

LBA Financial Audit Report Summary:

State of New Hampshire, Police Standards and Training Council Financial Audit Report for the Six Months ended December 31, 2010

[Read the full report in PDF format - 142KB]

Reporting Entity And Scope

The reporting entity of this audit and audit report is the New Hampshire Police Standards and Training Council. The scope of this audit and audit report includes the financial activity of the Police Standards and Training Council for the six months ended December 31, 2010. Unless otherwise indicated, reference to the Council, PSTC, or auditee refers to the Police Standards and Training Council.

Organization

The Police Standards and Training Council (Council) is established in RSA 188-F:24 and consists of 12 members: eight members appointed by the Governor to a two year term and four ex officio members. The Governor appoints the chairperson of the Council. RSA 188-F:25 describes the Council as an executive branch council administratively attached to the Community College System of New Hampshire. The Director is appointed by the Council pursuant to RSA 188-F:26, XIV. The Director, an unclassified employee, is responsible for the administrative operations of the Council including hiring all other Council employees. At December 31, 2010, the Council was staffed by 23 full-time and four part-time employees. The Council's office is located at 17 Institute Drive, Concord, New Hampshire, 03301-7413.

Responsibilities

Pursuant to RSA 188-F:26, the Council is charged with establishing minimum hiring and educational standards for police, state corrections, and probation-parole officers and the certification of persons qualified to serve in those positions. The Council provides mandatory basic training to new police, state corrections and probation-parole officers, as well as in-service training to currently certified officers. In addition, the Council approves the curriculum and physical fitness standards for county corrections officers, conducts voluntary accreditation programs for law enforcement agencies, and publishes model policies and monthly training periodicals.

The Council currently certifies approximately 4,100 full and part-time police officers employed by the State and its political subdivisions and trains or certifies approximately 700 sworn and civilian employees of the New Hampshire Department of Corrections.

Funding

Funding for the Police Standards and Training Council is primarily derived from assessments on court-imposed fines and penalties. RSA 188-F:31 directs, “[e]very court shall levy a penalty assessment of \$2 or 24 percent, whichever is greater, on each fine or penalty imposed by the court for a criminal offense...for deposit in the following funds...54.17 percent of the amount collected in the police standards and training council training fund, 16.67 percent of the amount collected in the victims’ assistance fund, 16.67 percent of the amount collected in the judicial branch information technology fund, and the remainder in the general fund.” RSA 262:44 directs the same percentage (54.17 percent) of the penalty assessments collected from persons charged with certain motor vehicle violations that plea by mail be deposited in the Police Standards and Training Council training fund. Other funding for the Council includes, per RSA 504-A:13,II(a), \$5 from each monthly supervision fee collected by the Department of Corrections from probationers and parolees, which is used to defray the expenses of providing training to the employees of the Department of Corrections. During the six months ended December 31, 2010, the Council also received revenue from a federal pass-through grant from the State’s Highway Safety Agency.

The financial activity of the Police Standards and Training Council is accounted for in the General and Capital Projects Funds of the State of New Hampshire. A summary of the Council’s revenues and expenditures for the six months ended December 31, 2010 is shown in the following schedule.

Summary Of Revenues And Expenditures For The Six Months Ended December 31, 2010

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Total Revenues	\$ 1,435,647	\$ -0-	\$ 1,435,647
Total Expenditures	<u>1,795,498</u>	<u>380,423</u>	<u>2,175,921</u>
Excess (Deficiency) Of Revenues Over (Under) Expenditures	<u>\$ (359,851)</u>	<u>\$ (380,423)</u>	<u>\$ (740,274)</u>

The auditor’s report on the Police Standards and Training Council’s financial statement was qualified, as the financial statement does not constitute a complete financial presentation of the Council.

The audit report includes the auditor’s report on internal control over financial reporting and on compliance and other matters. The following is a list of the comments in the report.

Internal Control Comments

Material Weakness

- Controls Should Be Established Over Revenues Collected For The PSTC By Other State Organizations

Significant Deficiencies

- Redundant And Ineffective Controls Should Be Eliminated
- Encumbrance Activity Should Be Regularly Monitored

- Inter-Governmental Revenue Transactions Should Be Used When Appropriate
- Familiarity And Compliance With State Manual Of Procedures Should Be Improved
- Unused Accounting Units Should Be Deactivated

State Compliance Comments

- Appropriations Should Be Reduced For Unmet Budgeted Revenue
- Compliance With Recycling Statute Should Be Improved
- Indirect Cost Plan And Rate Should Be Established For Federal Program