



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

**Management Letter
For the Year Ended
December 31, 2014**

County of Chester
*Register of Wills/
Clerk of the Orphans' Court*
Management Letter

A handwritten signature in blue ink, appearing to read "N. MacQueen".

Norman MacQueen, Controller

To: Terri Clark, Register of Wills/Clerk of the Orphans' Court

Introduction

On March 24, 2015, Internal Audit completed an audit of the *Register of Wills/Clerk of the Orphans' Court (Register)*. Pat Lenzi was the auditor-in-charge. Internal Audit is required by the Pennsylvania County Code to review county offices annually to ensure compliance with policies and procedures and to assess their overall internal control structure. The scope of our audit included a review of the following:

- Cash and Petty Cash
- Court Ordered Escrow Accounts
- Liabilities
- Cash Receipts
- Manual Receipts
- Inheritance Tax Receipts
- Cash Disbursements
- Voided Transactions

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 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 March 24, 2015) should be considered in conjunction with this Management Letter.

Executive Summary

The management and staff of the *Register* are in all material respects, in compliance with policies and procedures imposed by the County of Chester and by the *Register*. There were no matters of a significant nature related to internal controls or overall compliance noted during this audit.

We want to thank the management and staff of the *Register* for their cooperation and assistance during the course of this audit. We have provided herein a copy of our "Audit Findings and Recommendations" for your review and comment.

Please feel free to contact our office at (610) 344-6797 should you have any questions or concerns.

COUNTY OF CHESTER
REGISTER OF WILLS/CLERK OF THE ORPHANS' COURT
SUMMARY OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2014

Cash and Petty Cash

Cash is reconciled and reviewed at 100%. Petty cash is counted during the course of the on-site fieldwork.

There were no internal control or procedural weaknesses noted.

Court Ordered Escrow Accounts

Court Ordered Escrow Accounts are reconciled and reviewed at 100%; specifically to ensure accurate receipt and disbursement of escrow funds.

There were no internal control or procedural weaknesses noted.

Liabilities

Liability balances are reconciled and reviewed at 100%; specifically to ensure accurate recording of liabilities and the verification of subsequent payments following year end.

There were no internal control or procedural weaknesses noted.

For the following areas, transactions are reviewed on a sample basis according to risk. The current year risk assessment is based on prior year audit results:

Cash Receipts

The sample size tested for the year ended 12/31/14 was determined to be 20 out of a population of 11,706 receipts generated in 2014.

There were no internal control or procedural weaknesses noted within our sample.

Manual Receipts

There were no manual receipts used in 2014.

COUNTY OF CHESTER
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SUMMARY OF FINDINGS AND RECOMMENDATIONS
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Inheritance Tax Receipts

Inheritance Tax commissions due to the County are reconciled and reviewed at 100%; specifically to ensure that all Inheritance Tax commissions are properly transferred to the County and that all voids are handled properly.

There were no internal control or procedural weaknesses noted within our sample.

Cash Disbursements

The sample size tested for the year ended 12/31/14 was determined to be as follows:

- Operating Account - 20 out of a population of 56 disbursements (checks) generated in 2014.
- Attorney for Minor Account - 4 out of a population of 16 disbursements (checks) generated in 2014.

There were no internal control or procedural weaknesses noted within our sample.

Voided Receipts

The sample size tested for the year ended 12/31/14 was determined to be 15 out of a population sample of 59 receipts voided during the year.

There were no internal control or procedural weaknesses noted within our sample.

Voided Disbursements

The sample size tested for the year ended 12/31/14 was determined to be 15; however, there was only a population of 2 items for 2014.

There were no internal control or procedural weaknesses noted within our sample.

COUNTY OF CHESTER
REGISTER OF WILLS/CLERK OF THE ORPHANS' COURT
SUMMARY OF EXIT CONFERENCE
FOR THE YEAR ENDED DECEMBER 31, 2014

On March 18, 2015, an exit conference was held at the request of Register of Wills / Clerk of the Orphans' Court Terri Clark. The conference was held in the Controller's Office conference room. In attendance were the following individuals: *Register* First Deputy Bob Pinkos, *Register* Account Clerk Cindie McCall, Deputy Controller Carol Politz, Audit Manager Sharon Jones and Internal Auditor Pat Lenzi. Procedures involving voided receipts were discussed. Procedures will be updated for the upcoming year.