

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



*Management Letter
Office of the Recorder of Deeds
For the year ended December 31, 2008*

Valentino F. DiGiorgio, III

Valentino F. DiGiorgio, III, Controller

To: Ryan A. Costello, Recorder of Deeds

Introduction

On July 10, 2009, Internal Audit completed an audit of the *Office of the Recorder of Deeds (Recorder)* for the year ended December 31, 2008. Gretchen W. Sohn, CIA, was the auditor-in-charge and was assisted by one additional auditor. 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/Change Funds
- Accounts Receivable
- Liabilities
- Cash Receipts
- Cash Disbursements
- Voided Transactions
- Recorder's Records Fund.

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 Compliance and Internal Control over Financial Reporting concurrent with this Management Letter. Disclosures and other information in that Report (also dated July 10, 2009) should be considered in conjunction with this Management Letter.

Executive Summary

The management and staff of the *Recorder* are, in all material respects, in compliance with policies and procedures imposed by the County of Chester, the Commonwealth of Pennsylvania, and by the *Recorder*. The audit disclosed only 1 minor internal control finding which is included in this Management Letter.

The management and staff of the Recorder should be commended for their dedication to excellence. The Internal Audit Department offers its compliments to an extremely knowledgeable and well-trained staff.

Internal Audit would like to thank the management and staff of the *Recorder* for their cooperation and assistance during the course of this audit.

Please feel free to contact our office at (610) 344-6769 should you have any questions or concerns.

COUNTY OF CHESTER
OFFICE OF THE RECORDER OF DEEDS
FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2008

I. INTERNAL CONTROL FINDINGS AND RECOMMENDATIONS

RECORDING/RECORDKEEPING

Finding 1: Cash Disbursements

Internal Audit noted the following:

- In 1 instance, a check from the *Recorder's* operating account was used out of sequence.

Recommendation

Internal Audit recommends that all checks from the pre-numbered check series be issued in numeric sequence.

Auditee Response

Management concurs with the finding and recommendation.

COUNTY OF CHESTER
OFFICE OF THE RECORDER OF DEEDS
SUMMARY OF EXIT CONFERENCE
FOR THE YEAR ENDED DECEMBER 31, 2008

On July 1, 2009, Recorder of Deeds Ryan A. Costello indicated through a written confirmation that an exit conference would be waived for this year. Any findings were discussed at the closing conference. The Recorder of Deeds, Ryan A. Costello, has accepted the Report and Management Letter as presented.