
Lancaster County Sheriff K-9 Unit Audit Report

For the period of January 1, 2017 through December 31, 2020



Brian K. Hurter, CPA
Lancaster County Controller

Lancaster County Sheriff K9 Unit Audit
For the period of January 1, 2017 through December 31, 2020

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Controller

Brian K. Hurter, CPA

November 8, 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 K9 Unit, prepared by the Lancaster County Controller's Office. Our examination procedures were performed covering the period of January 1, 2017 through December 31, 2020. We tested and audited the financial and procedural affairs pertaining to the K9 Unit. We hope to provide recommendations for improvement to internal control and efficiency over the K9 Unit'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 K9 Unit 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 K9 Unit
Relevant Audit Notes
For the period January 1, 2017 through December 31, 2020

Note A – SHERIFF MISSION STATEMENT

The mission of the Lancaster County Sheriff’s Office, in which the K9 Unit is assigned, 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 K9 Unit 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 primary duties of the Sheriff’s Office K9 Unit include explosives detection, tracking, building searches, deputy protection, and skills demonstrations.

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 K9 Unit
Relevant Audit Notes (*Continued*)
For the period January 1, 2017 through December 31, 2020**

Note C – SCOPE AND PROCEDURES OF AUDIT

The period of review is January 1, 2017 through December 31, 2020, which covers the 2017, 2018, 2019, and 2020 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 revenues and expenses were selected from the years 2017 through 2020. Procedures were performed to test the accuracy, proper approval, account coding, compliance with laws and regulations, and allowability of those transactions.

Note D – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Sheriff's Office K9 Unit 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 K9 Unit. The Sheriff's Office K9 Unit provided responses to these observations, findings, and recommendations. The sections detailing both follow this note.

**Lancaster County Sheriff K9 Unit
Audit Findings and Observations
For the period January 1, 2017 through December 31, 2020**

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.

Finding 1: Test of Revenues: 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. The Sheriff's Retention Policy states that "slips listing and accompanying bank deposits showing date, account, check numbers and amounts" are to be retained for three years.

Description:

During the audit of the 2017 through 2020 calendar years, a sample of 48 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. 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. We discovered there were 12 IDRfs in 2018, 2019 and 2020, of the audit sample that were missing backup documentation. Copies of checks and deposit slips had been permanently discarded or removed. As such, policy is not correctly implemented. 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.

Finding 2: Test of Expenses: Backup Missing for Voided Check:

Background:

The County of Lancaster requires support documentation and approval for expenses incurred. The Sheriff's Department has gun trades with vendors. Gun trades provide a credit to the Sheriff's Department and can be used against invoices billed to the Department.

Lancaster County Sheriff K9 Unit
Audit Findings and Observations (continued)
For the period January 1, 2017 through December 31, 2020

Finding 2: Test of Expenses: Backup Missing for Voided Check: (continued)

Description:

During the audit of the 2017 through 2020 calendar years, a sample of 48 expenses were tested under the Test of Expenses. A series of procedures were performed for these expenses to test for accuracy, account coding, backup documentation, and permissibility according to all policies and applicable laws or governing rules. While tracing the expense detail recorded in PeopleSoft to the back-up provided, it was noted that a payment had been voided by the vendor. There was no documentation provided or available to explain the purpose of the void. Upon research by the Controller's Office with the vendor, it was found that the 2017 check payment was voided as a result of a gun trade-in. We were unable to locate information regarding the particular trade that corresponded with this invoice.

Lancaster County Sheriff K9 Unit
Audit Recommendations
For the period January 1, 2017 through December 31, 2020

In the preceding section of this report, we listed findings 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 compared to the cash or checks received.
2. We recommend that the cash receipt book is consistently utilized for all monetary exchanges, and that the office copy remain in the book.
3. We recommend the electronic storage of all revenue documentation on a shared drive with limited access. Additionally, if physical copies are kept, a yearly review of those items should be performed to ensure all correct and proper support is maintained as defined in the Sheriff's Retention Policy.
4. We recommend that all gun trades be referenced to the invoice that they credit, and that if checks are voided for this purpose that backup documentation is attached to the voided or cancelled check.

Lancaster County Sheriff K9 Unit
Audit Summary of Facts
For the period January 1, 2017 through December 31, 2020

We have performed specific procedures to assist in evaluating internal control and effectiveness of the Lancaster County Sheriff's Office K9 Unit for the 2017, 2018, 2019, and 2020 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 K9 Unit's 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 K9 Unit. 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 K9 Unit
Audit Responses – November 8, 2021
For the period January 1, 2017 through December 31, 2020**

This section of the report presents responses from the Lancaster County Controller's Office to the responses received from the Sheriff's Office on October 14, 2021 in regard to the Lancaster County Sheriff's Office K9 Unit draft audit, which was sent to the Sheriff's Office on August 12, 2021.

A. In response to Finding #1: Policy has been written to include that a supervisor will review the IDR's and initial that they inspected and reviewed it. Please see attached Cash Handling Policy and Cash handling procedures document. Receipts for all cash transactions will be written, and the cash receipt book will be maintained in the office or file room. Revenue collected for civil dockets and real estate is stored electronically in County Suite the Sheriff's Office Record Management System. All other cash is recorded and will be verified by a supervisor manually. Audits will be performed twice a month with a supervisor to verify accuracy.

Controller's Office Response: The Controller's Office reaffirms the finding and is pleased with the response from the Sheriff's Office in the writing of policies and implementation of procedures to address our concerns.

B. In response to Finding #2: This was not a transaction that the Sheriff's Office facilitated. The vendor had a credit from a firearms exchange in either 2013 or 2014 when all of the Office weapons were replaced. The vendor decided to apply the credit to the pants order. This occurred under the previous administration and is not something the current administration would have requested to be done. The office became aware of this transaction by this audit. This is a common practice with this vendor and to correct the issue the Sheriff's Office will contact them to cease this practice.

Controller's Office Response: The Controller's Office reaffirms the finding and is pleased that the Sheriff's Office will address this issue with the vendor. The Controller's Office notes that this occurred during the previous administration.

Lancaster County Sheriff K9 Unit
Audit Responses – November 8, 2021 (*Continued*)
For the period January 1, 2017 through December 31, 2020

Controller's Office Summary:

We believe that our recommendations will assist the Sheriff's Office K9 Unit in their day-to-day tasks of accurately and properly recording the revenues and expenses for the Unit. We will continue to help the Sheriff's Office K9 Unit 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.