



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

**Management Letter  
For the Year Ended  
December 31, 2011**

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*Office of the Clerk of  
Courts*

Management Letter

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Valentino F. DiGiorgio, III, Controller

**To: Francis E. McElwaine, Clerk of Courts**

### **Introduction**

On October 25, 2012, Internal Audit completed an audit of the *Office of the Clerk of Courts (Clerk)* and *Adult Probation (APO)*. Sharon Kaye Jones, CIA was the auditor-in-charge. Internal Audit is required by Pennsylvania County Code to review county offices annually to ensure compliance with policies and procedures and to assess their overall control structure. The scope of the audit included a review of the following:

- Cash and Petty Cash
- Liabilities
- Manual Receipts
- Cash Receipts
- Cash Disbursements
- Voided Transactions
- Automation Fund
- Unclaimed Property – Escheats

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 General of the United States. We have also issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters concurrent with this management letter. Disclosures and other information in that Report (also dated October 25, 2012) should be considered in conjunction with this management Letter.

### **Executive Summary**

The management and staff of the *Clerk* are, in all material respects, in compliance with policies and procedures imposed by the County of Chester and the Commonwealth of Pennsylvania.

Although this audit included the work of the *Clerk* and *APO*, management has requested that two separate reports be issued, each one independent of the other. Matters specific to *APO* have been removed from this document and included in the management letter addressed to the Chief Probation Officer.

Internal Audit wants to thank the management and staff of the *Clerk* and *APO* for their cooperation and assistance during the course of this audit. Please feel free to contact our office at (610) 344-5913 should you have any questions or concerns.

**COUNTY OF CHESTER**  
**OFFICE OF THE CLERK OF COURTS**  
**FINDINGS AND RECOMMENDATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**I. COMPLIANCE WITH POLICIES AND PROCEDURES**

Finding 1: Daily Cash Deposits

In one (1) instance, a bank deposit was not made within one business day.

Recommendation

Although this appears to be an isolated incident, Internal Audit would like to remind the staff of the *Clerk* that all deposits to the bank should be made within one business day of receipt.

Auditee Response

*Our business practice has been that all deposits to the bank be done within one (1) business day of receipt. (We believe that the problem was with the Garda Company who would do deposit pick up for Wells Fargo Bank –Garda Company missed a daily pick up )*

*As of May 2012, all the Clerk of Courts/Adult Probation Accounts are with DNB Bank of West Chester. Going forward, our present business practice is that all deposits to the bank be made within one business day of receipt. Each day one of our staff members delivers the deposit to a central location within the Justice Center by 10:00 AM and DNB picks up the deposit from that location by 11:00 AM that same day.*

Finding 2: Escheat Report

In one (1) instance, Unclaimed Property information was recorded incorrectly on the Escheat Report (for the year ended 12/31/10) filed in April 2011. The bookkeeper inadvertently recorded the first name of the surety and the last name of the defendant. The two individuals are not the same.

Recommendation

Internal Audit recommends that a second individual verify information entered on Escheat Reports before they are submitted to the PA Department of the Treasury. In this specific instance, the *Clerk* should contact the Bureau of Unclaimed Property in order to revise and correct the name of the intended recipient of the funds.

**COUNTY OF CHESTER**  
**OFFICE OF THE CLERK OF COURTS**  
**FINDINGS AND RECOMMENDATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**I. COMPLIANCE WITH POLICIES AND PROCEDURES**

Finding 2: Escheat Report (continued)

Auditee Response

*Our bookkeeper contacted PA. Dept. of Treasury - Unclaimed Property and they informed our bookkeeper what needed to be done. Our bookkeeper responded by e-mail the corrected information – including our Tax I.D. number.*

**COUNTY OF CHESTER**  
**OFFICE OF THE CLERK OF COURTS**  
**SUMMARY OF EXIT CONFERENCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

Due to the nature of the audit findings and recommendations, an exit conference was not warranted for the 2011 audit. Management of the Office of the Clerk of Courts has chosen to accept the report as presented.