

**BROOME COUNTY
DEPARTMENT OF
AUDIT AND CONTROL**

**SHERIFF'S OFFICE
COMMISSARY ADMINISTRATION AUDIT**

February 2009

Alex J. McLaughlin, Comptroller

February 24, 2009

Sheriff David E. Harder,

The Department of Audit and Control has conducted an audit of the Sheriff's Office Inmate Commissary Fund. The principle objective was to ascertain whether commissary funds are being used and accounted for properly in satisfaction with State Corrections Law. Auditing measures were performed to ensure that the Sheriff's Office has implemented adequate controls to effectively manage commissary funds, that bank reconciliations were properly prepared, and to ensure that the commissary account is properly collateralized.

The audit was conducted in accordance with generally accepted auditing standards. Such standards require that the Department of Audit and Control plan and perform the audit to adequately assess the accuracy of the financial records and adequacy of the internal controls, and that we examine, on a test basis, sufficient, competent and relevant evidence to afford a reasonable basis for our conclusions.

Based on the results of our examination, it is our opinion that the Sheriff's Office is in compliance with State Law regarding the commissary fund.

Sincerely,

Alex J. McLaughlin
Comptroller

cc: Barbara J. Fiala, County Executive
Daniel D. Reynolds, Chairman of the Legislature
Members of the Legislature
Eric S. Denk, Clerk of the Legislature

COMMISSARY ADMINISTRATION AUDIT

Background Information:

The Commissary is designed for the purpose of making available, for sale to prisoners, personal and convenience items deemed appropriate by the Sheriff or Chief Administrative Officer, consistent with the health and welfare of prisoners and the security and general operation of the facility. The commissary fund consists of the profit the Sheriff's Office makes when inmates buy items (hygiene items, candy, chips and snacks, and other miscellaneous items such as writing pads, stamps, pencils, cards, envelopes, etc.).

Profits from commissary sales are deposited in a separate bank account and are utilized only for purposes of prisoner welfare and rehabilitation. State Law requires that profits from the jail commissary be used to purchase items to benefit inmates. At the end of April 2008, the balance in the commissary fund was \$53,642. The commissary funds are not part of the budget.

The primary objectives of this audit were to evaluate the internal controls of this function and ensure statutory requirements related to the administration of the commissary are being complied with.

Prior Audit

November 2007

AUDIT FINDINGS, RECOMMENDATIONS AND RESPONSES

-Sheriff's Office-

FINDING 1: SHERIFF'S OFFICE DID NOT FOLLOW PROPER PROCUREMENT PROCESSES

During the course of our audit, we noted that the Sheriff's Office purchased LCD televisions and paid for the equipment from Commissary funds. The cost of the television's exceeded \$500 each. The televisions were purchased without documenting any quotes.

According to General Municipal Law §104-b "The governing board of every political subdivision shall adopt internal policies and procedures governing all procurements of goods and services..."

Broome County Legislative Resolution 92-440 authorized the adoption of the Broome County Purchase Procurement Process Manual.

The Broome County procurement manual requires 3 quotes for material and equipment purchases between \$500 and \$20,000

Without following the proper procurement process, the Sherriff's Office is increasing the risk that the use of Commissary funds will not represent the best use of financial resources.

RECOMMENDATION:

We recommend that the Sheriff's Office follow the Broome County Purchase Procurement Process Manual.

MANAGEMENT RESPONSE:

We obtained three prices through the following stores:

1. Sam's Club
2. Olums
3. Circuit City

We purchased the televisions at Olums and the wall mounts from Sam's Club.

