

**Berks County Jail System-  
Berks Organization of Jail Employees (BOJE) Account  
County of Berks, Pennsylvania**

**Jeffrey R. Smith, Warden**

**Annual Financial Statement Audit**

**For the Year Ended December 31, 2021**



COUNTY OF BERKS  
OFFICE OF THE CONTROLLER  
SANDRA M. GRAFFIUS, CONTROLLER

REPORT 22-3

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**Internal Auditor's Report**

Jeffrey R. Smith, Warden  
Berks County Jail System-  
Berks Organization of Jail Employees (BOJE) Account  
1287 County Welfare Rd  
Leesport, PA 19533

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying Statement of Receipts, Disbursements, and Change in Cash Balance of Berks County Jail System - Berks Organization of Jail Employees as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Berks County Jail System - Berks Organization of Jail Employees' basic financial statements as listed in the table of contents.

In our opinion, the financial statement referred to above presents fairly, in all material respects, its cash receipts, disbursements and cash balance for the year ending December 31, 2021 in accordance with the cash basis of accounting described in Note 1.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Berks County Jail System - Berks Organization of Jail Employees and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting as described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Berks County Jail System - Berks Organization of Jail Employees' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Internal Auditor's Responsibilities for the Audit of the Financial Statements***

Our responsibility is to annually audit the accounts of every magistrate or district judge within the County and to report the results of such audits to the Berks County Commissioners, the Berks County President Judge, the Auditor General of Pennsylvania, and to the governing body of each political subdivision which is entitled to receive funds collected on its behalf by the District Court.

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Berks County Jail System - Berks Organization of Jail Employees' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Berks County Jail System - Berks Organization of Jail Employees' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Basis of Accounting***

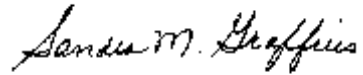
We draw attention to Note 1 of the financial statement, which describes the basis of accounting. The financial statement is prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Management has omitted the management's discussion and analysis. Such missing information, although not a part of the basic financial statement, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 12, 2022, on our consideration of Berks County Jail System - Berks Organization of Jail Employees' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to

describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Berks County Jail System - Berks Organization of Jail Employees' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Berks County Jail System - Berks Organization of Jail Employees' internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Sandra M. Graffius".

Sandra M. Graffius  
Controller  
September 12, 2022

**Berks County Jail System- Berks Organization of Jail Employees (BOJE) Account  
County of Berks, Pennsylvania  
Statement of Receipts, Disbursements and Changes in Cash Balance – Cash Basis  
For the Year Ended December 31, 2021**

<b><u>Receipts</u></b>	
Coke Machine Commission	1,969
Memorial Service Income	1,250
Badge Deposit	1,131
Vending Machine Deposit	467
Refund to BOJE	411
Interest Income	3
<b>Total Receipts</b>	5,231
 <b><u>Disbursements</u></b>	
EMT-Employee Morale Team	5,175
Badge Expenses	1,054
Donations from BOJE	180
BCJS Academy Expense	114
NSF Deposit and Fee	107
Retirement Plaques	98
Catered Lunch	85
<b>Total Disbursements</b>	6,813
<b>Cash receipts in excess of disbursements</b>	(1,582)
Cash account balance as of January 1	14,860
<b>Cash account balance as of December 31</b>	<b>\$ 13,278</b>

The accompanying notes are an integral part of the financial statement.

**Berks County Jail System- Berks Organization of Jail Employees (BOJE) Account  
County of Berks, Pennsylvania  
Notes to Financial Statement  
For the Year Ended December 31, 2021**

**Note 1: Nature of the office and significant accounting policies**

**Nature of the Office and Reporting Entity:**

The Berks Organization of Jail Employees (BOJE) Account is used for the betterment of Berks County Jail employees, mainly through the earnings of commissions from vending machine product sales. Funds are used for work-related benefits for the employees of the Berks County Jail.

**Basis of accounting:**

The books and records of the Berks County Jail System- Berks Organization of Jail Employees (BOJE) Account are maintained on the cash basis of accounting. Consequently, receipts are recognized when received rather than when assessed or otherwise due and disbursements are recognized when paid rather than when the obligation is incurred. Accordingly, the accompanying statements do not present the assets, liabilities, receipts, disbursements, and cash balances in accordance with generally accepted accounting principles.

**Administrative Guidelines:**

Janine Quigley was the Warden for the period January 1, 2021 to March 31, 2021. Janine Quigley retired in March 2021, at which time Jeffrey R. Smith was named acting Warden. Jeffrey Smith officially became the new Warden in April 2021.

**Note 2: Cash and equivalents**

The following cash account is in the name of the **Berks County Jail System- Berks Organization of Jail Employees (BOJE)**. This account is reflected in the County of Berks financial statements.

These accounts hold funds received by the **Berks County Jail System- Berks Organization of Jail Employees (BOJE)** in a trust and agency capacity and use of these funds, by the **Berks County Jail System- Berks Organization of Jail Employees (BOJE) Account**, is restricted.

Bank	Account Title / Type	Bank Balance	Book Value
VIST Bank	Checking Account	13,458	13,278
		\$ 13,458	\$ 13,278

Amounts on deposit in excess of FDIC limits were collateralized by the financial institution with securities held by that entity.



**Berks County Jail System- Berks Organization of Jail Employees (BOJE) Account**  
**County of Berks, Pennsylvania**  
**Notes to Financial Statement - Continued**  
**December 31, 2021**

**Note 3: Legal Matters**

Our audit disclosed no pending litigation involving the Berks County Jail System- Berks Organization of Jail Employees (BOJE), former Warden Janine Quigley, or current Warden Jeffrey R. Smith, that would affect the financial statement for the year ended December 31, 2021.

**Note 4: Subsequent Events**

Janine Quigley retired in March 2021, at which time Jeffrey R. Smith was named acting Warden. Jeffrey Smith officially became the new Warden in April 2021.

Management has evaluated subsequent events through September 12, 2022, which is the date the financial statement was available to be issued.



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**Internal Auditor's Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters**

Jeffrey R. Smith, Warden  
Berks County Jail System-  
Berks Organization of Jail Employees (BOJE) Account  
1287 County Welfare Rd  
Leesport, PA 19533

In planning and performing our audit of the financial statement of the Berks County Jail System- Berks Organization of Jail Employees (BOJE) Account for the year ended December 31, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the Berks County Jail System- Berks Organization of Jail Employees (BOJE) Account's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Berks County Jail System- Berks Organization of Jail Employees (BOJE) Account's internal control. Accordingly, we do not express an opinion on the effectiveness of the Berks County Jail System- Berks Organization of Jail Employees (BOJE) Account's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

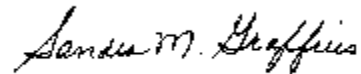
Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

As part of obtaining reasonable assurance about whether the Berks County Jail System- Berks Organization of Jail Employees (BOJE) Account's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect in the

determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We noted certain matters that we reported to the management of the Berks County Jail System- Berks Organization of Jail Employees (BOJE) Account in a separate letter dated September 12, 2022.

This report is intended solely for the information and use by the management of the Berks County Jail System- Berks Organization of Jail Employees (BOJE) Account and other affected county offices, and is not intended to be, and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink that reads "Sandra M. Graffius". The signature is written in a cursive style.

Sandra M. Graffius, Controller  
September 12, 2022