



TREASURER

BERKS COUNTY

EXAMINATION REPORT OF LICENSE SALES

HUNTING - JULY 1, 2003 TO JUNE 30, 2006

FISHING AND DOG - JANUARY 1, 2003 TO DECEMBER 31, 2006

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Independent Auditor's Report

The Honorable Nelson H. Long
Treasurer
Berks County
Reading, PA 19601

We have examined the accompanying statements of receipts and disbursements (Statements) of the Treasurer, Berks County, Pennsylvania (County Officer), for the license period identified on the contents page, pursuant to the requirements of Section 401(d) of *The Fiscal Code*, 72 P.S. § 401(d). These Statements are the responsibility of the county office's management. Our responsibility is to express an opinion on these Statements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. An examination includes examining, on a test basis, evidence supporting the Statements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

We are mandated by Section 401(d) of *The Fiscal Code* to audit the accounts of each county officer to determine whether all moneys collected on behalf of the Commonwealth have been correctly assessed, reported and promptly remitted. *Government Auditing Standards* issued by the Comptroller General of the United States include attestation engagements as a separate type of audit. An attestation engagement performed pursuant to *Government Auditing Standards* involves additional standards that exceed the standards provided by the American Institute of Certified Public Accountants. Accordingly, this attestation engagement complies with both *Government Auditing Standards* and Section 401(d) of *The Fiscal Code*.

Independent Auditor's Report (Continued)

In our opinion, the Statements referred to above present, in all material respects, the operations of the County Officer as it pertains to receipts made on behalf of the of the licensing agencies, for the license period identified on the contents page, in conformity with the criteria set forth in Note 1.

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

We are concerned in light of the County Officer's failure to correct a previously reported audit finding regarding inadequate segregation of duties. The County Officer should strive to implement the recommendation and corrective action noted in this examination report. This significant deficiency increases the potential for errors or irregularities to occur.

This report is intended solely for the information and use of the Pennsylvania Game Commission, Pennsylvania Fish and Boat Commission, Pennsylvania Department of Agriculture, and the County Officer and is not intended to be and should not be used by anyone other than these specified parties.

November 9, 2007

JACK WAGNER
Auditor General

TREASURER
BERKS COUNTY
HUNTING LICENSE SALES
STATEMENT OF RECEIPTS AND DISBURSEMENTS
LICENSE PERIOD ENDING JUNE 30, 2004

<u>License Type</u>	<u>Licenses Sold</u>	<u>License Value</u>	<u>Amount Due Game Commission</u>
Resident			
Adult	126	\$ 19.00	\$ 2,394.00
Junior	6	5.00	30.00
Junior combination	2	8.00	16.00
Senior	5	12.00	60.00
Replacements	3	5.00	15.00
Archery			
Resident	61	15.00	915.00
Muzzleloaders			
Resident	42	10.00	420.00
Replacements	2	5.00	10.00
Antlerless deer			
Resident	21,935	5.00	109,675.00
Resident landowners	4	5.00	20.00
Non-resident landowners	261	25.00	6,525.00
Armed forces	36	5.00	180.00
Disabled veterans	9	5.00	45.00
Replacements	20	5.00	100.00
Furtaker			
Adult resident	8	19.00	152.00
Senior resident	1	12.00	12.00
Migratory			
Resident	41	2.00	82.00
Bear			
Resident	30	15.00	450.00
Totals (Note 2)	<u>22,592</u>		121,101.00
Disbursements to Game Commission (Note 3)			(121,061.00)
Credits taken for licenses issued for Disabled Veterans and Senior Lifetime Hunt renewals			<u>(43.00)</u>
Balance due Game Commission (County) per settled reports (Note 4)			(3.00)
Examination adjustments			<u>-</u>
Adjusted balance due Game Commission (County) for the license period ending June 30, 2004			<u>\$ (3.00)</u>

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

TREASURER
BERKS COUNTY
HUNTING LICENSE SALES
STATEMENT OF RECEIPTS AND DISBURSEMENTS
LICENSE PERIOD ENDING JUNE 30, 2005

<u>License Type</u>	<u>Licenses Sold</u>	<u>License Value</u>	<u>Amount Due Game Commission</u>
Resident			
Adult	126	\$ 19.00	\$ 2,394.00
Junior	6	5.00	30.00
Junior combination	2	8.00	16.00
Senior	11	12.00	132.00
Replacements	2	5.00	10.00
Military	19	1.00	19.00
Non-resident			
Adult	1	100.00	100.00
Seven day	1	30.00	30.00
Archery			
Resident	79	15.00	1,185.00
Replacements	1	5.00	5.00
Muzzleloaders			
Resident	44	10.00	440.00
Antlerless deer			
Resident	23,214	5.00	116,070.00
Resident landowners	3	5.00	15.00
Non-resident landowners	182	25.00	4,550.00
Armed forces	31	5.00	155.00
Disabled veterans	11	5.00	55.00
Replacements	41	5.00	205.00
Furtaker			
Adult resident	7	19.00	133.00
Migratory			
Resident	39	2.00	78.00
Bear			
Resident	33	15.00	495.00
Totals (Note 2)	<u>23,853</u>		126,117.00
Disbursements to Game Commission (Note 3)			(126,073.00)
Credits taken for licenses issued for Disabled Veterans and Senior Lifetime Hunt renewals			<u>(41.00)</u>
Balance due Game Commission (County) per settled reports (Note 4)			3.00
Examination adjustments			<u>-</u>
Adjusted balance due Game Commission (County) for the license period ending June 30, 2005			<u>\$ 3.00</u>

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

TREASURER
 BERKS COUNTY
 HUNTING LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 LICENSE PERIOD ENDING JUNE 30, 2006

<u>License Type</u>	<u>Licenses Sold</u>	<u>License Value</u>	<u>Amount Due Game Commission</u>
Resident			
Adult	110	\$ 19.00	\$ 2,090.00
Junior	3	5.00	15.00
Junior combination	3	8.00	24.00
Senior	14	12.00	168.00
Replacements	2	5.00	10.00
Military	24	1.00	24.00
Non-resident			
Adult	2	100.00	200.00
Archery			
Resident	58	15.00	870.00
Non-resident	1	25.00	25.00
Muzzleloaders			
Resident	38	10.00	380.00
Antlerless deer			
Resident	22,159	5.00	110,795.00
Resident landowners	2	5.00	10.00
Non-resident landowners	236	25.00	5,900.00
Armed forces	32	5.00	160.00
Disabled veterans	17	5.00	85.00
Replacements	32	5.00	160.00
Furtaker			
Adult resident	5	19.00	95.00
Migratory			
Resident	39	2.00	78.00
Non-resident	1	5.00	5.00
Bear			
Resident	37	15.00	555.00
Non-resident	1	35.00	35.00
Totals (Note 2)	<u>22,816</u>		<u>121,684.00</u>
Disbursements to Game Commission (Note 3)			(121,643.00)
Credits taken for licenses issued for Disabled Veterans and Senior Lifetime Hunt renewals			<u>(41.00)</u>
Balance due Game Commission (County) per settled reports (Note 4)			-
Examination adjustments			<u>-</u>
Adjusted balance due Game Commission (County) for the license period ending June 30, 2006			<u>\$ -</u>

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

TREASURER
 BERKS COUNTY
 FISHING LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 LICENSE PERIOD ENDING DECEMBER 31, 2003

<u>License Type</u>	<u>Licenses Sold</u>	<u>License Value</u>	<u>Amount Due Fish and Boat Commission</u>
Resident	122	\$ 16.25	\$ 1,982.50
Replacements	1	4.25	4.25
Senior resident	3	3.25	9.75
Non-resident	3	34.25	102.75
Senior lifetime	235	15.25	3,583.75
Replacements	11	4.25	46.75
Trout/Salmon Stamp	<u>337</u>	5.00	<u>1,685.00</u>
Totals (Note 2)	<u><u>712</u></u>		7,414.75
Disbursements to Fish and Boat Commission (Note 3)			<u>(7,414.75)</u>
Balance due Fish and Boat Commission (County) per settled reports (Note 4)			-
Examination adjustments			<u>-</u>
Adjusted balance due Fish and Boat Commission (County) for the license period ending December 31, 2003			<u><u>\$ -</u></u>

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

TREASURER
 BERKS COUNTY
 FISHING LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 LICENSE PERIOD ENDING DECEMBER 31, 2004

<u>License Type</u>	<u>Licenses Sold</u>	<u>License Value</u>	<u>Amount Due Fish and Boat Commission</u>
Resident	102	\$ 16.25	\$ 1,657.50
Senior resident	1	3.25	3.25
Non-resident	1	34.25	34.25
Senior lifetime	245	15.25	3,736.25
Replacements	24	4.25	102.00
Trout/Salmon Stamp	<u>334</u>	5.00	<u>1,670.00</u>
Totals (Note 2)	<u><u>707</u></u>		7,203.25
Disbursements to Fish and Boat Commission (Note 3)			<u>(7,203.25)</u>
Balance due Fish and Boat Commission (County) per settled reports (Note 4)			-
Examination adjustments			<u>-</u>
Adjusted balance due Fish and Boat Commission (County) for the license period ending December 31, 2004			<u><u>\$ -</u></u>

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

TREASURER
 BERKS COUNTY
 FISHING LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 LICENSE PERIOD ENDING DECEMBER 31, 2005

<u>License Type</u>	<u>Licenses Sold</u>	<u>License Value</u>	<u>Amount Due Fish and Boat Commission</u>
Resident	113	\$ 21.00	\$ 2,373.00
Replacements	3	4.25	12.75
Senior resident	8	10.00	80.00
Senior lifetime	179	50.00	8,950.00
Replacements	13	4.25	55.25
Lake Erie And Trout/Salmon Combo Stamp	4	14.00	56.00
Trout/Salmon Stamp	<u>271</u>	8.00	<u>2,168.00</u>
Totals (Note 2)	<u><u>591</u></u>		13,695.00
Disbursements to Fish and Boat Commission (Note 3)			<u>(13,695.00)</u>
Balance due Fish and Boat Commission (County) per settled reports (Note 4)			-
Examination adjustments			<u>-</u>
Adjusted balance due Fish and Boat Commission (County) for the license period ending December 31, 2005			<u><u>\$ -</u></u>

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

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

<u>License Type</u>	<u>Licenses Sold</u>	<u>License Value</u>	<u>Amount Due Fish and Boat Commission</u>
Resident	106	\$ 21.00	\$ 2,226.00
One day resident	1	10.00	10.00
National Guard/Armed Forces	14	1.00	14.00
Tourist			
Three day	2	25.00	50.00
Senior lifetime	194	50.00	9,700.00
Replacements	21	4.25	89.25
Lake Erie Stamp	1	8.00	8.00
Lake Erie And Trout/Salmon Combo Stamp	3	14.00	42.00
Trout/Salmon Stamp	<u>280</u>	8.00	<u>2,240.00</u>
Totals (Note 2)	<u><u>622</u></u>		14,379.25
Disbursements to Fish and Boat Commission (Note 3)			<u>(14,379.25)</u>
Balance due Fish and Boat Commission (County) per settled reports (Note 4)			-
Examination adjustments			<u>-</u>
Adjusted balance due Fish and Boat Commission (County) for the license period ending December 31, 2006			<u><u>\$ -</u></u>

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

TREASURER
 BERKS COUNTY
 DOG LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 LICENSE PERIOD ENDING DECEMBER 31, 2003

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Department of Agriculture</u>
Individual	30,623	\$ 168,625.00
Senior citizen	4,397	15,147.00
Lifetime	327	10,540.00
Duplicates	<u>5</u>	<u>25.00</u>
Totals (Note 2)	<u><u>35,352</u></u>	194,337.00
Disbursements to Department of Agriculture (Note 3)		<u>(194,337.00)</u>
Balance due Department of Agriculture (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Department of Agriculture (County) for the license period ending December 31, 2003		<u><u>\$ -</u></u>

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

TREASURER
 BERKS COUNTY
 DOG LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 LICENSE PERIOD ENDING DECEMBER 31, 2004

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Department of Agriculture</u>
Individual	23,461	\$ 129,821.00
Senior citizen	4,280	14,772.00
Lifetime	786	24,230.00
Duplicates	<u>12</u>	<u>60.00</u>
Totals (Note 2)	<u>28,539</u>	168,883.00
Disbursements to Department of Agriculture (Note 3)		<u>(168,883.00)</u>
Balance due Department of Agriculture (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Department of Agriculture (County) for the license period ending December 31, 2004		<u>\$ -</u>

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

TREASURER
 BERKS COUNTY
 DOG LICENSE SALES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 LICENSE PERIOD ENDING DECEMBER 31, 2005

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Department of Agriculture</u>
Individual	26,289	\$ 145,373.00
Senior citizen	4,596	15,774.00
Lifetime	1,089	33,070.00
Duplicates	<u>12</u>	<u>60.00</u>
Totals (Note 2)	<u><u>31,986</u></u>	194,277.00
Disbursements to Department of Agriculture (Note 3)		<u>(194,277.00)</u>
Balance due Department of Agriculture (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Department of Agriculture (County) for the license period ending December 31, 2005		<u><u>\$ -</u></u>

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

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

<u>License Type</u>	<u>Licenses Sold</u>	<u>Amount Due Department of Agriculture</u>
Individual	27,019	\$ 150,285.00
Senior citizen	4,629	15,955.00
Lifetime	<u>1,365</u>	<u>42,330.00</u>
Totals (Note 2)	<u><u>33,013</u></u>	208,570.00
Disbursements to Department of Agriculture (Note 3)		<u>(208,570.00)</u>
Balance due Department of Agriculture (County) per settled reports (Note 4)		-
Examination adjustments		<u>-</u>
Adjusted balance due Department of Agriculture (County) for the license period ending December 31, 2006		<u><u>\$ -</u></u>

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

TREASURER
BERKS COUNTY

NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE HUNTING LICENSE PERIOD JULY 1, 2003 TO JUNE 30, 2006 AND FOR
THE FISHING AND DOG LICENSE PERIOD JANUARY 1, 2003 TO DECEMBER 31, 2006

1. Criteria

The Statements of Receipts and Disbursements (Statements) have been prepared in accordance with Title 72 P.S. Section 401 (d) of *The Fiscal Code*, which requires the Department of the Auditor General to determine whether all monies collected by all agents charged with assessing, appraising, or collecting license fees have been remitted properly to the licensing agencies.

The Statements were prepared in accordance with reporting requirements prescribed by the licensing agencies. Under this method, only the Commonwealth portion of cash receipts and disbursements are presented, revenues are recognized when received, and expenditures are recognized when paid.

The following schedule identifies the licensing agencies and the respective reporting period:

<u>License Type</u>	<u>Licensing Agency</u>	<u>License Period</u>
Hunting	Game Commission	July 1 to June 30
Fishing	Fish and Boat Commission	January 1 to December 31
Dog	Department of Agriculture	January 1 to December 31

With all of the license types listed above, there are licenses that are sold the month prior to the official license period beginning date. For our reporting purposes, these sales are included in the official first month of the license period.

2. Receipts

Receipts consist of monies collected on behalf of the licensing agency.

3. Disbursements

License proceeds are remitted to the various licensing agencies with monthly reports of sales.

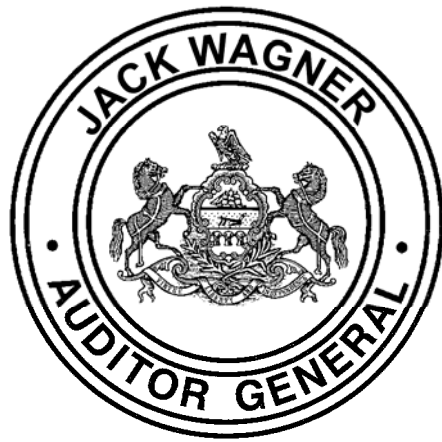
4. Balance Due Licensing Agency (County) Per Settled Reports

This balance reflects the summary of monthly sales reports as settled by the appropriate licensing agency.

TREASURER
BERKS COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE HUNTING LICENSE PERIOD JULY 1, 2003 TO JUNE 30, 2006 AND FOR
THE FISHING AND DOG LICENSE PERIOD JANUARY 1, 2003 TO DECEMBER 31, 2006

5. County Officer Serving During Examination Period

Nelson H. Long served as Treasurer during the hunting license period July 1, 2003 to June 30, 2006 and during the fishing and dog license period January 1, 2003 to December 31, 2006.



TREASURER
BERKS COUNTY
FINDING AND RECOMMENDATION
FOR THE HUNTING LICENSE PERIOD JULY 1, 2003 TO JUNE 30, 2006 AND FOR
THE FISHING AND DOG LICENSE PERIOD JANUARY 1, 2003 TO DECEMBER 31, 2006

Finding - Inadequate Segregation Of Duties

Our examination disclosed that one employee in the office was responsible for performing the following functions:

- Opening mail.
- Collecting cash.
- Preparing deposit slips.
- Posting disbursements to the disbursement journal.
- Reconciling the bank account.
- Preparing checks.
- Summarizing accounting records.

A good system of internal control requires adequate segregation of duties.

In order to achieve adequate segregation of duties, one employee should not have custody of cash and at the same time maintain the accounting records for the cash. These duties should be segregated and rotated daily. As an alternative control, someone independent from maintaining the accounting records and handling cash should review the employee's work daily. The reviewer should sign and date the records and documents reviewed.

This condition existed because office personnel were not cross-trained. Additionally, duties involving the handling of cash and maintaining accounting records were not rotated daily.

Without adequate segregation of duties, the possibility of errors or irregularities occurring increases significantly.

This finding was cited in the prior audit for the period ending December 31, 2002.

Recommendation

We again recommend that the office provide for greater segregation of duties within the office. This can be done by cross-training personnel and rotating job functions that include the handling of cash and maintaining the accounting records for the cash. As an alternative and/or additional control, someone independent from the handling of cash and the accounting records should review the employee's work at the end of each day. The reviewer should sign and date the records and documents reviewed.

TREASURER
BERKS COUNTY
FINDING AND RECOMMENDATION
FOR THE HUNTING LICENSE PERIOD JULY 1, 2003 TO JUNE 30, 2006 AND FOR
THE FISHING AND DOG LICENSE PERIOD JANUARY 1, 2003 TO DECEMBER 31, 2006

Finding - Inadequate Segregation Of Duties (Continued)

Management's Response

The Treasurer responded as follows:

Not enough employees to allow for segregation of duties.

Auditor's Conclusion

Although we recognize the Treasurer's concerns about staffing, it is imperative that there is adequate segregation of duties to decrease the possibility of errors or irregularities from occurring.

TREASURER
BERKS COUNTY
COMMENT

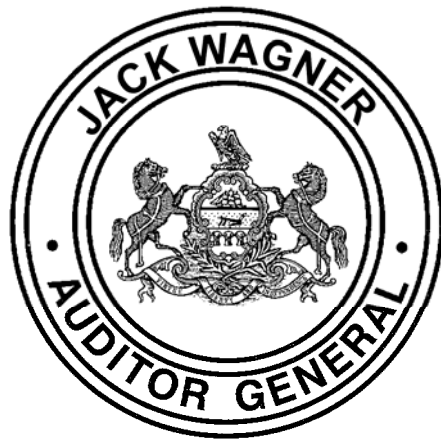
FOR THE HUNTING LICENSE PERIOD JULY 1, 2003 TO JUNE 30, 2006 AND FOR
THE FISHING AND DOG LICENSE PERIOD JANUARY 1, 2003 TO DECEMBER 31, 2006

Comment - Compliance With Prior Audit Recommendation

During our prior audit, we recommended:

- That the office establish and maintain an adequate system of internal controls over the checking accounts.

During our current examination, we noted that the office complied with our recommendation.



TREASURER
BERKS COUNTY
REPORT DISTRIBUTION
FOR THE HUNTING LICENSE PERIOD JULY 1, 2003 TO JUNE 30, 2006 AND FOR
THE FISHING AND DOG LICENSE PERIOD JANUARY 1, 2003 TO DECEMBER 31, 2006

This report was initially distributed to:

The Honorable Dennis C. Wolff
Secretary
Department of Agriculture

Ms. Mary DeLutis
Comptroller
Department of Agriculture

Dr. Douglas J. Austen
Executive Director
Fish and Boat Commission

Mr. Carl G. Roe
Executive Director
Pennsylvania Game Commission

Treasurer
Berks County
Berks County Services Center
633 Court Street, 2nd Floor
Reading, PA 19601

The Honorable Nelson H. Long	Treasurer
The Honorable Sandy Graffius	Controller
The Honorable Judith L. Schwank	Chairwoman of the Board of Commissioners

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