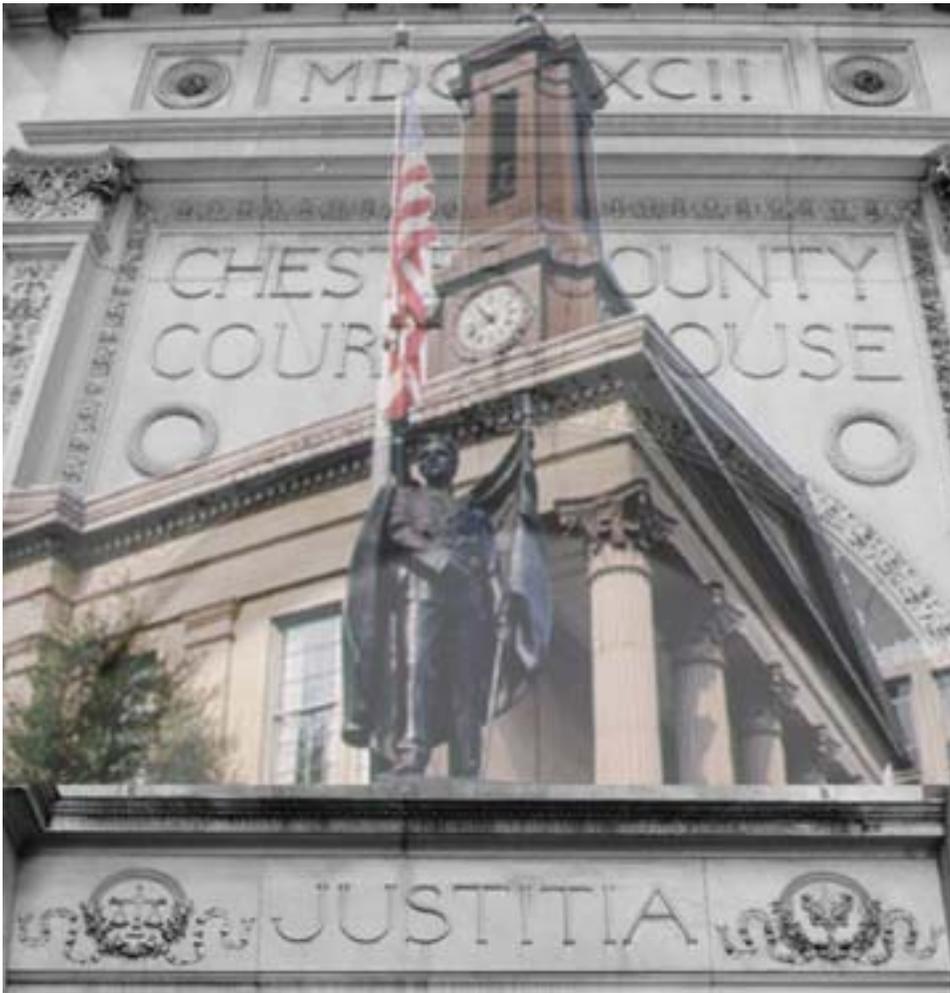


*The County of Chester
Office of the Controller
Internal Audit Department*



*Management Letter
Magisterial District Court 15-2-05
For the year ended December 31, 2006*

Valentino F. DiGiorgio

Valentino F. DiGiorgio, III, Controller

To: Magisterial District Judge Chester F. Darlington

Introduction

On September 20, 2007, Internal Audit completed an audit of Magisterial District Court 15-2-05 (*District Court*). Gretchen W. Sohn, CIA, was the auditor-in-charge and was assisted by one additional staff auditor. Internal Audit is required by County Code to review district courts annually to ensure compliance with policies and procedures mandated by the Administrative Office of Pennsylvania Courts and/or District Justice Administration and to assess their overall internal control structure. The scope of our audit included a review of the following:

- Cash and Petty Cash
- Undisbursed Funds
- Cash Receipts
- Manual Receipts
- Cash Disbursements
- Voided Transactions
- Overall Compliance.

Executive Summary

The management and staff of the *District Court* are, in all material respects, in compliance with policies and procedures set forth by the Administrative Office of Pennsylvania Courts and directives imposed by District Justice Administration. There were no internal control weaknesses identified. Minor findings involving compliance were noted during the audit and are included within this Management Letter. Our observations and testing revealed a knowledgeable and well-trained staff.

We would like to thank the management and staff of the *District Court* 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

MAGISTERIAL DISTRICT COURT 15-2-05

FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2006

I. COMPLIANCE WITH POLICIES AND PROCEDURES

In order to test compliance with all applicable policies, procedures, and regulations, Internal Audit selected a statistical sample of 25 case files out of a total population of 5,149 case files created in 2006. In addition, we performed other related tests of cash receipts, cash disbursements, manual receipts, undisbursed funds, and voided transactions. Sample size for the tested areas was determined through a risk assessment analysis based on the results of the *District Court's* prior year audit and current year caseload. We believe the results of our tests are representative of the entire population on the basis of accepted audit sampling principles.

Finding 1: Cash Disbursements

Internal Audit noted the following:

- In 1 instance, a check copy was not attached to the case file.

Recommendation

Internal Audit recommends that management re-emphasize to the staff the importance of attaching all system forms relating to case actions to the appropriate case file to ensure complete and accurate case file documentation.

Auditee Response

Files have been updated and staff has been asked to take note of the importance of completing files and attaching proper copies.

Finding 2: Voided Disbursements

Internal Audit noted the following:

- In 1 instance, a copy of the voided check was not attached to the case file.

COUNTY OF CHESTER

MAGISTERIAL DISTRICT COURT 15-2-05

FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2006

I. COMPLIANCE WITH POLICIES AND PROCEDURES (continued)

Finding 2: (continued)

Recommendation

Internal Audit recommends that *District Court* management and staff adhere to the void check procedures pursuant to the District Court Handbook/Administrative Procedures (Rev. 5/04 – DJA).

Auditee Response

Files have been updated and staff has been asked to take note of the importance of completing files and attaching proper copies.

Finding 3: Overall Compliance

Internal Audit noted the following:

- In 2 instances, the “Adjudication” section of the citation “Certification of Disposition” was not completed.

Recommendation

Internal Audit recommends that *District Court* management re-emphasize to the staff the importance of adhering to procedures outlined in the District Justice Automated Office Clerical Procedures Manual relating to the completion of the citation “Certification of Disposition”.

Auditee Response

Files have been updated and staff has been asked to take note of the importance of completing files and attaching proper copies.

COUNTY OF CHESTER
MAGISTERIAL DISTRICT COURT 15-2-05
SUMMARY OF EXIT CONFERENCE
FOR THE YEAR ENDED DECEMBER 31, 2006

On September 21, 2007, Magisterial District Judge Chester F. Darlington indicated through a written confirmation that an exit conference would be waived this year. The Magisterial District Judge has accepted the report as presented.