

LUZERNE COUNTY CONTROLLER ANNUAL REPORT

March 22, 2022



County of Luzerne
Established 1786
Walter L. Griffith Jr.
County Controller

“ A Voice for the People”

**I AM HONORED TO REPRESENT
THE PEOPLE OF LUZERNE COUNTY
AS THEIR COUNTY CONTROLLER**

**THE OFFICE OF COUNTY CONTROLLER IS A CRITICAL POSITION IN OUR HOME
RULE GOVERNMENT AND IT IS A HUMBLING TASK TO REPRESENT THE
PEOPLE OF LUZERNE COUNTY**

The following report details the number of audits that were successfully completed in 2021 by our dedicated and knowledgeable staff. We will continue to maintain this high standard for 2022. The Controller’s Office ensures fiscal responsibility throughout the year and is available to assist County officials in providing excellent services to the public.

County Controller Annual Report Luzerne County Home Rule Charter

- Section 3.08 – Present an annual report to Council and people of Luzerne County during the first quarter of the calendar year
- The annual report highlights the operations and finances of the previous calendar year and identifies prior year audits, major findings, corrective actions taken by appropriate parties, and significant issues not fully addressed
- Submit a schedule of proposed audits covering a minimum of one year and a maximum of five years to County Council and the County Manager at the beginning of each fiscal year for their review and comment. The schedule shall include the reasons for all audits and the plans for conducting them. This schedule may be changed by the Controller after review by County Council and the County Manager, and the Controller shall have final authority to select the audits to conduct



Powers and Duties of the Controller

- The County Controller shall serve as an independent watchdog over County fiscal and management activities, shall monitor and examine the County government and its operations, and shall have the authority to conduct fiscal, performance, management, contract, grant, compliance, and/or related audits of any County division, department, bureau, office, agency, authority, board, commission, elective office, the Judiciary, Office of Court Administration, or other administrative unit. Such audits shall be conducted in accordance with recognized government auditing standards.

Unrestricted Access to Information

- All County divisions, departments, bureaus, offices, agencies, authorities, boards, commissions, and other administrative units, the offices of all elective County officials, the Judiciary, and Office of Court Administration as well as all employees of the County, all members and employees of all County authorities, boards, and commissions, all elective County officials and all employees of their offices, and all employees of the Judiciary and Office of Court Administration shall furnish the Controller, upon reasonable notice, **with unrestricted access** not otherwise limited by applicable law to any employees, information, files, and records in their custody pertaining to their powers, duties, programs, service, activities, functions, policies, operations, organization, property, financial transactions, contracts, and methods of business so the Controller may conduct an audit or otherwise perform his/her duties
- To this end, the Controller may compel the attendance of witnesses and the production of documents and other evidence deemed necessary to such studies, audits, and investigations and, for those purposes, may administer oaths and issue subpoenas to be served as provided by law. In addition, the Controller shall have access to and may inspect all County property, equipment, and facilities

Responsibilities of the Controller

- Independent office that oversees county fiscal and management activities
- Monitors and examines County government and its operations
- Maintains the authority to conduct fiscal, performance, management, contract, grant, compliance, and/or related audits

Audit Monitoring Parameters

- Fraud
- Human Error
- Separation of Duties
- Inefficiencies in Operations
- Inadequate Checks and Balances
- Non-Compliance with Rules and Regulations
- Contract and Program Compliance

2021 Audit Summary

- 11-1-03 Magistrate Audit, 2019
 - No Major Findings and in Compliance
- 11-2-01 Magistrate Audit, 2017
 - No Major Findings and in Compliance
- 11-2-01 Magistrate Audit, 2020
 - No Major Findings and in Compliance
- 11-3-01 Magistrate Audit, 2019
 - No Major Findings and in Compliance
- 2020 Real Estate Tax Collections Audit
 - Findings: 8 Municipalities had discrepancies which have been addressed and corrected
- Certification of County Funds Audit, 2021 Program Year
 - Findings: The Controller's Office needs to be involved in the reporting of Certification of County Funds to the PA Department of Agriculture

2021 Audit Summary Continued...

- CY Brandon's Forever Home Contract Audit, 2021
 - 5 Findings and 3 Recommendations
- CY Loftus-Vergari Contract Audit, 2021
 - 4 Findings and 1 Recommendation
- LCDC Commissary Funds Audit, 2019
 - 1 Finding and 3 Recommendations
- LCDC Commissary Funds Audit, 2020
 - 2 Findings and 1 Recommendation
- Northeast Revenue Services Audit, 2020
 - 3 Findings and 2 Recommendations
- Tax Collection Compliance Audit, Dupont Borough, 2019
 - 3 Findings and 4 Recommendations
- Tax Collection Compliance Audit, Dupont Borough, 2020
 - 2 Findings and 3 Recommendations

2022 Audit Proposal

- Compliance Audit of Tax Collectors
- Bureau of Elections (Filing fees and Campaign Finance Reports)
- Computer & Technology Inventory
- \$5 Local Use Fee Reimbursement
- Real Estate Tax Collector financial reports
- Magisterial District Judges
- Contract and Purchasing Procedures
- Prison Commissary Fund

510.10	Wages Elected Officials	\$ 64,999.00	\$ 64,998.96	\$ 64,999.00
510.15	Wages Non-Represented	\$ 136,467.00	\$ 134,453.92	\$ 136,467.00
510.16	Wages Merit Increase	\$ -	\$ -	\$ 3,665.00
510.20	Wages Represented	\$ 39,310.00	\$ 38,176.00	\$ 40,096.00
510.35	Wages Overtime	\$ -	\$ -	\$ -
520.10	Payroll Taxes Social Security - FICA	\$ 14,925.00	\$ 14,384.95	\$ 14,973.00
520.15	Payroll Taxes Medicare	\$ 3,490.00	\$ 3,364.22	\$ 3,502.00
520.20	Payroll Taxes Unemployment	\$ 1,600.00	\$ 1,064.00	\$ 1,200.00
530.10	Benefits Health Care Opt Out	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
530.40	Benefits Life Insurance	\$ 800.00	\$ -	\$ 800.00
540.14	Office Supplies	\$ 850.00	\$ 792.58	\$ 850.00
540.70	Small Tools and Minor Equipment	\$ -	\$ -	\$ -
540.73	Postage	\$ -	\$ -	\$ -
550.17	Management / Consulting Services	\$ -	\$ -	\$ -
550.19	Special Legal Services	\$ 1,000.00	\$ -	\$ 1,000.00
550.27	Travel Expense	\$ 4,870.00	\$ 462.87	\$ 4,400.00
550.29	Mileage Reimbursement	\$ 800.00	\$ -	\$ 800.00
550.30	Advertising	\$ 150.00	\$ -	\$ 130.00
550.32	Printing	\$ 100.00	\$ -	\$ 100.00
550.47	Repairs / Maintenance - Machinery & Equipment	\$ 250.00	\$ -	\$ 250.00
550.48	Repairs / Maintenance - Misc	\$ -	\$ -	\$ -
560.23	Background Check	\$ 80.00	\$ -	\$ 80.00
560.60	Dues / Memberships	\$ 750.00	\$ 750.00	\$ 750.00
560.61	Subscriptions	\$ -	\$ -	\$ -

Department	2022 Budgeted Position	G/L Account	2022 Adopted Budget	2022 Controller Adjusted Salary
Controller		100.4133		
4133	County Controller	510.10	\$ 64,999.00	\$ 64,999.00
4133	Deputy Controller	510.15	\$ 50,900.00	\$ 58,000.00
4133	Senior Auditor	510.15	\$ 49,322.00	\$ 50,000.00
4133	Internal Auditor	510.15	\$ 36,189.00	\$ 32,145.00
4133	Auditor II	510.20	\$ 40,096.00	\$ 40,096.00
4133	Merit Raise	510.16	\$ 3,665.00	\$3,665.00
				merit raise used for salary increase of Senior Auditor and Deputy Controller
2022 Total Budget	Non- Represented	510.15	\$ 136,467.00	\$ 140,145.00
	Represented	510.20	\$ 40,096.00	\$ 40,096.00

Controller Budget Comparison

2021 Budgeted Expenditures	2021 Actual Expenditures
\$ 273,551.00	\$ 261,317.50

TOTAL COUNTY TAXPAYERS' SAVINGS:

\$12,233.50

County Watchdog Challenges

- The primary goal of the Office of Controller is to be an effective watchdog for the residents of Luzerne County; this goal is challenged by the following:
 - Staffing concerns
 - Budget constraints



Budget and Salary Comparison to Other Home Rule Counties

Luzerne County

Population 325,594

Annual Budget \$ 278,437

Annual Salary \$ 241,562

Salary Comparison:

Controller	\$ 64,999
Deputy Controller	\$ 55,000
Senior Auditor	\$ 49,322
Auditor II	\$ 39,310
Internal Auditor	\$ 32,145
Solicitor	\$ 1,000
Total Employees	5

Northampton County

Population 305,285

Annual Budget \$ 898,700

Annual Salary \$ 444,594

Salary Comparison:

Controller	\$ 65,000
Audit Manager	\$ 87,817
Lead Auditor	\$ 63,636
Auditor II	\$ 55,414
Auditor I	\$ 48,273
Solicitor	\$ 22,474
Total Employees	8

Lehigh County

Population 369,318

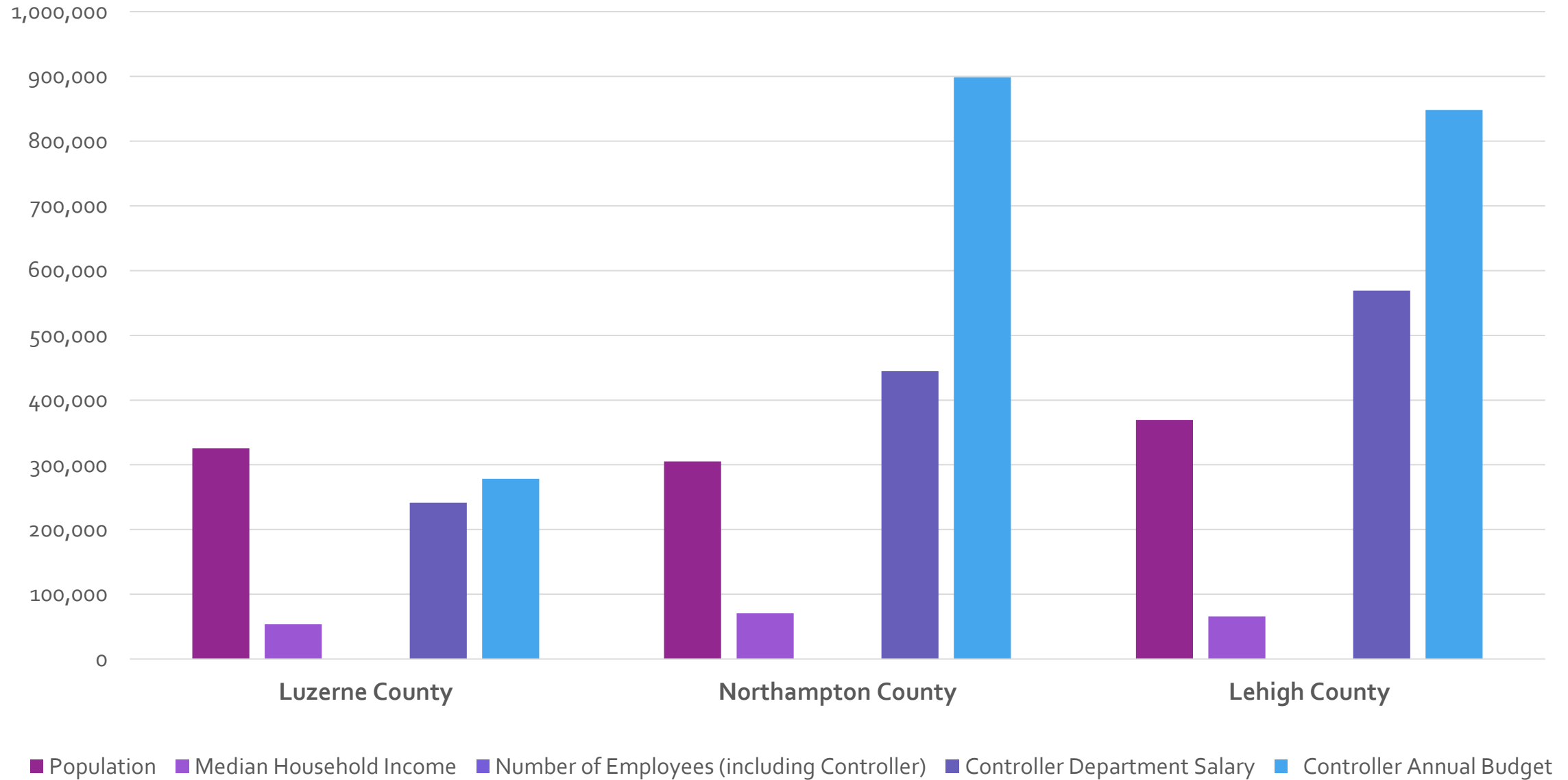
Annual Budget \$ 848,201

Annual Salary \$ 569,085

Salary Comparison:

Controller	\$ 73,150
Deputy Controller	\$ 101,088
Senior Auditor	\$ 73,860
Auditor II	\$ 63,765
Auditor	\$ 55,827
Solicitor	
Total Employees	8

Comparison of Luzerne County to Other Home Rule Counties



TEAMWORK with County Council and Manager for Luzerne County Government

County Controller Responsibilities

- Identify policy and procedure issues as part of the audit process
- Make suggestions to the County Manager and County Council regarding those findings.
- The County Controller has not been provided any power, in the Home Rule Charter, to require that our findings be addressed, or corrected, by the County Manager, we are the “Voice for the People” and need the cooperation and teamwork of County Council and County Manager.

County Council Responsibilities

- **Read audits that are submitted to County Council**
- **Provide adequate funding for the performance of the County Controllers Office.**
- **Provide the County Controller the opportunity to address County Council with immediate concerns that directly affect the budget.**
- **Draft legislation that will make Luzerne County Government more efficient and accountable to the citizens they represent.**
- **Require the Controller to present audits at County Council Work Sessions.**

County Manager Responsibilities

- The County Manager works together with County Council and Controller to address audit findings.
- County Manager is responsible to provide information timely to the Controller and County Council regarding the progress of corrective action on the audit findings.
- Keep County Council and Controller informed regarding budget transfers and budget changes.

CESIL Hotline

- Confidential reporting system used to report suspected fraud, waste and abuse
- Reporting system is open to employees and the general public
- Submissions are received via phone or email

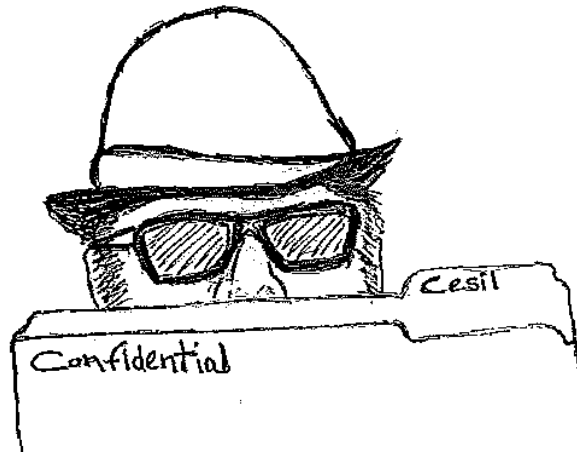
Citizens and

Employees

Suggestion and

Idea

Line



Hotline: (570) 830-5154

Email: CESIL@luzernecounty.org

This information also can be found on the Luzerne County Controller's webpage.

Thank You

QUESTIONS

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