



**STEPHEN J. BARRON, JR., CFE**

**CONTROLLER OF NORTHAMPTON COUNTY**

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

Members of the Northampton County Council  
John Brown, 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 Emergency Management Division as of June 2016. Management is responsible for 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. Review cash collection work assignments to determine if a proper segregation of duties is in place.

**Findings:**

- The segregation of duties regarding cash collection in the Emergency Management Division is adequate.

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

**Finding:**

- For Hazardous Chemical and Emergency Planning Fees, envelopes are date stamped when they are received and are retained. In our sample, there were three instances where the envelopes were not date stamped and it was impossible to determine if the deposit was made on a timely basis. In all cases where the envelope was stamped, the deposit was made on the day of receipt. For payments made to the County for expended equipment for hazardous material responses, envelopes are not date stamped, and no other adequate documentation exists to show deposits are made on the day cash is

received.

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.

**Finding:** This department does not have the responsibility for any bank accounts.

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.



Stephen J. Barron, Jr., CFE  
County Controller



Anthony D. Sabino, CIA  
Lead Auditor

June 28, 2016

cc: James Hunter, Director of Fiscal Affairs  
William Hillanbrand, Emergency Management Planning Manager  
Suzann Gorman, Executive Secretary