



January 14, 2019

Board of Commissioners and Ms. Margaret Reif, Controller
County of Chester
West Chester, Pennsylvania

Dear Board of Commissioners and Controller Reif:

While performing our agreed upon procedures engagement of certain transactions of the Chester County Treasurer's Office (the "Office") for the period from March 15, 2018 through July 15, 2018, in accordance with the attestation standards established by the American Institute of Certified Public Accountants, we considered the Office's internal control over financial reporting (internal control) while performing our agreed upon procedures engagement but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph. However, as discussed below, we identified certain matters involving the internal control and other operational matters that are presented for your consideration. Our comments and recommendations are intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, perform any additional study of these matters, or assist you in implementing the recommendations. Our comments are summarized as follows:

We noted during our agreed upon procedures engagement that payments received by the Office in the mail were not stamped with the date received and are set aside and entered into the system at a later date. The Office's daily deposit report, which is used as its cash receipts listing, only shows the date each item is deposited and does not include the date each item is actually received. Proper internal control dictates that recording the date that all cash receipts (cash and checks) are received would help to ensure the timeliness of all deposits made and further enhance the usefulness of cash receipts records. To provide better documentation and stronger accounting controls over cash receipts, we strongly recommend that the Office incorporate the date received for each cash receipt item in its daily transaction report through the Cash Drawer or through a cash receipt log.



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While performing the agreed upon procedures engagement, ZA noticed unprocessed envelopes containing dog licenses applications in the Office's mail boxes from multiple days and the unprocessed envelopes were not secured in the Office's safe at night. Proper internal control dictates that all undeposited cash receipts (cash and checks) should be secured in the Office's safe overnight.

Zelenkofske Axlerod LLC

Zelenkofske Axlerod LLC
Jamison, Pennsylvania

January 14, 2019