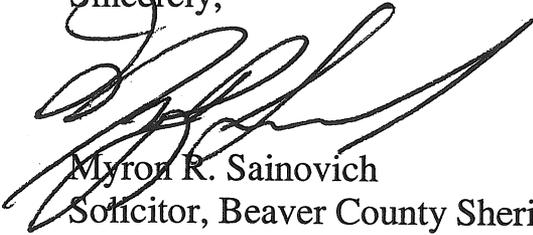
9. Page 14, Recommendation. It is the duty of the individual to report income at the time for taxation. The County of Beaver then makes deductions from their pay. (See Attached Title II)
10. Page 15, Recommendations. A policy is being developed and initiated/implemented to better monitor the use of County vehicles.
11. Page 15, Remarks. Agreements to advertise are not contracts entered into on behalf of the County. The Sheriff is required to advertise in a newspaper of general circulation and has done so at the best price available. Any monies paid and deposited are those of the parties to the action. An opinion was generated by the County Law Department which indicated that the advertising was within the purview of the Sheriff.
12. Page 17, Recommendation. Title II, Chapter 20, "vehicles, and Title III, Chapter 7, "firearms", internal transactions for criminal office log is in the computer with a spreadsheet which tracks use by employees which is assessed and monitored.
13. Page 18, Recommendation. Tax Claim is billed for services (minus payment made through payroll) and issues a check for deposit.
14. Page 18, #7. The \$5.00 administration fee is not collected immediately. This has been done historically to reduce costs of returning monies should applicants for permits be denied. The cost of a certified letter is \$4.81, plus the cost of issuing a refund check as well as the cost for paper products is not cost effective. The \$5.00 fee is collected when and if a permit is issued.
15. Page 19, #8. Infocon does have a preset amount for gun permits. During business hours the draw for money is able to be seen by the surveillance camera and is locked and money is placed in the safe overnight.

For your reference we have also included with this correspondence the Audit performed by the State of Pennsylvania, as well as the copy of written and oral

recommendations, correspondences from Sheriff David to the Auditor General, and the attachments mentioned in the reply.

Should you have any questions regarding this matter please contact Chief Deputy Alstadt at the office of the Sheriff. Thank you for your anticipated cooperation.

Sincerely,



Myron R. Sainovich
Solicitor, Beaver County Sheriff

Cc: Sheriff George David
Chief Jay Alstadt

Beaver County Sheriff's Office
Standard Operating Procedures Manual

Title II / Chapter 20

VEHICLE OPERATION AND MAINTENANCE

Revised 2Oct09

I. PURPOSE

The purpose of this chapter is to provide guidance in the daily use, care and up keep of Office vehicles.

II. POLICY

The Beaver County Sheriff's Office maintains a motor pool of various types of vehicles for daily, periodic, and special operations and events. The proper operation, maintenance, and general up keep are paramount to prevent or minimize the breakdown of these vehicles.

III. DEFINITIONS

Vehicle – any mechanical conveyance used to transport an individual. This is to include, but not limited to, County owned cars, trucks, motorcycles, vans, or bicycles.

IV. OPERATIONS

Beaver County Sheriff's Office employees will operate their assigned vehicles within the established traffic laws of the respective territory or domicile they are in. Any variance will be within Beaver County Sheriff's Office policy in reference to pursuit or enforcement of the law.

V. PERSONAL-CONVEYANCE

County owned vehicles will not be used for personal conveyance while off duty. County owned vehicles will not be used for a personal mode of transportation to include a mode of transportation to secondary employment. Special exemption will be at the discretion of the Sheriff.

VI. MAINTENANCE AND DAILY UP KEEP

Vehicles assigned to deputies are the responsibility of *that* deputy. Deputy will be responsible for daily maintenance, periodic maintenance and cleanliness of the vehicle. If a deputy is assigned for a shift, assignment or detail they are responsible for that vehicle at the time of assignment. Vehicles should be checked and inspected prior to their shift, assignment or detail. (* See Title IV Ch.1 Sect. IV Prisoner Transportation for further guidance) Any problems or issues discovered should be noted on their mileage sheet **AND** reported to a supervisor or the vehicle control deputy. Any problems rendering a vehicle unsafe for use should be reported immediately and if possible scheduled or taken for repair.

Beaver County Sheriff's Office

Standard Operating Procedures Manual

Title III / Chapter 7

FIREARMS

Revised 27Mar08

I. PURPOSE

The Beaver County Sheriff's Office places the highest value on human life. The use of and the proficiency with firearms is a basic job requirement that must be established and maintained for all sworn personnel.

II. POLICY

This policy provides guidelines and procedures for the purchase, storage, transportation, handling, training, and deployment of weapons/firearms by authorized sworn law enforcement personnel. The established guidelines and procedures within the Sheriff's Office Weapons/Firearms Policy shall apply to all deputies of the Sheriff's Office and be strictly adhered to.

III. DEFINITIONS

Authorized Firearm – Any make, model, or caliber of firearm that meets this Office's designated requirements and specifications, and has been formally approved by the Sheriff. This includes primary service handgun, alternate service handguns, backup handguns, shotguns, and rifles used for law enforcement purposes.

Primary Service Handgun – The firearm authorized by this Office to be carried as part of the service uniform and related equipment for uniformed personnel or plain clothes details.

Back-up Handgun – Any authorized handgun other than the primary service handgun that is carried in an authorized concealed manner.

Firearms Qualifications – Periodic testing required of deputies to determine their competency to carry authorized firearms.

IV. DUTY ISSUED SIDEARM

Every deputy shall qualify with their issued firearm. This weapon is the one issued by the Office and is considered the deputy's primary weapon and must be carried on duty. Each deputy is issued a GLOCK series firearm, Model 22, 23, and 35.

- ◆ On-duty deputies are prohibited from carrying any firearm unless they have been properly trained and qualified with that weapon.
- ◆ An approved on-duty firearm for uniform deputies will be called their "primary duty firearm".
- ◆ On-duty deputies in civilian clothes may carry, in addition to their primary duty firearm, the following weapon: Glock Model 27.
- ◆ Deputies whose official duties may require carrying another type of firearm must receive written approval from the Chain of Command and qualify with that weapon.

V. OFF DUTY SIDEARM

Beaver County Sheriff's Office

Standard Operating Procedures Manual

Deputies may, but are not required to, carry authorized firearms while off-duty. However, all deputies must be armed when in uniform and/or operating a marked patrol vehicle whether on or off duty.

- ◆ The deputy shall qualify with the same ammunition that will be carried with the off-duty weapon.
- ◆ Every deputy that carries an optional firearm when off-duty shall have such weapon registered with the Sheriff's Office.
- ◆ Ammunition for this weapon will be supplied by the individual deputy.
- ◆ Off duty firearms shall be carried concealed when the deputy is in plain clothes or out of uniform unless:

The deputy is in the workplace, and the deputy's badge is prominently displayed next to the firearm.

The deputy is engaged in law enforcement actions that may reasonably require quick access to the firearm, and the deputy's badge is prominently displayed next to the firearm.

- ◆ The deputy is engaged in activities where it would be permissible for a citizen to carry an exposed firearm, such as hunting or target practice.
- ◆ Off-duty officers carrying a firearm shall abide by all State and Federal laws and regulations.
- ◆ Off-duty officers are prohibited from carrying or handling a firearm if they are under the influence of alcohol, medications, or a controlled substance to the degree they are unable to use good judgment and/or exercise reasonable care and control of the firearm.
- ◆ The BCSO shall, at the expense and request of the individual officer, provide firearms proficiency training to officers who choose to carry a firearm other than their departmental issued firearm.
- ◆ An officer who works another job (non-police) that requires them to carry a firearm shall not be acting under this policy or be protected by their Act 120 training and shall comply with Act 235.

(Partially Adopted from the Cambridge Springs Police Department's Policy Manual.)

VI. BACK-UP WEAPONS

Every deputy carrying a back-up weapon while on duty shall have such weapon registered with the Sheriff's Office.

- ◆ Each deputy shall qualify on an approved Sheriff's Office firearms course prior to any utilization of such weapon.
- ◆ All ammunition utilized for any back-up weapon must meet the approved ammunition requirements.

VII. SHOTGUN

- ◆ A shotgun stored at the Sheriff's Office will be cleared and safe, placed in the wall rack or storage area with the action open and the safety on.
- ◆ Shotgun will be "cruiser loaded" using clearing barrel procedures when procured for shift duty
- ◆ The shotgun shall be stored in the weapons storage locker when the assigned vehicle is down for service.
- ◆ The shotgun will be unloaded prior to cleaning.

BCSO

810 3rd Street Beaver, Pennsylvania 15009

Page 2 of 10

Beaver County Sheriff's Office

Standard Operating Procedures Manual

- ◆ All loading and unloading will be conducted by utilizing the provided clearing barrel and clearing barrel procedures.
- ◆ Carrying the shotgun on calls:
 - i. The safety of the shotgun should be kept in the "on" position unless the deputy determines there is a danger present. In such cases, once the round is chambered, the safety should be in the "off" position.
 - ii. Deputies will carry the shotgun in the "low-ready" position until the circumstances of the call no longer requires its use.
 - iii. Deputies may also carry the shotgun using the sling attached to the shotgun.
 - iv. When utilizing the sling, deputies will ensure that a round is not in the chamber, and the safety is on.
 - v. From the low ready position, grasp the sling where it is attached to the stock, and sling the shotgun, muzzle down, over the support (non-gun) shoulder.

VIII. PATROL RIFLE

Any patrol rifle utilized by on-duty personnel shall be owned and issued by the Sheriff's Office to properly trained personnel. In instances where the rifle is owned by the utilizing deputy, advanced authorization must be obtained from the command staff prior to any deployment of that or any weapons system.

Authorized Patrol Rifles

The following shoulder weapons are authorized for official use.

- ◆ Colt/Bushmaster AR-15 A1/A2, M16 A1/A2, M4 A1/A2 capable of firing the .223/5.56 caliber ammunition.
- ◆ H&K MP5 9mm or H&K UMP .40 or .45 caliber sub machine gun (SMG), hand held shoulder weapon capable of being fired in the semi-automatic mode only.

Patrol Rifle Storage

- ◆ A patrol rifle stored at the Sheriff's Office will be unloaded and placed in the wall or storage area with the action open and the safety on.
- ◆ The patrol rifle shall be loaded upon a deputy taking over that weapon at the beginning of a new shift using the clearing barrel and clearing barrel procedures. The bolt should be released forward, ensure that weapon is on safe, attempt to pull trigger, then magazine seated in the weapon.
- ◆ The patrol rifle shall be stored in the weapons storage locker when the assigned vehicle is down for service.
- ◆ The patrol rifle will be unloaded prior to cleaning.
- ◆ All loading and unloading will be conducted utilizing the provided clearing barrel.

Patrol Rifle Utilization

Deputies properly trained in the use of an Office approved patrol rifle may be permitted to carry such weapons in certain authorized situations and/or circumstances.

Carrying the patrol rifle on calls:

- ◆ The safety of the patrol rifle should be kept in the "on" position unless the deputy determines there is a danger present. In such cases, once the round is chambered, the safety should be in the "off" position. Once the incident dictates that the scene is clear the weapon should be placed back on "safe".
- ◆ Deputies will carry the patrol rifle in the "low-ready" position until the circumstances of

Beaver County Sheriff's Office

Standard Operating Procedures Manual

the call no longer requires its use.

- ◆ Deputies may also carry the patrol rifle using the sling attached to the patrol rifle.
- ◆ When utilizing the sling, deputies will ensure that a round is not in the chamber, and the safety is on.
- ◆ From the low ready position, grasp the sling where it is attached to the stock, and sling the patrol rifle, muzzle down, over the support (non-gun) shoulder.

IX. APPROVED HOLSTERS

Due to the nature of the job functions performed by the deputies of the Sheriff's Office two holsters have been pre-approved for use with authorized issued firearms. Only the following holsters shall be utilized during on-duty use.

Standard Issued Uniform Holster

Safariland – Model 295 Front Break Holster for the Glock Model 22

Special Operations/Assignment Personnel

Safariland – Model 6004 Rotating Hood Holster w/Light Attachment for the Glock Model 22 or 35 with the Streamlight M3 Light attachment.

X. AMMUNITION

Deputies will utilize only Sheriff's Office authorized factory produced ammunition in all issued or office owned firearms.

40 Caliber Ammunition - Federal Cartridge Company

Duty Ammunition – 165 Grain Hydra-Shok Jacketed Hollow Point

Training Ammunition – 165 Grain Full Metal Jacket

Emergency Services Unit Personnel/Duty – 180 Grain Hydra-Shok Jacketed Hollow Point

Emergency Services Unit Personnel/Training – 180 Grain Full Metal Jacket

.223 Caliber Ammunition - Federal Cartridge Company

Duty Ammunition – 55 Grain Sierra Gameking BTHP

Training Ammunition – 55 Grain Full Metal Jacket Boat Tail

12 Gauge Shotgun Ammunition - Federal Cartridge Company

Duty/Training Ammunition – 2 ¾ Inch 00 Buck Maximum 9 Pellets

Duty/Training Ammunition – 2 ¾ Inch 1 ounce Hollow Point Rifled Slug

308 Caliber Ammunition - Federal Cartridge Company

Duty/Training Ammunition – 168 Grain Sierra Matchking Boat Tail Hollow Point

9mm Caliber Ammunition - Federal Cartridge Company

Duty Ammunition – 115 Grain Hi-Shok Jacketed Hollow Point +P+

Training Ammunition – 124 Grain Full Metal Jacket

X. DISCHARGE OF A FIREARM

The following procedures will be used to report and investigate every incident of firearms discharge by a deputy except for firearms training, hunting, and ballistic examination.

Whenever a deputy discharges his/her firearm either accidentally or officially, he/she shall follow the given procedure of reporting;

-Deputies will report immediately to their supervisor any use of force which results in death, injury, or stated injury requiring medical attention, and any firearm discharge (except for

Beaver County Sheriff's Office

Standard Operating Procedures Manual

authorized range training). Deputies will file a Use of Force Report when **any force** has been applied through the use of less-lethal weapons, (i.e. Taser, OC Spray). Deputies will fulfill their normal incident reporting procedures, i.e. completing or providing information for the completion of incident reports, criminal charges, supervisor's report, and/or any other required report procedure before the end of the deputy's scheduled shift. In the case of off duty deputies, the on-duty supervisor will be notified and will perform the follow-up responsibilities contained in this section. If there is no duty supervisor available, the deputy will contact the next highest ranking supervisor.

- Deputies shall report in writing, to their supervisor, before the end of their scheduled shift, any injuries to their person or persons in their custody, any damage to county property in their charge irrespective of when or where such injury or damage occurs. Such report shall be in full detail and state the names and addresses of all witnesses. If a deputy is injured to such an extent that he/she is physically unable to make such report, his/her supervisor shall make the required report.

Supervisor's Responsibility

In cases of all firearms discharge, except for authorized range training or for the purpose of destroying an animal, immediately notify the following chain of command;

1. Lieutenant
2. Assistant Chief
3. Chief Deputy
4. Sheriff

-The Pennsylvania State Police will conduct the investigation into all deputy involved shootings.

- Ensure that the deputy completes the normal incident reporting procedures as required by this policy before the end of his/her scheduled shift.

- Direct one (1) deputy to remain with the involved deputy to ensure their personal safety and well being. No unnecessary questioning concerning the incident is to be initiated with the involved deputy.

- If the involved deputy was injured and taken to an emergency facility, send a supervisor to the emergency facility to act as a liaison between the medical staff and Sheriff's personnel. Weapon and any pertinent equipment will immediately be secured.

- Render command assistance to the assigned investigating agency.

- Ensure that all involved deputies have scheduled appointments with the Employee Assistance Program.

- Place any deputy directly involved in a deadly force incident on Administrative Leave upon completion of their preliminary report of the incident.

-Submit a detailed report of the results of the field investigation to the Sheriff with copies to the Chief Deputy.

- ◆ The weapons and ammunition will be protected for later examination. The deputy's firearm and ammunition will be handled as evidence when the discharge of the firearm results in an injury or death of a person, or other incidents where the investigating element considers it necessary to protect the integrity of an investigation.
- ◆ The involved deputies will be available for official interviews and statements regarding the case, and will be subject to recall to duty at any time. Permission must be obtained from the Sheriff or his designee, prior to leaving the county.
- ◆ The case will not be discussed with anyone except the prosecuting attorney and/or the

Beaver County Sheriff's Office

Standard Operating Procedures Manual

investigating authority. However, this does not prohibit the deputy from discussing the case with a personal attorney.

XI. POST SHOOTING INCIDENT PROCEDURES

The Chief Deputy or his designee will contact the Employee Relations Office for the affected employee to ensure scheduling of psychological debriefing under the following circumstances:

- ◆ Prior to returning to duty, a psychological debriefing will be mandatory for any employee who in the line of duty:
- ◆ Discharges a firearm at another person, injuring or killing the person.
- ◆ Is injured as the result of an assault with a firearm.
- ◆ Is referred to the county's Employee Relations Office Assistance Program by a supervisor following a shooting incident.
- ◆ A psychologist is available for employees who in the line of duty:
- ◆ Have been a witness to a shooting incident
- ◆ Have been a witness to an assault with a firearm
- ◆ The Sheriff will have discretion to conduct the following with regard to deputy involved shootings;
- ◆ Determine when the employee may return to active duty.
- ◆ Reinstate an employee to active duty if the Prosecutor determines the incident to be justifiable. Exception: Those situations where pending Office charges cause the deputy to be under suspension.
- ◆ Reinstatement of an employee to active duty prior to determination by the District Attorney's Office. This will only happen if the Sheriff finds the employee to be physically and mentally capable of being returned to duty, and finds the circumstances such that reinstatement to active duty is appropriate.
- ◆ Suspend an employee, without pay, pending the outcome of criminal charges, if the Prosecutor files criminal charges.

XII. DISARMING OF AN DEPUTY

In any situation that results in a deputy being disarmed, the deputy will:

- ◆ Ensure their safety first and then notify:
- ◆ The dispatcher of
- ◆ Suspect Information
- ◆ Any medical treatment needed
- ◆ Remain at the scene until arrival of the appropriate supervisor and District Attorney's Detectives Bureau investigatory elements.
- ◆ Be available for official interview and statements regarding the case, and will be subject to recall to duty at any time.
- ◆ Deputies involved in the incident or office members who are witnesses, and/or have knowledge, will not give formal statements until instructed to do so by the investigatory element.
- ◆ Criminal investigators will take precedence over any internal investigation.
- ◆ A copy of the investigator's file will be forwarded for internal review for violation of policy and procedure elements of the incident and initiating.

Beaver County Sheriff's Office

Standard Operating Procedures Manual

XIII. ACCIDENTAL DISCHARGE OF A FIREARM

In the event that a deputy accidentally discharges an office approved firearm on or off-duty, any deputy recovers a firearm and an accidental discharge occurs, or when a non-office member accidentally discharges an office-approved firearm, the employee will;

- ◆ Notify a supervisor and remain at the scene until the proper elements arrive.
- ◆ The Sheriff's Office supervisor will conduct a through investigation and report his findings to the Chief Deputy or Designate.
- ◆ In the event that an injury occurs as a result of the accidental discharge the procedures of the **DISCHARGE OF A FIREARM** section of this policy shall apply.

XIV. DESTROYING AN ANIMAL

Injured or dangerous animals may be destroyed by a deputy using an office approved firearm, upon authorization from a supervisor, unless one or more of the following conditions exist;

- ◆ Exigent circumstances (must be outlined within the deputy's report)
- ◆ The animal is endangering human life.
- ◆ The animal is gravely injured with no possible hope of recovery.
- ◆ **NOTE** – Animal within a confined are, where there is no threat to human life will be handled in other manners.

Discharge Guidelines

- ◆ Ensure the safety of all citizens and lessen the risk of damage to property, by moving the injured animal to an area of relative safety, if possible, and out of public view. The animal should be placed on soft ground whenever possible to decrease the possibility of ricochet.
- ◆ Shoot the animal from close range (five to fifteen feet, if possible).
- ◆ Shoot down into the animal so the projectile, if exiting the animal's body, will enter the ground.
- ◆ Shoot the animal in the brain to minimize suffering.

EXCEPTION: If the possibility exists that the animal has rabies or has bitten someone, the animal should not be shot in the brain. In these cases, the animal should be shot in the chest cavity, directly behind either front leg.

XV. TRAINING / QUALIFICATIONS

Duty Issued Firearms

- ◆ All sworn employees will qualify annually with their primary duty firearm and shotgun under an authorized qualification course with the Firearms Qualification Program.
- ◆ Trained authorized personnel and members of the Emergency Services Unit will qualify annually on extended range impact device application and deployment.
- ◆ Deputies whose normal tour of duty requires them to work in uniform will qualify with their primary duty firearm, office approved/issued holster, magazine, duty belt, and body armor.
- ◆ Any deputy who has been on any form of leave, who did not qualify during the previous six months, will not carry a firearm until they resume qualifications. The deputy will qualify prior to returning to full duty.
- ◆ Each deputy will be issued the necessary rounds of ammunition on the day of qualification.

Beaver County Sheriff's Office

Standard Operating Procedures Manual

- ◆ Deputies are responsible for exchanging their service rounds during their daytime on-duty firearms qualification process each year.
- ◆ Deputies scheduled for firearms training will;
 - Respond to the appropriate range on the date and time scheduled, with the proper equipment.
 - Submit an Intern-Office Memorandum, to the Chief Deputy, explaining why they cannot or did not respond and to request rescheduling.

Off Duty Firearms

- ◆ Prior to carrying an off-duty firearm, deputies must qualify at one of the Sheriff's Offices approved pistol ranges. It is the deputy's responsibility to contact the Firearms Instructor for the scheduling of a qualification time. Attendance by deputies must be in an off-duty capacity.
- ◆ Yearly qualification will be mandatory and a passing score is required before the deputy may carry the weapon off-duty. Proof of the qualifying score will be provided by the Firearms Instructor on the appropriate form. Deputies will give the form to their immediate supervisor/commander for inclusion in the deputy's personnel file.
- ◆ All approved off-duty firearms will be inspected by the firearms instructor or range armored prior to each qualification. The scheduling of inspection will be the responsibility of the deputy.

XVI. QUALIFICATION COURSES

Any qualification course, regardless of the weapons system, utilized by the Sheriff's Office shall be indexed within the training file lesson plans. The lesson plans are devised for each course of fire and lesson objective(s). The firearms instructor shall be the designated authority to determine which particular course of fire is appropriate for the training/qualification activity.

XVII. CARE & MAINTENANCE

Deputies will ensure Office issued and approved firearms are cared for and maintained in accordance with written directives.

Care of Firearms

- ◆ Office policy requires that all office approved firearms carried while on-duty, and all firearms issued to individual employees or office elements, will be maintained in presentable and functional condition at all times. Deputies using firearms approved for specialized duty functions are responsible for cleaning and maintaining the weapons. Cleaning will be accordance with the manufacture's instructions or instruction provided by the office armored.

Presentable Condition – Properly cleaned and adequately lubricated, free of any rust, lead deposits, or powder residue.

Functional Condition – All working parts and mechanisms in proper operating order, and loaded with approved ammunition.

- ◆ Supervisors or their designees will periodically inspect firearms carried on-duty by deputies under their command to ensure proper maintenance.
- ◆ A deputy will fully understand the operation of any firearm before loading and unloading it.
- ◆ If a firearm should become “jammed”, and can not be cleared, the deputy will contact

Beaver County Sheriff's Office

Standard Operating Procedures Manual

their supervisor, and/or the office gunsmith for assistance.

- ◆ A proper and adequate supply of cleaning equipment will be available for proper service of each issued firearm.
- ◆ Firearms, whether carried on or off-duty, will be cleaned and maintained by the deputy to whom they are assigned. This should be completed weekly, when exposed to inclement weather, or when fired.
- ◆ The metal surfaces of the firearm should be wiped with an approved rust-preventive solution at least once a week and anytime the firearm is exposed to inclement weather, Under **NO CIRCUMSTANCE** should the firearm be cleaned by washing it with soap and water.

Maintenance of Firearms

- ◆ If the deputy's primary duty weapon is not functioning properly, it will be taken to the office armorer. If the gunsmith is unavailable, a temporary replacement firearm will be obtained from the Supervisor. The borrowed firearm will be returned to the firearms locker room upon reissue of the repaired firearm.
- ◆ All firearms will be inspected by the office gunsmith if any problems are discovered with the deputy's firearm and prior to any work being performed on the firearm.
- ◆ Any work performed on these weapons will be completed by a factory-authorized
- ◆ gunsmith. Any expense required to correct alterations and modifications, or to repair off-duty damage caused by the deputy will be paid for by that deputy.
- ◆ Upon completion of any repairs to an approved weapon made by someone other than the office gunsmith, the deputy will have the weapon re-inspected by the office gunsmith prior to returning the firearm to service.
- ◆ **NO** repairs or alterations of any kind will be made on any office approved firearm unless such work is performed by the office gunsmith.

XVIII. WEAPONS INSPECTIONS

The office armorer will conduct an annual inspection of all office issued/owned weapons to ensure their function ability. All inspections shall be documented and submitted for placement in the deputy's personnel file.

XIX. FIREARMS MODIFICATIONS

- ◆ Modifications to any agency authorized firearm requires written approval from the Sheriff and/or his designee. This includes, but is not limited to, modifications involving grips, spring kits, sights, and/or finishes.
- ◆ Defective, unsafe, or unauthorized firearms shall be reported to the Office weapons gunsmith.
- ◆ Any unauthorized alterations or modifications to office approved weapons may result in the suspension of a deputy's authorization to carry the weapon.
- ◆ Repairs or alterations to agency authorized firearms may only be made by the Office gunsmith and/or Office approved gunsmith.
- ◆ Authorized firearms shall be maintained in a clean and safe operating condition.
- ◆ The assigned deputy must re-qualify with that particular weapon after each modification.

Beaver County Sheriff's Office

Standard Operating Procedures Manual

XX. COMMERCIAL AIRCRAFT CARRY

Deputies **will not** carry firearms on their person or in their carry-on luggage/purse aboard a commercial aircraft, except in connection with the official performance of duty. Deputies **will not** carry any form of oleoresin capsicum or any other irritating or incapacitating sprays or chemical agents aboard passenger aircraft, either on their person, in carry-on luggage/purse, or in checked luggage.

Air carriers reserve the right to decide who will carry a firearm aboard their aircraft. Rules and regulations established by individual carriers may be more restrictive than requirements set by the Federal Aviation Administration. The following procedures apply to deputies who request to be armed during commercial flights. Deputies will:

- Obtain prior authorization from the Sheriff.
- Submit a FAR 108 Letter to the airline.
- Be certified in the "Law Enforcement Officers Flying Armed" training program.
- **Strictly conform** to all rules and regulations within the "Law Enforcement Officers Flying Armed" program.

XXI. FIREARMS SAFETY

- ◆ Deputies shall not carry a firearm on or off duty when they are legally impaired or have recordable blood alcohol content.
- ◆ Deputies shall report to their immediate supervisor any use of over the counter, prescription medications, and/or illegal narcotics that they reasonably believe would impair their ability or judgment to use a firearm.
- ◆ Deputies shall not store or leave a firearm in any place within the reach or easy access of a minor.
- ◆ All authorized firearms shall be carried in a safe and secure manner as authorized by this Office.
- ◆ Firearms will not be left in unsecured vehicles.
- ◆ Removal of firearms from their holster or other carrying devices for other than authorized purposes is prohibited. Any careless, flippant, or casual use or display of a firearm will constitute ground for discipline.
- ◆ Office owned weapons must be secured, by use of a firearms lock, when stored at the deputy's home on off-duty hours.
- ◆ Weapons **will not** be left unsecured in the Office area. Any weapon left on a desk, floor, or in the open outside of reach of the assigned deputy is considered **unsecure**.

Exit Conference Memorandum

Auditee: BEAVER County Sheriff
Address: 810 Third St. Beaver, PA
Date of Conference: July 19, 2013
Place Conference Held: BEAVER County Sheriff
Examination Period: SEPTEMBER 1, 2008 TO AUGUST 31, 2012

Participants:

For the BEAVER County Sheriff
George J. David, Sheriff
Louise Battalini, Adm. Clerk

For the Department of the Auditor General:
Judith Maltony, Auditor II

Findings and Observations in Report and Oral Comments:

1. For the audit period 9/1/08 to 8/31/02:

Total Due OCO	\$344,156
Total Paid OCO	<u>\$344,151</u>
Balance Due County	\$ 5
2. Written Finding-A validated deposit slip was not on hand for all deposits. An alternative procedure would to have a receipt indicating total cash deposited and the total deposit amount.
3. Oral Comment-The fees charged for gun permits must be according to statute. Free permits are not allowed. Also, internal controls would be improved if a state report was generated daily that lists gun permits issued and the report was reconciled with the daily receipt report noting reasons for any discrepancies. These reports should be retained for audit purposes.
4. Oral Comment-Inadequate Segregation of Duties and Lack of Review of Financial Documents by management. Management should review financial documents and any document reviewed by any staff member should be initialed and dated..
5. Oral Comment-The Sheriff Surcharge was not charged according to statute on writs of execution. (Ch. 22 of the Deputy Sheriff's education and training act.) This matter should be referred to your solicitor for clarification. (Real estate)

Verification of Review:

The above listed findings and comments and other appropriate report sections including the statement of receipts and disbursements have been presented at the examination review conference by the Auditor General's Department. My signature indicates only that the report sections were presented for review and does not necessarily indicate my concurrence with all report comments. I understand that if my response is not received within 14 days, the examination will be processed. All records were returned intact.

Signed George J. David
(For Auditee)

Title: SHERIFF

Signed Judith Maltony
(For Auditor General)

Title: Auditor II

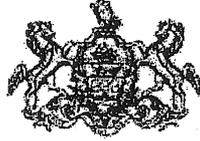


**SHERIFF
BEAVER COUNTY
EXAMINATION REPORT
FOR THE PERIOD
SEPTEMBER 1, 2008 TO AUGUST 31, 2012**

COMMONWEALTH OF PENNSYLVANIA

EUGENE A. DEPASQUALE - AUDITOR GENERAL

DEPARTMENT OF THE AUDITOR GENERAL



Commonwealth of Pennsylvania
Department of the Auditor General
Harrisburg, PA 17120-0018
Facebook: Pennsylvania 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:

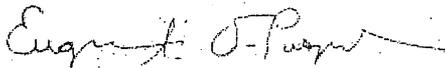
- Bank Deposit Slips Were Not Validated.

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
SEPTEMBER 1, 2008 TO AUGUST 31, 2012

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
FOR THE PERIOD
SEPTEMBER 1, 2008 TO AUGUST 31, 2012

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
FOR THE PERIOD
SEPTEMBER 1, 2008 TO AUGUST 31, 2012

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.

The Office of the Sheriff
Controller's Remarks to Office's Responses and Comments
For the period January 1, 2010, through December 31, 2012

Below are presented the Controller's remarks to the Office's response and comments to this report. The remarks are numbered in the same order as the "list of responses and corrections" presented by the Office and included in pages 21 through 23 of this report package. These remarks are dated as of January 9, 2014.

1. The statement "The Office does not periodically prepare Statements of Cash Receipts and Disbursements" is not intended to imply that such statements are required or necessary. The Controller, by means of the examination performed, compiled statements of receipts and disbursements for the years examined, which are presented in this report.
2. The noted paragraph is used to explain the reason for voided checks and to display the amount total voided for each of the years examined.
3. The decline in the number of voided transactions is seen as a positive development by the Controller in the operations of the Office.
4. As of January 9, 2014, the Controller has still not received all of the information requested to assess the status of Observation #5: Petty Cash presented in the Office's examination report for the period of January 1, 2008, through December 31, 2009. Further, the request in the 2008-09 audit report of submitting a Monthly Reconciliation Form to the Controller's Office has been consistently disregarded.
5. The Controller affirms the statements under "2. Services provided are not billed for".
6. The Controller affirms the statements under "3. Services for outside parties are not permitted".
7. The Controller affirms the statements under "5. Part-time deputies may have to be considered on full-time status".
8. We were told by Office personnel assigned to handling audit matters that the Office did not have any written policies pertaining to any aspect of its operations. Even if the policies and procedures contained in the one-page "Vehicle Operation and Maintenance" are known to Office personnel and are actually followed, our recommendation deals with performing a study on the needed and only necessary use of County-controlled vehicles by the Office and developing written policies and procedures based on the outcome of such study. The Controller affirms the statements under "1. Certain County-owned vehicles are driven only to/from the assigned drivers' homes".
9. The Controller affirms the statements under "2. Personal use of vehicles is taxable income to the driver benefitting from it".
10. The Controller affirms the statements under "3. Drivers were noted to have consistently disregarded the County's enacted Gas Card Program Policy".

The Office of the Sheriff
Controller's Remarks to Office's Responses and Comments (cont.)
For the period January 1, 2010, through December 31, 2012

11. The Controller affirms the statements under "4. Purchases were made in violation of the County's purchasing policy and pertinent Pennsylvania statutes".
12. We were told by Office personnel assigned to handling audit matters that the Office did not have any written policies pertaining to any aspect of its operations. The Controller affirms the statements under "5. Lack of written policies and procedures".
13. The Controller edited the statements under "6. Accounting practice inconsistent with Generally Accepted Accounting Principles" only to clarify the wages charged to Tax Claims were not included in the amount total billed for services to Tax Claims.
14. We were told by Office personnel assigned to handling audit matters that permits are issued or denied within minutes of the application being submitted and repeat visits by applicants are not the norm. The Controller affirms the statements under "7. Fees on firearms permits are not properly collected". Further, per 18 Pa.C.S. §6109(g), "Grant or denial of license", "the sheriff shall notify the applicant in writing of the refusal and the specific reasons. The notice shall be sent by certified mail to the applicant at the address set forth in the application".
15. We were told by Office personnel assigned to handling audit matters that the cash drawer remained unlocked during hours when the Office is open to the public. The Controller affirms the statements under "8. Weak internal controls over processing of transactions."

NOTE: As of January 9, 2014, the Office has not responded to the request to provide a management representation letter. Below is the management representation letter that was presented to the Office for consideration.

December 10, 2013

Mr. David A. Rossi
Controller
County of Beaver

We are providing this letter in connection with your compilation and examination of the financial statements of the Office of the Sheriff of Beaver County ("the Office") as of December 31, 2010, 2011, and 2012, and for the years then ended. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with the cash basis of accounting. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, as of December 10, 2013, the following representations made to you during your audit.

- 1) The financial statements referred to above are fairly presented in conformity with the cash basis of accounting.
- 2) We have made available to you all requested records and related information, except for:
 - a) Three Gun Permit Applications for 2012;
 - b) Verification/Copies of 2010 Gun Permits that couldn't be verified from the State Listing provided by Office staff;
 - c) Petty Cash Fund information; and
 - d) Copy of a vehicle purchase contract.
 - e) Listing of vehicles assigned to specific deputies and number of vehicles used for commuting to/from the workplace.
- 3) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices, except for the Exit Conference Memorandum from the Pennsylvania State Auditor General's Office dated July 19, 2013.
- 4) There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
- 5) We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
- 6) We have a process to track the status of audit findings and recommendations.
- 7) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned implementation actions, for the report.
- 8) The Office has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.

- 9) The following, if any, have been properly recorded or disclosed in the financial statements:
 - a) Related party transactions.
 - b) Guarantees, whether written or oral, under which the Office is contingently liable.
 - c) All accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates and measurements. We believe the estimates and measurements are reasonable in the circumstances.
- 10) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
- 11) There are no undisclosed liabilities or gain or loss contingencies.
- 12) As part of your examination, you compiled the financial statements and related notes. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 13) The Office has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 14) The Office's financial statements compiled and reported on by you do not include personnel compensation and related expenses as well as operational expenses of the Office.
- 15) We have evaluated and classified any subsequent events as recognized or nonrecognized through the date of this letter. No events have occurred subsequent to December 31, 2012, and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

Signed: _____

Title: _____