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COUNTY CONTROLLER
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LACKAWANNA COUNTY, PENNSYLVANIA

Controller's Office
The Gateway Center
135 Jefferson Avenue
Scranton, PA 18503

County Controller

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Confidential Fraud Hotline

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**LACKAWANNA COUNTY CONTROLLER
ANNUAL AUDITING ACTIVITY REPORT
FOR THE YEAR 2014**

Respectfully submitted,

A handwritten signature in cursive script that reads "Gary A. DiBileo".

Gary DiBileo - Lackawanna County Controller

In accordance with the Controller's powers and duties set forth in Section 1.4-402 of the Lackawanna County Home Rule Charter, this report summarizes the audit activities made of Lackawanna County accounts for the year 2014.

Controller Gary DiBileo and everyone in the Controller's office are grateful for the openness and transparency of the many county offices and departments. Without the cooperation of many dedicated County employees, this office could not have accomplished its work as mandated by the Home Rule Charter and the PA County Code.

During 2014, the Controller's Office performed numerous internal audits and reviews of various county departments and offices. Excluded from this list are confidential and specially requested audits and reviews which were also done during the audit period.

In addition, the Controller's office audited more than 28,000 invoices prior to payment and in accordance with the Home Rule Charter. These invoices were audited with established procedures for accuracy, correctness, and proper authorization by department heads or row officers.

In 2014, the Controller's office filed the most recent Annual Department of Community and Economic Development report for 2012 based primarily on audited financial statements provided by the County's audit firm of Parente Beard.

INTERNAL AUDITS

Internal audits conducted by the Controller's Office during 2014 included, but were not limited to the following:

- Lackawanna County Purchasing Department 01/01/2008 through 12/31/2013 (First ever know audit performed by a County Controller)
- Lackawanna County Prison Inmate Monthly Account Receipts and Expense Review and Bank Reconciliations through 11/30/2014
- Lackawanna County Prison Canteen Monthly Account Receipts and Expense Review and Bank Reconciliations through 11/30/2014
- District Attorney Drug Enforcement Petty Cash Account through 06/30/2014
- District Attorney Controlled Substance Asset Forfeiture Account through 06/30/2014
- District Attorney Terrorism Asset Forfeiture Account through 06/30/2014
- Lackawanna County Coal Mine and McDade Park Petty Cash Audit and their Corresponding General Ledger Accounts.
- Lackawanna County Prison Telephone Account Audit through 12/31/2013
- Lackawanna County Recorder of Deeds office 1/1/2006 through 6/30/2013 and their Corresponding Fee Revenue Accounts.

Audits were completed for the following District Courts.

District Court 45-1-03- Magistrate Corbett -thru 6/30/2012
District Court 45-1-02- Magistrate Farrell -thru 12/30/2012
District Court 45-1-05- Magistrate Gallagher -thru 12/31/2012
District Court 45-3-01- Magistrate Gibbons- thru 12/31/2012
District Court 45-1-01- Magistrate Giglio –thru 6/30/2012
District Court 45-3-03- Magistrate McGraw- thru 12/31/2012
District Court 45-3-02- Magistrate Mercuri- thru 12/31/2012
District Court 45-1-08- Magistrate Pesota- thru 6/30/2012
District Court 45-1-06- Magistrate Ware- thru 12/31/2012
District Court 45-3-04- Magistrate Turlip-thru 12/31/2012

LIMITED SCOPE REVIEWS

A selection of the limited scope reviews conducted by the Controller's office during 2014 included the following:

- Lackawanna County Audited Financial Statements for 2013
- Lackawanna County Retirement Fund Single Audit and the Corresponding General Ledger Accounts for 2013
- Wilkes –Barre Scranton International Airport Single Tax Audit for 2013
- Lackawanna County Monthly Workers Compensation Bank Account Reconciliations through 11/30/2014
- Monthly row office and departmental receipts and disbursements reports through November 2014 (prepared by the Controller's office for the purpose of reviewing activity):
 - Register of Wills
 - Tax Claim Office
 - Sheriff's Office
 - Clerk of Judicial Records, Civil Division
 - Clerk of Judicial Records, Criminal Division
 - Lackawanna County Home Detention Account
- Monthly receipts of the Hotel Room Rental Tax through November 2014

FRAUD, WASTE AND ABUSE HOTLINE

The Controller's office maintained a Fraud, Waste and Abuse Hotline in 2014, which offered the public a confidential avenue for reporting suspected fraud, waste and abuse. All tips were given

to the Lackawanna County District Attorney's office, in accordance with the hotline's by-laws. As needed and also in accordance with the by-laws, some tips were also given to the county Human Resources department. Tips can be communicated in three ways:

- Individuals may call a secure, confidential phone number, 570-963-6600.
- They can send a letter to a secure, confidential address at P.O. Box 254, Scranton, PA 18501.
- They can send a secure, confidential email to the hotline via a link provide on the Lackawanna County Homepage.

DISCLAIMER: This report is not intended to imply that Lackawanna County is in compliance with the Home Rule Charter or the PA County Code with regard to the Controller being involved with the auditing, adjusting, and settling of the accounts of the County for the year ended 2014.