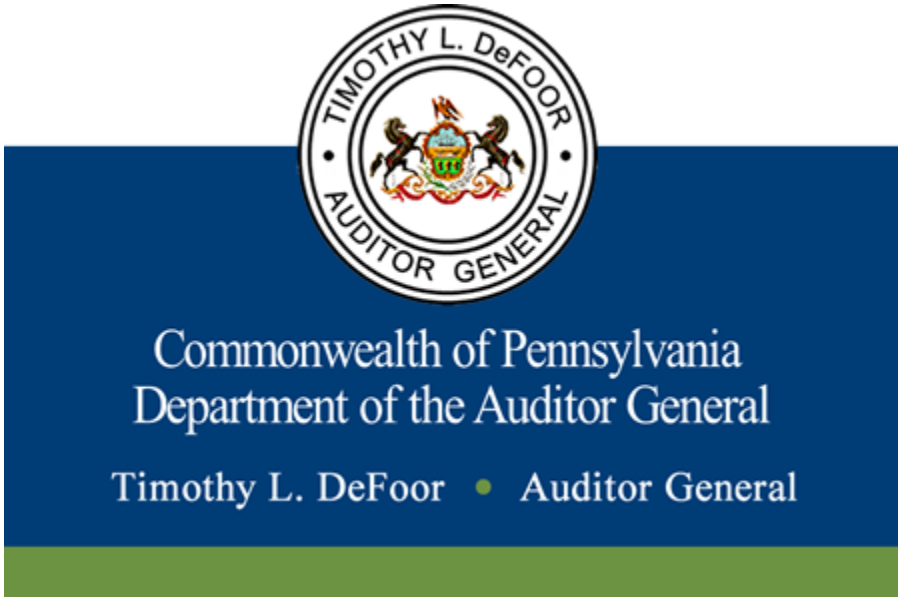
COMPLIANCE AUDIT

Corsica Volunteer Firemen's Relief Association

Jefferson County, Pennsylvania

For the Period
January 1, 2023, to December 31, 2025

September 2026



Commonwealth of Pennsylvania
Department of the Auditor General
Harrisburg, PA 17120-0018
Facebook: Pennsylvania Auditor General
Twitter: @PAAuditorGen
www.PaAuditor.gov

TIMOTHY L. DEFOOR
AUDITOR GENERAL

Mr. Matt McNutt, President
Corsica Volunteer Firemen's
Relief Association
Jefferson County

We have conducted a compliance audit of the Corsica Volunteer Firemen's Relief Association (relief association) for the period January 1, 2023, to December 31, 2025. The audit was conducted pursuant to authority derived from Article VIII, Section 10 of the Constitution of the Commonwealth of Pennsylvania; Section 403 of The Fiscal Code, 72 P.S. § 403; and the Volunteer Firefighters' Relief Association Act ("VFRA Act"), see 35 Pa.C.S. § 7418.

The objectives of the audit were:

1. To determine if the relief association took appropriate corrective action to address the findings contained in our prior audit report.

2. To determine if the relief association complied with applicable state laws, contracts, bylaws, and administrative procedures as they relate to the receipt of state aid and the expenditure of relief association funds.

Our audit was limited to the areas related to the objectives identified above and was not, nor was it required to be, conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

Relief association officers are responsible for establishing and maintaining effective internal controls to provide reasonable assurance that the relief association's administration of state aid and accumulated relief association funds complies with applicable state laws, contracts, bylaws, and administrative procedures, including the safeguarding of assets. Relief association officers are responsible for complying with applicable state laws, contracts, bylaws, and administrative procedures. It is our responsibility to perform procedures to obtain sufficient, appropriate evidence to the extent necessary to satisfy the audit objectives. We believe that our audit provides a reasonable basis for our conclusions.

Based on our audit procedures, we conclude that, for the period January 1, 2023, to December 31, 2025:

- The relief association took appropriate corrective action to address three of the four findings contained in our prior audit report. However, the relief association failed to take appropriate corrective action to address the one remaining finding contained in our prior audit report, as listed below, and discussed in the Status of Prior Findings section of this report.

- The relief association, in all significant respects, complied with applicable state laws, contracts, bylaws, and administrative procedures as they relate to the receipt of state aid and the expenditure of relief association funds, except as noted in the finding listed below and discussed later in this report.

  Finding – Noncompliance With Prior Audit Recommendation – Failure To Maintain A Complete And Accurate Cumulative Equipment Roster And Failure To Conduct An Annual Physical Inventory Of Equipment

The contents of this report were discussed with the management of the relief association and, where appropriate, their response has been included in the report. We would like to thank the relief association officials for the cooperation extended to us during the conduct of the audit.

Timothy L. DeFoor

Timothy L. DeFoor
Auditor General
August 7, 2026

CONTENTS

Page

Background 1

Status of Prior Findings 4

Finding and Recommendation:

Finding – Noncompliance With Prior Audit Recommendation – Failure To Maintain A Complete And Accurate Cumulative Equipment Roster And Failure To Conduct An Annual Physical Inventory Of Equipment 5

Report Distribution List 7

BACKGROUND

Pursuant to Article VIII, Section 10 of the Constitution of the Commonwealth of Pennsylvania,[1] Section 403 of The Fiscal Code,[2] and the Volunteer Firefighters' Relief Association Act ("VFRA Act"),[3] the Department of the Auditor General's duty is to audit the accounts and records of every volunteer firefighters' relief association to determine that funds received under the Foreign Fire Insurance Tax Distribution Law, commonly referred to as Act 205,[4] are properly expended.

The relief association is a charitable organization that was formed primarily to afford financial protection to volunteer firefighters and to encourage individuals to participate in volunteer fire service.

The VFRA Act governs the overall operation of volunteer firefighters' relief associations. Relief association bylaws define the specific operational procedures by which relief associations conduct business. To fulfill its primary purpose, the VFRA Act authorizes specific types of expenditures and prescribes appropriate volunteer firefighters' relief association investment options. Within the parameters established by the VFRA Act, it is the responsibility of relief associations to choose investments in a proper and prudent manner.

Volunteer firefighters' relief associations receive public tax monies, and the relief association officers therefore have a responsibility to the public to conduct the relief association's financial affairs in a businesslike manner and to maintain sufficient financial records to support the propriety of all relief association transactions. Volunteer firefighters' relief association officers are also responsible for ensuring that the relief association operates in accordance with applicable state laws, contracts, bylaws, and administrative procedures.

Act 205 sets forth the computation of the Foreign Fire Insurance Tax Distribution paid to each applicable municipality throughout the Commonwealth of Pennsylvania. The amount of the distribution is based upon the population of each municipality and the market value of real estate within the municipality. Upon receipt of this distribution, the municipality must allocate the funds to the volunteer firefighters' relief association of the fire service organization or fire service organizations that is or are recognized as providing the service to the municipality.

[1] Pa. Const. Art. VIII § 10.
[2] 72 P.S. § 403.
[3] 35 Pa.C.S. § 7411 *et seq*.
[4] 53 P.S. § 895.701 *et seq.*

BACKGROUND – (Continued)

The relief association was allocated state aid from the following municipalities:

Municipality	County	2023	2024	2025
Clarion Township	Clarion	$5,286	$5,376	$5,707
Limestone Township	Clarion	$ 942	$ 955	$ 981
Clover Township	Jefferson	*	*	$ 568
Corsica Borough	Jefferson	$1,431	$1,449	$1,537
Union Township	Jefferson	$4,611	$4,710	$5,026

* During the current audit period, the relief association did not receive an allocation of state aid from Clover Township in 2023 and 2024. Municipalities have sole discretion to distribute their annual allocation of state aid received to any relief association providing fire service to the municipality.

BACKGROUND – (Continued)

As of December 31, 2025, based on the relief association's records, its total cash was $18,302.

Based on the relief association's records, its total expenditures for the period January 1, 2023, to December 31, 2025, were $49,350, as noted below. The accuracy of these expenditures was evaluated as part of the Department's audit to conclude on the relief association's compliance with applicable state laws, contracts, bylaws, and administrative procedures as they relate to the receipt of state aid and the expenditure of relief association funds.[5] **The scope of the Department's audit does not include the issuance of an opinion on the accuracy of these amounts.**

Expenditures:

Benefit Services:		
Insurance premiums	$	7,814
Fire Services:		
Equipment purchased	$	32,300
Equipment maintenance		7,409
Training expenses		1,480
Total Fire Services	$	41,189
Administrative Services:		
Bond premiums	$	270
Other administrative expenses		77
Total Administrative Services	$	347
Total Expenditures	$	49,350

The volunteer firefighters' relief association and the affiliated fire service organization are separate, legal entities. The relief association is affiliated with the following fire service organization:

Corsica Volunteer Fire Company

[5] Accuracy was evaluated for a selection of transactions based on dollar amount, category, and/or random selection.

CORSICA VOLUNTEER FIREMEN'S RELIEF ASSOCIATION
STATUS OF PRIOR FINDINGS

COMPLIANCE WITH PRIOR AUDIT FINDINGS AND RECOMMENDATIONS

The relief association has complied with three of the four prior audit findings and recommendations, as follows:

- Failure To Adhere To Relief Association Bylaws

  By establishing guidelines and procedures to meet the provisions contained in the relief association bylaws and by updating the bylaws to remove language referring to Act 84 to meet the requirements set forth in the VFRA Act.

- Inadequate Minutes Of Meetings

  By maintaining detailed minutes evidencing the discussion and approval of all financial-related business conducted by the relief association and by ensuring that all meeting minutes were signed and dated by the secretary of the relief association.

- Inadequate Signatory Authority For The Disbursement Of Funds

  By requiring the signatures of at least two officers, one of whom will be the disbursing officer, on all negotiable instruments.

NONCOMPLIANCE WITH PRIOR AUDIT FINDING AND RECOMMENDATION

The relief association has not complied with one of the four prior audit findings. This finding is noted below and discussed in detail in the Finding and Recommendation section of this report:

- Failure To Maintain A Complete And Accurate Equipment Roster

We are concerned by the relief association's failure to correct this previously reported audit finding. The relief association management should strive to implement the recommendation and corrective action noted in this audit report.

CORSICA VOLUNTEER FIREMEN'S RELIEF ASSOCIATION
FINDING AND RECOMMENDATION

Finding – Noncompliance With Prior Audit Recommendation – Failure To Maintain A Complete And Accurate Cumulative Equipment Roster And Failure To Conduct An Annual Physical Inventory Of Equipment

Condition: The relief association failed to maintain a complete and accurate cumulative roster of equipment owned by the relief association. In addition, there was no evidence that a physical inventory of equipment was conducted on an annual basis to account for the equipment owned by the relief association.

A similar condition was noted in our prior audit report.

Criteria: Prudent business practice dictates that the relief association establish adequate internal control procedures to ensure the maintenance of a complete and accurate cumulative roster of equipment purchased by the relief association and that the performance of an annual physical inventory of all equipment is documented. A complete and accurate cumulative equipment roster of all relief association purchased equipment should include the following:

- Types of equipment purchased
- Dates of purchase
- Unit costs
- Names of suppliers from which the equipment was purchased
- Serial numbers, if applicable
- Current location(s) of items
- Final dispositions if damaged, sold or disposed of
- Evidence of the performance, date, and results of an annual physical inventory

Cause: The relief association officials indicated that, due to a turnover in officer positions from the prior audit period, they were not aware of the requirements of maintaining a complete and accurate cumulative equipment roster and the requirement to conduct an annual physical inventory of equipment.

Effect: Continued failure to properly record equipment purchases in a complete and accurate cumulative equipment roster prevents relief association officials from effectively monitoring the relief association's equipment purchases. In addition, failure to maintain a complete and accurate cumulative equipment roster and failure to perform an annual physical inventory of the equipment prevents adequate accountability for, and safeguarding of, relief association assets.

Finding – (Continued)

Recommendation: We again recommend that the relief association officials maintain a complete and accurate cumulative equipment roster of all relief association equipment. Furthermore, the relief association should ensure an annual physical inventory of all relief association purchased equipment is performed and documented. For further guidance, please refer to the Auditor General's publication, MANAGEMENT GUIDELINES FOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATIONS.

Management Response: Relief association management agreed with the finding as presented at the audit exit conference and indicated they will take action to comply with the recommendation.

Auditor's Conclusion: We are concerned by the relief association's failure to correct this previously reported audit finding and strongly encourage timely implementation of the recommendation noted in this audit report.

CORSICA VOLUNTEER FIREMEN'S RELIEF ASSOCIATION
REPORT DISTRIBUTION LIST

This report was initially distributed to the following:

The Honorable Joshua D. Shapiro
Governor
Commonwealth of Pennsylvania

Corsica Volunteer Firemen's Relief Association Governing Body:

Mr. Matt McNutt
President

Mr. Corry Bish
Vice President

Ms. Kelsey Kemmer
Secretary

Ms. Kaitlin Kemmer
Treasurer

CORSICA VOLUNTEER FIREMEN'S RELIEF ASSOCIATION
REPORT DISTRIBUTION LIST

The following municipalities allocated foreign fire insurance tax monies to this relief association and received a copy of this report:

Ms. Karen Wilson
Secretary
Clarion Township

Ms. Bonnie L. Shovestull
Secretary
Limestone Township

Ms. Becky Shields
Secretary
Clover Township

Ms. Cheri Himes
Secretary
Corsica Borough

Ms. Chris Hughes
Secretary
Union Township

This report is a matter of public record and is available online at www.PaAuditor.gov. Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 229 Finance Building, Harrisburg, PA 17120; via email to: news@PaAuditor.gov.