



**County of Chester
Office of the Controller
Internal Audit Department**

**Management Letter
For the Year Ended
December 31, 2010**

*Office of the Clerk of
Courts*

Management Letter

Valentino F. DiGiorgio, III, Controller

To: Francis E. McElwaine, Clerk of Courts

Introduction

On October 27, 2011, Internal Audit completed an audit of the *Office of the Clerk of Courts (Clerk)* and *Adult Probation (APO)*. Sharon Kaye Jones, CIA was the auditor-in-charge and was assisted by one additional member of the audit team. Internal Audit is required by Pennsylvania County Code to review county offices annually to ensure compliance with policies and procedures and to assess their overall control structure. The scope of the audit included a review of the following:

- Cash and Petty Cash
- Liabilities
- Manual Receipts
- Cash Receipts
- Cash Disbursements
- Voided Transactions
- Automation Fund
- Unclaimed Property – Escheats

We conducted our audit in accordance with generally accepted auditing standards and standards applicable to financial audits contained in *Government Auditing Standards* published by the Comptroller General of the United States. We have also issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters concurrent with this management letter. Disclosures and other information in that Report (also dated October 27, 2011) should be considered in conjunction with this management Letter.

Executive Summary

The management and staff of the *Clerk* are, in all material respects, in compliance with policies and procedures imposed by the County of Chester and the Commonwealth of Pennsylvania. Internal Audit identified one area in which procedural modifications would enhance internal recordkeeping related to legacy bank accounts.

Although this audit included the work of the *Clerk* and *APO*, management has requested that two separate reports be issued, each one independent of the other. Matters specific to *APO* have been removed from this document and included in the management letter addressed to the Chief Probation Officer.

Internal Audit wants to thank the management and staff of the *Clerk* and *APO* for their cooperation and assistance during the course of this audit. Please feel free to contact our office at (610) 344-5913 should you have any questions or concerns.

COUNTY OF CHESTER
OFFICE OF THE CLERK OF COURTS
FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2010

I. INTERNAL CONTROL FINDINGS AND RECOMMENDATIONS

RECORDKEEPING

Finding 1: Cash Book Balances

Internal Audit noted that the Clerk of Courts bookkeeper is not maintaining a running balance on “legacy” bank account check registers. As a result, monthly bank reconciliations cannot be reconciled to the books.

Recommendation

Internal Audit suggests that the Clerk of Courts bookkeeper record all transactions on the legacy Summary Appeal and Bail accounts to include deposits, disbursements, interest, fees and ending balance.

Auditee Response

We will adhere to your suggestions.

COUNTY OF CHESTER
OFFICE OF THE CLERK OF COURTS
SUMMARY OF EXIT CONFERENCE
FOR THE YEAR ENDED DECEMBER 31, 2010

Due to the nature of the audit findings and recommendations, an exit conference was not warranted for the 2010 audit. Management of the Office of the Clerk of Courts has chosen to accept the report as presented.