

Lancaster County Sheriff Audit Report

For the period of January 1, 2017 through December 31, 2018



Brian K. Hurter, CPA
Lancaster County Controller

Lancaster County Sheriff Audit
For the period of January 1, 2017 through December 31, 2018

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Controller
Brian K. Hurter, CPA

July 12, 2021

Christopher Leppler
Lancaster County Sheriff
50 North Duke Street
Lancaster, PA 17603

Dear Mr. Leppler:

Attached is the audit report for the Lancaster County Sheriff's Office, prepared by the Lancaster County Controller's Office. Our examination procedures were performed covering the period of January 1, 2017 through December 31, 2018. We tested and audited the financial and procedural affairs pertaining to ACT 66 Protection From Abuse (PFA) fees; Sheriff Sales; writ fees; and permit applications for License to Carry Firearms, License to Sell Firearms, and License to Sell Precious Metals. We hope to provide recommendations for improvement to internal control and efficiency over the Sheriff's operations. It is the responsibility of the Sheriff's management to ensure the operations and financial affairs are in compliance with applicable laws. 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, note some instances that warrant mention and recommendations for correction and/or improvement, and they are described in the Findings and Observations section of this report. We would like to note that the findings occurred over an audit period which included two separate administrations.

Per Pennsylvania Statutes Title 16 P.S. Counties § 1703, 1720 and 1720.1, we have a responsibility to audit the Sheriff's Office. The report of the audit results will be provided to the Lancaster County Sheriff's Administration.

We acknowledge the cooperation and assistance that we received from the Lancaster County Sheriff personnel. Their help was instrumental to the performance of this audit.

This report is intended for the information and use of the Lancaster County Sheriff Administration. It is not intended and should not be used by anyone other than these specified parties without consent; however, public policy dictates that this report is a matter of public record and its distribution is not limited.

Sincerely,
Brian K. Hurter, CPA
Lancaster County Controller
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Lancaster County Sheriff
Relevant Audit Notes
For the period January 1, 2017 through December 31, 2018

Note A – SHERIFF MISSION STATEMENT

The mission of the Lancaster County Sheriff's Office is to assure a safe environment for our community and an excellent quality of life. The Sheriff's Office provides a substantial level of services directed in a courteous and respectful manner for the protection of lives, property, and civil rights of all our citizens and visitors.¹

Note B – DESCRIPTION OF SHERIFF'S OFFICE

The Lancaster County Sheriff's Office is located at 50 North Duke Street in the City of Lancaster. The Sheriff of Lancaster County is Christopher Leppler. The Sheriff is elected to a four-year term. Sheriff Leppler began his term on January 1, 2018. From January 2017 to July 2017, Mark Reese and Charles Hamilton served as Sheriff and Chief Deputy, respectively. From July 2017 to December 2017, Charles Hamilton served as Acting Sheriff by statute, and Michael Armer was appointed Acting Chief Deputy. Christopher Leppler began serving his term on January 1, 2018, with Christopher Riggs serving as Chief Deputy.

In Pennsylvania, the Office of Sheriff is created under Article 9 section 4 of our Constitution. Statutorily, the Sheriff is primarily controlled by Article 12 of the County Code (16 P.S. 1201-1216). Section 1216 requires sheriffs to perform all those duties authorized by Statute. However, since the Legislature may only abolish common law by expressly removing it in a statute, the sheriff retains all authority given him at common law. The sheriff is further directed by the Pa. Rules of Civil Procedure. Our Supreme Court has been defining the broad powers of the sheriff over the years. A good review of the Sheriff's common law power of arrest is found in *Com. vs, Leets*, 537 Pa. 89, 641 A2d. 299 (1994). There the Court upheld the common law power of the sheriff to include the enforcement of the Vehicle Code, but directed training. In short, the Sheriff is the Highest Law Enforcement Officer of his county. He is elected every four years, and he serves both civil and criminal process. His deputies must be certified through a nineteen-week training school of 760 hours. The importance of the Office of the Sheriff in the Unified Judicial System as well as the Criminal Justice System is immeasurable.²

The Sheriff's Office will serve most original process in civil matters and obtain personal jurisdiction for the court; provide security/protection to the Court of Common Pleas and other Lancaster County facilities; convey/transport prisoners to and from court and state prisons; provide a K-9 explosive detection unit for use in all areas of the County; assist all other law-enforcement agencies as they may be needed; serve Protection From Abuse Orders (PFAs); serve and make arrests for outstanding bench warrants; conduct investigations into and issue permits for License to Carry Firearms, Licenses to Sell Firearms, and Licenses to Sell Precious Metals; conduct judicial sales of real and personal property; and determine property ownership.

¹ Taken from Sheriff's website (<https://www.co.lancaster.pa.us/364/About-Us>)

² Taken directly from Sheriff's website (<https://www.co.lancaster.pa.us/DocumentCenter/View/660/History?bidId=>)

Lancaster County Sheriff
Relevant Audit Notes (*Continued*)
For the period January 1, 2017 through December 31, 2018

Note C – SCOPE AND PROCEDURES OF AUDIT

The period of review is January 1, 2017 through December 31, 2018, which covers the 2017 and 2018 fiscal years. Under the current audit procedures and policies in place, the Lancaster County Sheriff's Office has not yet been audited by the Lancaster County Controller's Office.

A sample of Act 66 PFA fees; writ fees; travel costs; Sheriff real estate sales; and permit applications for Licenses to Sell Firearms, Licenses to Sell Precious Metals, and Licenses to Carry Firearms were selected from the year 2017 and 2018. Procedures were performed to test the accuracy, proper approval, account coding, compliance with laws and regulations, and allowability of those transactions. We also observed the Test of the Cash Count and Observation.

Note D – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Sheriff's 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.

Note E – OBSERVATIONS, FINDINGS, RECOMMENDATIONS, AND MANAGEMENT'S RESPONSES

The Controller reported certain observations and findings along with recommendations for improvement as a result of the examination performed over the transactions of the Sheriff's Office. The Sheriff's Office provided responses to these observations, findings, and recommendations. The sections detailing both follow this note.

Lancaster County Sheriff
Audit Findings and Observations
For the period January 1, 2017 through December 31, 2018

This section of the report presents the findings and observations that resulted from our annual examination. Following the findings and observations, we provide recommendations to correct or better the described occurrences.

Findings 1: Test of Revenues: Incorrect Dollar Amounts and Backup Missing on IDRf:

Background:

The County of Lancaster requires departments to receipt any monies collected with an Interdepartmental Receipt Form (“IDRF”). Once it has been completed and approved by the appropriate individuals in each department, the IDRf is submitted to the Lancaster County Controller’s and Treasurer’s Offices. This form is subsequently used to record the receipted monies on the County’s financial system, PeopleSoft. The County of Lancaster has developed specific accounting codes in PeopleSoft for the Sheriff’s Office to utilize when receipts are being recorded.

Description:

During the audit of the 2017 and 2018 calendar years, a sample of 25 receipts were tested under the Test of Revenues. A series of procedures were performed for these receipts to test for accuracy, account coding, and tracing the receipt detail recorded in PeopleSoft to the back-up and bank statement. We discovered there were IDRfs in the audit sample that had incorrect dollar amounts. The amounts were immaterial; however, it is important to accurately reflect the deposits and amounts received to avoid errors in the financial statements. While tracing the receipt detail recorded in PeopleSoft to the back-up and bank statement it was noted that the backup was not found to substantiate revenue received for copies made. This back up is important for making sure the deposits to the bank are correct, and the financial statements that are prepared are presented accurately.

Findings 2: License to Carry Firearms: Applications Incomplete, Incorrect Amount Paid to Commonwealth:

Background:

The Lancaster County Sheriff’s Office processes applications for License to Carry Firearms permits for Lancaster County residents age 21 years or older. An application is completed and submitted along with a copy of the applicant’s identification and the license to carry fee. Following an investigation by the Sheriff’s Office, and the Pennsylvania Instant Check System (PICS) conducted by the Pennsylvania State Police, the applicant is then notified whether the application has been approved or rejected. If rejected, a service fee of \$5 will be withheld, and the applicant will receive a refund of \$15.

Lancaster County Sheriff
Audit Findings and Observations (*Continued*)
For the period January 1, 2017 through December 31, 2018

Findings 2: License to Carry Firearms: Applications Incomplete, Incorrect Amount Paid to Commonwealth: (*continued*)

Description:

During the Test of License to Carry Firearms permits, we reconciled 2017 and 2018 by comparing the total number of permits issued and the amount received throughout both years. We chose a sample of 25 license to carry applications for each year of 2017 and 2018 to test. We reviewed each application for compliance with laws and regulations and reconciled the charges to the amount received in the financial system utilized by the Sheriff's Office. Out of the sample of 50 total applications, one application was not dated. Per Title 18, § 6109. (c), of the Consolidated Statutes of Pennsylvania, it states "The application form shall be dated and signed by the applicant..." In addition, two were missing complete employer information, and seven were missing complete references. While reconciling the IDRFs to the vouchers to the Commonwealth of PA, we noted that \$20 was short to the Commonwealth of PA for the Semi-Annual Report, which is payment of \$1 per each gun permit issued during the period.

Lancaster County Sheriff
Audit Recommendations
For the period January 1, 2017 through December 31, 2018

In the preceding section of this report, we listed findings and observations from our examination. This section of the report presents the recommendations we have provided to correct or better the described occurrences listed in the Audit Findings and Observations.

1. It is recommended that a second employee review the IDRFs for accuracy in cash or checks received. Many IDRFs were prepared and approved by the same individual. While this is not against policy, it possibly contributes to unnecessary errors.
2. We recommend that the cash receipt book be utilized for all monetary exchanges, and that the office copy remain in the book.
3. We recommend an additional employee review the License to Carry Firearms permit application after it is completed to assure the application is completed in its entirety, prior to approval of the License to Carry Firearms permit application and issuance of the License to Carry Firearms permit. This extra step will ensure greater adherence to the statutes governing applications for a License to Carry Firearms permit.
4. We recommend a review by two separate employees regarding the number of License to Carry Firearms permits issued, and \$1 fees collected prior to the submission of the Semi-Annual Report and corresponding payment to the Commonwealth of PA. This extra review will give greater confidence that the monetary amount sent to the Commonwealth of PA is accurate.

Lancaster County Sheriff
Audit Summary of Facts
For the period January 1, 2017 through December 31, 2018

We have performed specific procedures to assist in evaluating internal control and effectiveness of the Lancaster County Sheriff's Office for the 2017 and 2018 fiscal years.

Reportable conditions involved issues coming to our attention relating to significant deficiencies or non-compliance that could adversely affect the Sheriff's Office records. These conditions could adversely affect their ability to record and report financial data consistent with those standards of management. While conducting our audit, we noted findings, observations, and / or issues of non-compliance which are described in the Audit Findings and Observations section above. None of the findings or observations led us to believe that significant deficiencies had occurred.

We sampled transactions from specific accounts to ensure they are executed in accordance with management's approval. Inherent limitations in any internal control structure can cause errors or irregularities to occur and not be detected. Our testing would not necessarily disclose all matters in the internal control structure that might be reportable conditions. Included in our audit, we have reported at least one finding that involves a lack in the internal control structure of the Lancaster County Sheriff's Office. In future audits, we will continue to re-evaluate the internal control structure to ensure that policies and procedures do not become inadequate or ineffective because of changes in conditions or design.

We conducted our audit to obtain a reasonable understanding about whether the accounts tested are free of material misstatement. We did not express an opinion or provide any assurance on the information examined because the limited procedures executed do not allow us sufficient evidence to express an opinion.

Lancaster County Sheriff
Audit Responses – June 11, 2021
For the period January 1, 2017 through December 31, 2018

This section of the report presents responses from the Lancaster County Controller's Office to the responses received from the Sheriff's Office on May 13, 2021 in regard to the Lancaster County Sheriff's Office draft audit, which was sent to the Sheriff's Office on April 15, 2021.

- A. In response to Finding #1: Sheriff Christopher Leppler is in receipt of the draft and acknowledges the finding.

Controller's Office Response: The Controller's Office reaffirms the finding.

- B. In response to Finding #2: Sheriff Christopher Leppler is in receipt of the draft and acknowledges the finding.

Controller's Office Response: The Controller's Office reaffirms the finding.

Lancaster County Sheriff
Audit Responses – June 11, 2021 (*Continued*)
For the period January 1, 2017 through December 31, 2018

Controller’s Office Summary:

We believe that our recommendations will assist the Sheriff’s Office in their day-to-day tasks of collecting fees, processing various applications, and in their accurate reporting to other entities. We will continue to help the Sheriff’s office in any way that we can be of assistance. The willingness and professionalism of the Sheriff and his staff shows dedication to the job, and to ensuring the best service is provided by their office. Our findings and recommendations will be monitored in future audits to ensure that the findings are not reoccurring and the recommendations that are selected to be implemented are properly adhered to.