



HARFORD COUNTY, MARYLAND

Office of the County Auditor

February 13, 2015

Report Highlights

Why We Did This Audit

This audit was conducted as required by Section 214 of the Harford County Charter.

What We Found

We found that Mr. Bane does not have any indebtedness to the County.

Audit Team:

Chrystal Brooks
CPA, CIA, CGAP, CISA, CGFM, CRMA
County Auditor

Laura Tucholski
CPA, CIA, CFE, CRMA
Managing Auditor

SECTION 214 REVIEW - SHERIFF

Council Members and County Executive Glassman:

In accordance with Section 214 of the Harford County Charter, we have performed an audit of the accounts under the direction of the former Sheriff, L. Jesse Bane.

We concluded that Mr. Bane does not have any indebtedness to the County. The objectives, scope and results of the audit are detailed in the attached report.

Members of management have been advised of our results. We would like to thank them for their cooperation during the audit. The audit team is available to respond to any questions you have regarding the attached report.

Sincerely,

Chrystal Brooks
County Auditor

cc: Mr. Robbie Sandlass, Treasurer
Mr. Jim Richardson, Director of Human Resources
Mr. Jeffrey Gahler, Harford County Sheriff

~ Preserving Harford's past; promoting Harford's future ~

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SECTION 214 REVIEW - SHERIFF

Report Number: 2014-A-17

Date Issued: 02/13/2015

BACKGROUND INFORMATION

INTRODUCTION

Mr. Bane served as Harford County's Sheriff following his election in 2006 and re-election in 2010 and left office December 1, 2014. The Sheriff's Office is divided into five major components: Administrative Services, Patrol Operations, Investigative Services, Correctional Services and Court Services.

REVIEW OBJECTIVE, SCOPE AND METHODOLOGY

In accordance with Harford County Charter Section 214, upon death, resignation or removal of any county officer, the County Auditor shall cause an audit and investigation to be made of any accounts maintained by the officer and by his agency. The objective of this review was to satisfy the requirements of Charter Section 214, with regard to the departing Sheriff, L. Jesse Bane. The scope was limited to accounts and resources under the control of the Sheriff.

The audit focused on activity during the period of 7/1/2012 through 12/31/2014. Our audit procedures included interviewing personnel, observation and testing. Specifically, we sought to confirm that the accounts under Mr. Bane's control did not have unusual or inappropriate costs; Mr. Bane's physical and financial access to the Sheriff's Office and County resources had been revoked and that his final paycheck was correct.

The audit was performed in accordance with Generally Accepted Government Auditing Standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

REVIEW RESULTS

Harford County management is responsible for establishing and maintaining effective internal controls. Internal control is a process designed to provide reasonable assurance that objectives pertaining to the reliability of financial records, effectiveness and efficiency of operations including safeguarding of assets and compliance with applicable laws, rules and regulations are achieved. Because of inherent limitations in internal control, errors or fraud may nevertheless occur and not be detected.

With regard to transactions that were approved or initiated by Mr. Bane, we found that he did not have direct access to the accounting system. This appeared reasonable given the organizational structure of the Sheriff's Department. We reviewed relevant documentation and confirmed that purchase card charges, travel, meals and miscellaneous expenses during the review period were reasonable and appropriate.

As expected, we were advised that Mr. Bane did not have signatory access to any County bank accounts. In addition, he did not have signatory access to the Detention Center bank account. We were additionally advised that Mr. Bane's purchase card was returned and destroyed in a timely fashion and confirmed that the purchase card account has been disabled.

We confirmed that Mr. Bane's logical access to County resources, including network and computer systems, has been revoked. We additionally confirmed that Mr. Bane's security card has been disabled and that he returned facility keys to Sheriff Office officials.

We confirmed that Mr. Bane's final paycheck was correct and that he returned all County and Sheriff's Office property assigned to him.

Our conclusion, based on the evidence obtained, is that Mr. Bane does not have any indebtedness to Harford County.

Management was given an opportunity to provide a response to the report; however, none was required. Accordingly, Sheriff Gahler has elected not to provide a response.