

The County of Chester

Internal Audit Department



Annual Audit Report
For the year ended December 31, 2008




*County of Chester
Office of the Controller*

INTERNAL AUDIT DEPARTMENT

Mission Statement

Pursuant to Article XVII: Sections 1722 to 1724, it is the duty and responsibility of the Chester County Internal Auditors to:

- Audit, settle, and adjust the accounts of every parole and probation officer appointed by the court who shall receive moneys from any person(s) paid under any order, sentence or judgment of any court within the County;
 - Audit, settle, and adjust those accounts which contain moneys appropriated by the County to units of the National Guard;
 - Annually audit the accounts of every alderman, magistrate or district justice within the County and report the results of such audits to the County Commissioners, the Auditor General and to the governing body of each political subdivision which is entitled to receive any moneys or funds collected by such alderman, magistrate or district justice;
 - Audit all taxes, penalties, fines and costs collected by the County Treasurer and belonging to any city, borough, township, or school district which are entered and carried on the books of the County;
 - Audit, settle, and adjust the accounts of the County Treasurer with the State Treasury, and of each of such other offices in the County receiving money for the use of the Commonwealth.
- 



*County of Chester
Office of the Controller*

INTERNAL AUDIT DEPARTMENT

Statement of Purpose, Authority and Responsibility

The County of Chester Internal Audit Department is comprised of four accounting / auditing professionals including an Internal Audit Manager, two Senior Auditors, and one Staff Auditor. The department reports administratively to the County's Deputy Controller and functionally to the County Controller and a three member Board of Commissioners.

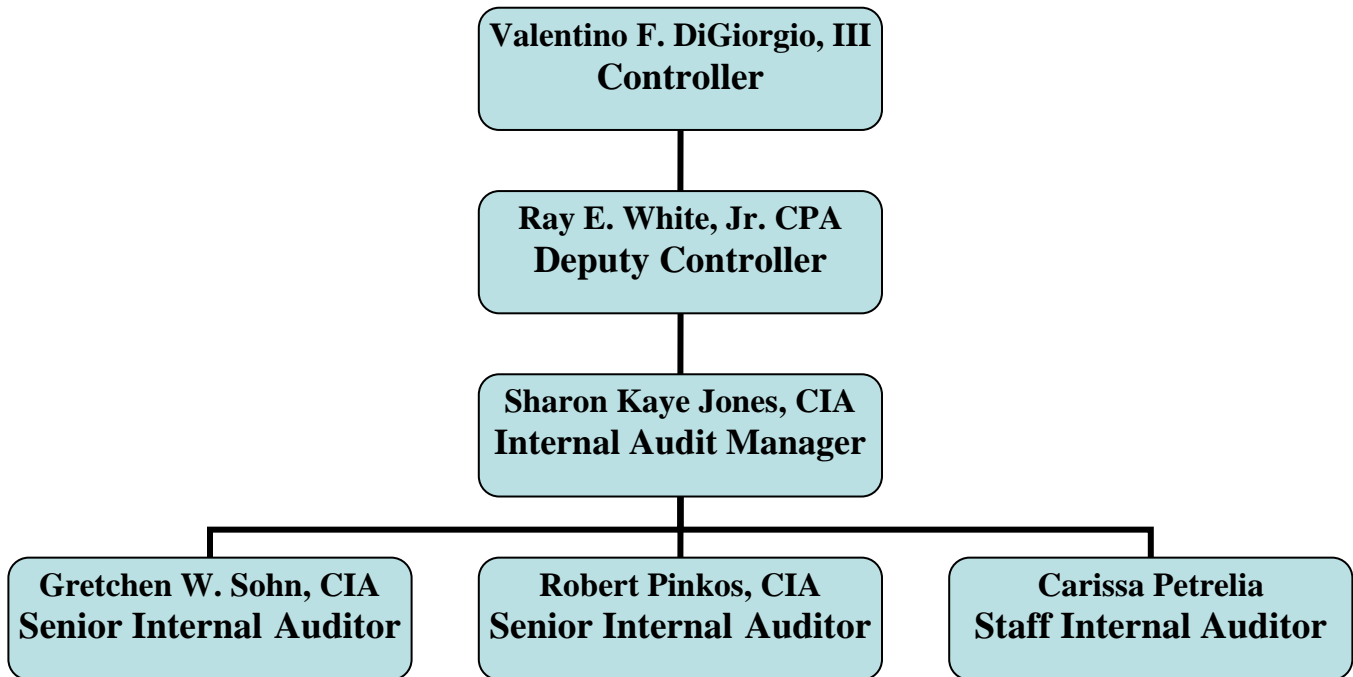
In accordance with County Code requirements, the Chester County Internal Audit Department is authorized to direct a broad comprehensive program of internal auditing within the County. The auditors are responsible for examining and evaluating the adequacy and effectiveness of the systems of internal control established by the various agencies of the County and to audit, settle, and adjust the accounts and financial statements of these same agencies annually. In accomplishing these activities, the Manager of Internal Audit, as well as all members of the audit staff, are authorized to have full, free, and unrestricted access to all County records, property, and personnel, except as restricted by law.



*County of Chester
Office of the Controller*

INTERNAL AUDIT DEPARTMENT

Organizational Chart





*County of Chester
Office of the Controller*

INTERNAL AUDIT DEPARTMENT


Staff Credentials and Certifications

Sharon Kaye Jones, *Internal Audit Manager*
Bachelor of Science, Villanova University, 1984
Certified Internal Auditor (CIA) 1993
24 years internal audit experience

Gretchen W. Sohn, *Senior Auditor*
Bachelor of Science, West Chester University, 1970
Certified Internal Auditor (CIA) 1992
25 years experience (5 years accounting / 20 years internal audit)

Robert Pinkos, *Senior Auditor*
Bachelor of Science, West Chester University, 2001
Certified Internal Auditor (CIA) 2007
7 years experience (3 years accounting / 4 years internal audit)

Carissa M. Petrelia, *Staff Auditor*
Bachelor of Science, West Chester University, 2004
4 years experience (2.5 years finance/accounting / 1.5 internal audit)



*County of Chester
Office of the Controller*

INTERNAL AUDIT DEPARTMENT

2008 Internal Audit Hours

<u>User Department</u>	<u>Hours</u>
Clerk of Courts /APO	327.00
Correctional Center	111.50
County Controller:	
Administration / Other	1,104.75
Continuing Education	222.00
Staff / Other Meetings	56.00
Special Projects / Performance Audits	515.50
Holiday, Vacation, Medical, Comp and Personal Time	1,323.75
County Prison	394.50
County Sheriff	176.50
District Attorney	71.50
District Courts	1,820.50
Domestic Relations	139.50
Emergency Services	380.00
Facilities Management	84.00
Pocopson Home	92.00
Prothonotary	227.00
Recorder of Deeds	131.00
Register of Wills	106.00
Row Offices - General	7.50
Tax Claim	2.00
 Total Audit Hours	 <u><u>7,292.50</u></u>

*County of Chester
Office of the Controller*

INTERNAL AUDIT DEPARTMENT

2008 Audit Summary

Annual Audits Required by County Code

<u><i>Auditee</i></u>	<u><i>Reportable Conditions</i></u>
District Court 15-1-01	None
District Court 15-1-02	None
District Court 15-1-03	None
District Court 15-1-04	None
District Court 15-1-05	None
District Court 15-2-01	None
District Court 15-2-03	None
District Court 15-2-05	None
District Court 15-2-06	None
District Court 15-2-07	None
District Court 15-3-01	None
District Court 15-3-04	None
District Court 15-3-05	None
District Court 15-3-06	Recordkeeping / Safeguarding of Assets
District Court 15-3-07	None
District Court 15-4-01	None
District Court 15-4-02	None
District Court 15-4-03	None
District Court 15-4-04	None
Adult Probation	None
Clerk of Courts	None
Correctional Center	None
County Prison	None
County Sheriff	None
Prothonotary	None
Recorder of Deeds	None
Register of Wills	None



2008 Audit Summary (continued)

Annual Audits Required by State

<u>Auditee</u>	<u>Reportable Conditions</u>
Drug Forfeiture	None
Pocopson Home (Guest Fund)	None

**Special Projects and Performance Audits
Requested by Controller**

Open Space	Not Applicable
Mileage Reimbursement	Not Applicable
County Vehicle	Not Applicable
Domestic Relations	Recordkeeping / Reconciliation / Safeguarding of Assets

Special Projects Requested by Management

Auto Supply Inventory	Not Applicable
Central Storage Inventory	Not Applicable
Print Shop Inventory	Not Applicable
Agency Funds Compilation	Not Applicable





*County of Chester
Office of the Controller*

INTERNAL AUDIT DEPARTMENT

2009 Goals and Objectives

- To complete all Row Office and District Court audits in a timely manner within the year.
- To continue to incorporate 7 new additional audits into the audit schedule over the next 3 years as a result of the 2006 Audit Risk Re-assessment.
- To conduct “performance audits” in addition to financial audits at the request of the Controller as a means to increase County efficiency and save taxpayers money.
- To prepare the Agency Fund footnote disclosure for inclusion in the DCED report as well as the CAFR.
- To continue to complete 40 hours of continuing education annually to keep abreast of new accounting / auditing issues and pronouncements as required by the GAO Yellow Book.
- To help maintain and update the new Audit Department subdirectory within the Office of the Controller Website.
- To continue to provide assistance to the Controller with respect to special projects and other tasks.
- To assist the department’s staff auditor as she prepares to achieve her CIA certification.



*To the Chester County Controller and
Board of Commissioners:*

I am excited to report that in 2008, the audit department focused their talents in a new direction by incorporating “performance audits” into their annual schedule. This was a tremendous milestone for the staff. Performance audits give auditors a chance to think outside the box and to give departments an objective opinion on the economy and efficiency of their operations. It can also provide some insight into ways that the County as a whole can save money. In these challenging times of economic uncertainty, performance audits may become one of the County’s best strategic moves.

I am equally proud to announce that the department underwent its third peer review and the results were excellent. Once again, the audit team received the highest rating available. Peer reviews are required every three years to ensure that auditors are in compliance with Generally Accepted Accounting Principles and Government Auditing Standards (the Yellow Book).

On a more personal note, I am pleased to inform you that one of our senior staff members, Gretchen W. Sohn has celebrated 15 years of service with the County of Chester and more specifically, with the internal audit department. It is such dedication that has helped make this department so successful.

I look forward to another successful and productive year.

Kindest regards,



*Sharon Kaye Jones, CIA
Internal Audit Manager*
