

County of Chester
Office of the Controller
Internal Audit Department



Rapps Bridge (Rapps Dam Rd, Phoenixville)

Annual Audit Report
For the year ending December 31, 2006




*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.
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INTERNAL AUDIT DEPARTMENT

Statement of Purpose, Authority and Responsibility

The County of Chester Internal Audit Department is comprised of 5 accounting / auditing professionals including an Internal Audit Manager, Supervisor, one Senior Auditor, and two Staff Auditors. The department reports administratively to the County's Deputy Controller and functionally to the County Controller and a three member Board of Commissioners.

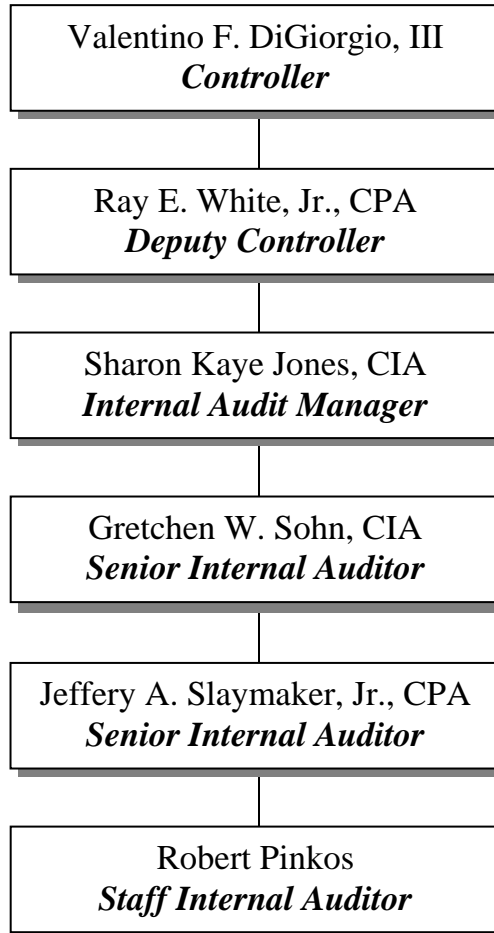
In accordance with County Code requirements, the Chester County Internal Audit Department is authorized to direct a broad comprehensive program of internal auditing within the County. The auditors are responsible for examining and evaluating the adequacy and effectiveness of the systems of internal control 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
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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
22 years internal audit experience

Gretchen W. Sohn, *Senior Internal Auditor*
Bachelor of Science, West Chester University, 1970
Certified Internal Auditor (CIA) 1992
23 years experience (5 years accounting / 18 years internal audit)

Jeffery A. Slaymaker, Jr., CPA, *Senior Internal Auditor*
Bachelor of Science, West Chester University, 2000
Certified Public Accountant (CPA) 2000
6 years experience (2 years external audit / 4 years internal audit)

Robert Pinkos, *Staff Internal Auditor*
Bachelor of Science, West Chester University, 2001
Certified Internal Auditor (CIA) In progress
5 ½ years accounting / audit experience



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INTERNAL AUDIT DEPARTMENT

2006 Internal Audit Hours

<u>User Department</u>	<u>Hours</u>
Adult Probation	103.50
Clerk of Courts	177.00
Correctional Center	215.00
County Controller:	
Administration / Other	1,330.00
Continuing Education	221.00
Staff / Other Meetings	35.00
Special Projects	448.00
Department Assistance	61.50
Holiday, Vacation, Medical, Comp and Personal Time	1,275.50
County Prison	519.00
County Sheriff	246.00
District Attorney	84.00
District Courts	1,761.50
Facilities Management	108.50
Pocopson Home	115.00
Prothonotary	257.50
Recorder of Deeds	149.00
Register of Wills	123.00
Row Offices – General	3.00
Treasurer	3.00
Emergency Services	36.00
 Total Audit Hours	 7,272.00

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INTERNAL AUDIT DEPARTMENT

2006 Audit Summary

Annual Audits Required by County Code

<u>Auditee</u>	<u>Reportable Conditions</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	Safeguarding of Assets/ Recordkeeping/Documentation
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	None
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
Clerk of Courts	None
Correctional Center	None
County Prison	Accounting – Financial Reporting Software/Reconciliation
County Sheriff	None
Prothonotary	None
Recorder of Deeds	None
Register of Wills	None
Treasurer	None

2006 Audit Summary (continued)

Annual Audits Required by State

Drug Forfeiture	None
Pocopson Home (Guest Fund)	None

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

Department Assistance Provided

Pension Reconciliation	Not Applicable
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INTERNAL AUDIT DEPARTMENT

2007 Goals and Objectives

- To complete all Row Office and District Court audits within the year.
- 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 continue to involve ourselves in the system implementation of CPCMS in the Office of the Prothonotary and the Office of the Sheriff.
- 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 initiate and update the new Audit Department subdirectory within the Office of the Controller Website.
- To continue to provide assistance to the Controller as he begins his second year in office.



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

In the words of Henry Ford...

*“Coming together is a beginning; keeping together is progress;
working together is success.”*

Nine years ago, I became a member of the Controller’s Office family. It was a fresh start for the Internal Audit department - a chance to take something that was great and make it even better. But change is never easy. Whether it is to effect change or to accept change, there is always a price to pay. There are monetary costs (additional manpower, equipment, training) as well as psychological factors (resistance, frustration, fear). But despite budgets and apprehensions, we set a long-range plan and each year we took a step towards achieving our defined goal. Now, 9 years later, although some of the players have changed, the audit team remains committed to excellence and resolves to continue to work together to succeed in being the best that we can be.

We look forward to another successful and productive year.

Kindest regards,



*Sharon Kaye Jones, CIA
Internal Audit Manager*

