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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 for the Department of Fiscal Affairs, Divisions of Financial Planning and Control, Geographic Information System (GIS) and Assessment for the nine months ended 9/30/2018. 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 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: The Financial Planning and Control Division did not have any cash receipts.

The one receipt received in the Assessment Division was recorded through the Revenue register on the day received and was deposited to the County's common account. The cash/check mix agreed to the Revenue register receipt.

Five receipts were tested for GIS. These receipts were recorded through the Revenue registers and deposited to the County's common account. It could not be determined if GIS deposits were made on the date of receipt since the documentation was not date stamped

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Cash Collections – Department of Fiscal Affairs, Divisions of Financial Planning and Control,
Geographic Information System, and Assessment

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with the date of receipt. However, it is the policy of this office to make deposits on the day they are received in the mail. GIS agreed to date stamp future receipts with the date of receipt. The cash/check mix agreed to the Revenue register 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: These Divisions do not have bank accounts and the staff is not responsible for writing checks, making withdrawals, or performing bank reconciliations to 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 County's Cash Collection Process. 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

November 21, 2018

cc: Stephen Barron, Director of Fiscal Affairs
Cheryl Johnson, Assessment Manager
Joseph Laky, GIS Analyst
Nancy Poplawski, Revenue Manager