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CONTROLLER OF NORTHAMPTON COUNTY

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**INDEPENDENT INTERNAL AUDITOR'S REPORT
ON AGREED-UPON PROCEDURES**

Members of the Northampton County Council
John Stoffa, County Executive
County of Northampton, Pennsylvania

We have performed the procedures enumerated below, which were agreed to by the County Executive solely to assist you with evaluating the County's Cash Collection Process in the District Attorney's office for the period ended July 31, 2012. Management is responsible for the internal control over the cash collection process. This Agreed-Upon Procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Procedures and Findings

1. **Procedure:** Review cash collection work assignments to determine if a proper segregation of duties is in place.

Findings: The segregation of duties in the District Attorney's office provides for adequate control.

2. **Procedure:** Determine if deposits are made on the day cash is received.

Findings: All receipts tested were checks (no cash is handled in this office) and were deposited in the bank on the same day as received or on the next business day. When reviewing the check-receiving and depositing process we found that checks received late in the day may be held overnight or until the next business day in a locked drawer without being stamped "FOR DEPOSIT ONLY To The Credit Of NORTHAMPTON COUNTY."

3. **Procedure:** For departments with bank accounts:
 - a. Determine if bank reconciliations are done monthly and reviewed by a supervisor.
 - b. Agree account balances to IFAS.
 - c. Select a sample of 5 receipts and verify that they were deposited on the same day and if possible, that the cash/check mix agrees to the validated deposit slip.
 - d. Select a sample of 5 disbursements and examine the cancelled check to verify the payee, amount, and endorsement.

Findings: Bank deposits processed by the District Attorney's office are made to the common account. Members of this staff are not responsible for writing checks, making withdrawals, or performing bank reconciliations.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the County's Cash Collection Process. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the management of the County of Northampton, Pennsylvania 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.



Stephen J. Barron, Jr., CFE
County Controller

July 19, 2012

cc:

J. Morganelli, District Attorney
M. Posko, Office Manager, DA's Office
T. Brennan, Controller's Office Solicitor
Press