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**INDEPENDENT INTERNAL AUDITORS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Members of the Northampton County Council
John A. Brown, County Executive
County of Northampton, Pennsylvania

We have performed the procedures enumerated below, which were agreed to by the County Executive, on the County's Cash Collection Process in the Procurement Division as of August 2017. County management is responsible for implementing internal controls over the cash collections process. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated 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 Procurement Division provides for adequate control.

2. **Procedure:** Select a sample of 5 receipts and verify that they were deposited on the same day as received and that the cash/check mix agrees to the validated deposit slip.

Findings: All receipts accepted by Procurement are in the form of checks, therefore there was no cash/check mix to review. We selected a sample of 5 receipts and found that they were all deposited on the day of receipt.

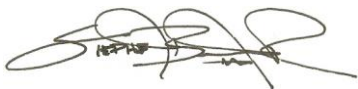
3. **Procedure:** For offices with bank accounts.
 - a. Determine if bank reconciliations are done monthly and reviewed by a supervisor.
 - b. Agree account balances to IFAS.
 - c. Select a sample of 5 disbursements and examine the cancelled check to verify the payee, amount and authorized signer.

Findings: This office does not maintain any bank accounts.

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Cash Collections – Procurement Division
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This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on County's Cash Collection Process in the Procurement Division as of August 2017. Accordingly, we do not express such an opinion or conclusion. 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.



Stephen J. Barron, Jr., CFE
County Controller

August 30, 2017



Anthony D. Sabino, CIA
Lead Auditor

cc: J. Hunter