Finding: Cash Disbursements – Unsigned Checks

Condition

In one (1) instance, ten checks within a single check run were issued, cashed, and reconciled without being signed.

Criteria

All checks should be reviewed and signed by an authorized check signer.

Cause

Management oversight and insufficient review by bookkeeping.
Effect or Potential Effect

Checks issued without an authorized signature can increase the potential for fraud and may lead to errors in the disbursement and reconciliation process. Additionally, recipients of unsigned checks could be forced to delay their deposit and payment.

Recommendation

Internal Audit recommends that the bookkeeper review the entire check run to ensure all checks have an authorized signature prior to issuance.

Auditee Response

Sheriff Management concurs with the finding and recommendation.

We believe that implementation of this recommendation will provide the Sheriff with a stronger system of internal control while also making its operations more efficient. We will be happy to discuss the details of this recommendation further with you at your convenience.

This management letter is intended for the information of the Chester County Commissioners, the Chester County Court of Common Pleas, the Auditor General of Pennsylvania, and all other political affiliates served by the Sheriff. This report is, however, a matter of public record, and distribution is not limited.

Margaret Reif
Controller