



RICHARD J. SZULBORSKI

CONTROLLER OF NORTHAMPTON COUNTY

NORTHAMPTON COUNTY COURTHOUSE
669 WASHINGTON STREET
EASTON, PENNSYLVANIA 18042

PAUL L. ALBERT, CIA
Audit Manager

MICHAEL P. SHAY, ESQ.
Solicitor

PHONE (610) 829-6615
FAX (610) 559-3137

**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 for the Department of Corrections' vending machines for the period December 2018 through April 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 in all areas.

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: Deposits were made in a timely manner and all deposited receipts matched the check amount. However, someone other than the Accountant who prepares and makes the deposit was not comparing the validated deposit slip to the supporting paperwork.

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 5 disbursements and examine the cancelled check to verify the payee, amount and authorized signer.

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Cash Collection Process – Corrections' Vending Machines
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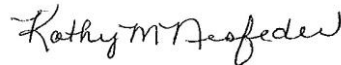
Findings: The deposits are made to the County's common account. The staff is not responsible for writing checks, making withdrawals, or performing bank reconciliations for the County's common account.

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 adequacy of internal controls over cash handling procedures. 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



Kathy M. Nesteder, CFE, CRMA
Auditor II

July 1, 2019

cc: S. Barron, Director of Fiscal Affairs
J. Kostura, Director of Corrections
K. Anderson, Purchasing Manager