



Date: 4/13/15

Scope: The County Auditor examined the accounts for the STOP DWI program for the period of 1/1/14-12/31/14.

Objectives: The objective of this audit was to review internal controls, and to ensure compliance with policies and procedures. This audit addressed the following related questions:

- Were transactions allowable and supported with proper documentation?
- Do proper controls over revenue and expenses exist?
- Are the policies and procedures followed?

Report:

This Internal Audit was done at the request of the Sheriff when the 2015 Risk Assessment was prepared.

Revenue and Expenditure Review:

We reviewed a sample of expenditures to determine if they were in accordance with New York State STOP DWI Program. We reviewed purchases as well as overtime reimbursement request from the County Sheriff's Office and Local Police Departments. Our review did not find any issues with the sampled expenditures.

However, we did note an internal control issue. The STOP DWI Program was merged into the Wayne County Sheriff's Office in June of 2013; Sheriff Virts was named the Coordinator of the Wayne County STOP DWI Program, the Sheriff designated Undersheriff House as the Administrator of the Program. Because of his function as Administrator of the STOP DWI Program and as Undersheriff of the Wayne County Sheriff's Office, he is approving the transfer of funds between both departments. An employee from the Sheriff's Office creates the Interdepartmental Chargeback Voucher for the overtime Deputies spend on DWI cases, the Undersheriff then approves it as both the Charging Department and the Paying Department. We reviewed all of these transactions for 2014 and only noted a small calculation error that the Sheriff's Office disclosed to us when the information was requested.

The largest expenditure of the STOP DWI Program is a Memorandum of Agreement (MOA) for the educational component of the program. During 2014, the STOP DWI Program signed an MOA with the Council on Alcoholism and Addictions of the Finger

Lakes (the Council) for \$36,000. The MOA outlines what educational responsibilities the Council agreed to perform for the STOP DWI program. We reviewed the Council's annual report of Educational Accomplishments for 2014 compared to the MOA. Generally, we found all items to be completed to a satisfactory level; we did note one minor item that was incomplete and discussed our concerns with Management. It would be beneficial going forward if the Annual Report of Educational Accomplishments included all of the required items of the MOA, and what was done to accomplish them, this would allow the STOP DWI program to easily determine if all of the requirements of the program were fulfilled prior to issuing final payment for the year.

During our preparation work we noted three budgeted items that had no expenditures in 2014. They were:

Secy-Chairman/DWI - \$5,200.00

Stenographer - \$3,700.00

District Attorney Reimbursement - \$16,000.00

We reviewed 2013 & 2014 Board of Supervisor Resolutions for any STOP DWI resolutions that made changes to the budget or approved purchases.

-Resolution 651-13 approved Stipends of \$5,200.00 for the STOP DWI Administrator of the Program and \$3,700.00 for the Secretary of the Program.

-Resolutions 591-14 approved eliminating the Stipend for the Administrator of the Program and paying \$2,600.00 for 6 months of stipend it for 2014. Going forward, from June 2014 it appears that this Stipend has been included in the Undersheriff's salary based on the Managerial and Confidential Employees Compensation Plan. Since both the Administrator and Secretary of the Program are current employees of the Sheriff's Office, we reviewed their payroll records to determine if these stipends were paid. Our review found that both the \$2,600.00 and \$3,700.00 stipends were paid, but paid out of the A3110 Sheriff Org Code and paid with Taxpayer Dollars and not Stop DWI funds. The A3100 Sheriff Org Code is where the two employee's normal bi-weekly payroll is paid out of. We reviewed the District Attorney's General Ledger and found no record of the \$16,000.00 reimbursement, we also reviewed prior year budgets and general ledgers and found that this transaction has been done by journal entry since the funds are transferred between County Departments.

Policies and Procedures:

During the course of our Audit we did not note at anytime that the Funding Policies of the STOP DWI program were not followed.

Recommendations:

- 1) Both the Sheriff and Undersheriff should sign as the "Charging Department" on the Wayne County Interdepartmental Chargeback Voucher, this will decrease the risk of an inappropriate or inflated chargeback's as well as to ensure that STOP DWI funds are not used to "balance the budget" of the Sheriff's Office.
- 2) The STOP DWI program should work with the Council to ensure all educational requirements of the MOA are completed and that the Annual Program report includes all of the MOA educational requirements.

- 3) Periodic reviews of Budget vs. Actual expenditures should be done, especially at year end to ensure that all known expenditures have been paid from the correct Org Code. Currently the STOP DWI program has \$22,300.00 in fund balance that should have been spent in 2014. We recommend that the Sheriff submit resolutions to take money out of the 2014 STOP DWI Restricted Fund Balance, and reimburse the Sheriff's office and District Attorney's Office for these 2014 expenditures in 2015.

Management Response:



**OFFICE OF THE SHERIFF
WAYNE COUNTY**

7376 Route 31, Suite 1000
Lyons, NY 14489
Phone 315.946.9711 / Fax 315.946.5811
www.waynecosherriff.org

Sheriff Barry C. Virts
bvirts@co.wayne.ny.us

Undersheriff Richard R. House
rhouse@co.wayne.ny.us

May 4, 2015

Wayne County Auditor
Mr. Patrick Schmitt
26 Church Street
Lyons, New York 14489

Re: STOP-DWI Budget Audit

Dear County Auditor Patrick Schmitt,

The following actions have been taken regarding your recommendations;

1. Two signatures will now be required for all chargebacks / expenses. The STOP-DWI budget is separate and apart from the Sheriff's Office budget.
2. The Council on Alcoholism of the Finger Lakes was notified by letter (April 24, 2015) that quarterly reviews will be schedule for services provided per the MOA.
3. A resolution has been prepared and will be presented to the Board of Supervisors for their May 19th business to reimburse the Sheriff's Office and District Attorney's Office for 2014 expenses.

Thank you for your time and efforts in auditing the STOP-DWI budget.

Sincerely,

Barry Virts, Sheriff
Wayne County

Protecting and Serving the People of Wayne County

Patrick Schmitt
County Auditor
4/14/15