



COUNTY OF ALLEGHENY

OFFICE OF THE CONTROLLER

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PHONE (412) 350-4660 • FAX (412) 350-3006

July 2, 2012

To the Allegheny County Executive and Allegheny County Council

We have audited the financial statements of Allegheny County Police Department's U.S. Department of Justice Equitable Sharing Fund for the fiscal years ended December 31, 2011 and 2010. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Allegheny County Police Department are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2011. We noted no U.S. Department of Justice Equitable Sharing Fund transactions entered into by Allegheny County Police Department during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting the Allegheny County Police Department's U.S. Department of Justice Equitable Sharing Fund financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no sensitive disclosures in the financial statements.

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Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 2, 2012.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Allegheny County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

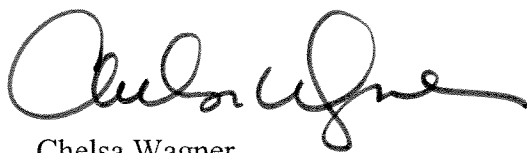
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This information is intended solely for the use of the Allegheny County Executive, Allegheny County Council, and the Allegheny County Police Department and is not intended to be and should not be used by anyone other than these specified parties.

Kind regards,



Chelsa Wagner
Controller



Lori Churilla
Assistant Deputy Controller, Auditing

CW/lc

cc: Honorable Charles Martoni, President, County Council
Honorable Nicholas Futules, Vice President, County Council
Honorable Rich Fitzgerald, County Executive
Ms. Jennifer Liptak, Acting County Manager
Mr. Warren Finkel, Budget Director, Allegheny County
Mr. Joseph Catanese, Director of Constituent Services, County Council
Mr. Walter Szymanski, Budget Director, County Council
Mr. Ed Przybyla, Fiscal Manager, Allegheny County Police Department
Ms. Amy Griser, Deputy Controller
Mr. Seth Hufford, Chief of Staff, Controller's Office
Mr. Robert J. Lentz, Assistant Deputy, Accounting, Controller's Office
Mr. Nick Hays, Communications Director, Controller's Office