



RICHARD J. SZULBORSKI

CONTROLLER OF NORTHAMPTON COUNTY

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

Members of the Northampton County Council
Lamont G. McClure Jr., 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 Coroner's Department for the five months ended May 31, 2019. County management is responsible for implementing internal controls over the cash collection 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: Segregation of duties with regard to cash collection work assignments provides for adequate control.

2. **Procedure:** Select a sample of five 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: This satellite County office has a policy of taking deposits to the Government Center on a weekly basis.

Four of the five receipts were deposited between one to three business days after receipt or approval for mailing the requested report. For one of the five receipts, it could not be determined if the receipt was deposited within a week of receiving the check because the receipt date could not be determined. This deposit was made within eight business days from the printed date on the check.

This office does not accept cash payments. All receipts tested agreed to the type of payment per the Revenue register receipt and the credit card bank statement.

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 ONESolution.
 - c) Select a sample of five disbursements and examine the cancelled check to verify the payee, amount and authorized signer.

Findings: A merchant services bank account was opened in May 2016 at Lafayette Ambassador Bank so the Coroner could accept credit card payments for fees assessed for various services.

Bank reconciliations are being performed by Fiscal Affairs timely for each monthly bank statement. These reconciliations were reviewed by a supervisor. The January and February bank statements were reviewed in April 2019. The March and April statements were reviewed in the subsequent months after the statement dates.

The reconciled bank balance agrees to the book balance as stated on ONESolution as of May 31, 2019.

No checks are written against this account. Funds accumulated in this account are transferred to the County's common bank account on a quarterly basis. The transfer for the first quarter of 2019 was recalculated based on collections for January through March. The transfer made on April 18, 2019 appears reasonable based on collections for the quarter.

We conducted this agreed-upon procedures engagement in accordance with generally accepted government auditing standards. 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 the Cash Collection Process in the Coroner's Department. 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.



Richard J. Szulborski
County Controller



Kathleen A. Kuzma, MBA, CPA, CGMA
Lead Auditor

July 25, 2019

cc: Stephen J. Barron, Director of Fiscal Affairs
Zachary Lysek, Coroner