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DEPARTMENT OF FINANCE
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CORRECTIVE ACTION PLAN
FOR THE COUNTY OF ERIE CONTROLLER'S AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2013

- Finding #1:** Satellite Agent Agreements
- Recommendation:** During 2013 satellite agents selling dog licenses were allowed to submit their monthly collection report without payment; several agents were told the County would bill them. One satellite agent pays in cash which is not in concert with the agreement. The Supervisor of Revenue/Tax Claim should ensure that satellite agents remit license fees in accordance with the written agreements.
- Response:** We agree with the recommendation.
- Steps to be Taken:** Satellite(s) Agents will be required to remit license fees in accordance with written agreements. Failure to comply will result in progressive measures, including letters from Bureau Director, Letter from Finance Director, etc., which would include possible suspension of the agreement with Agent.
- Finding #2:** State Account Bank Reconciliation
- Recommendation:** The bank reconciliations for September through December of 2013 were not completed until March of 2014. Several unresolved discrepancies are being carried forward on the bank reconciliations. The Revenue Department should complete the bank reconciliation within 30 days of receipt of the bank statement. The Supervisor of Revenue/Tax Claim should review and initial the bank reconciliations to ensure they are completed timely and old discrepancies have been resolved.
- Response:** We agree with the recommendation.

Steps to be Taken: Every attempt will be made to reconcile the Bank Statement timely to the month end undisbursed balance. New software programs will be reviewed and considered as method to streamline month end processes. Outstanding issues will be documented and investigated thoroughly to ensure timely resolution of same.

Finding #3: State Account Cash Balance

Recommendation: The state account's cash ledger balance at the end of each month should be equal to the total sales less weekly hunting and fishing ACH payments. As of 12/31/13, the reported cash balance in the cash ledger did not agree to the monthly sales less the ACH payments. The account clerk should reconcile the bank statement to the month end undisbursed balance.

Response: We agree with the recommendation.

Steps to be Taken: Every attempt will be made to Reconcile the Bank Statement to the month end undisbursed balance in a timely manner.

Finding #4: Election Funds

Recommendation: Historically, a check is issued to the Supervisor of Tax Claim and Revenue in the amount of the estimated pay for election workers. The supervisor cashes the check accompanied by a sheriff deputy and disburses the funds to the 154 judges of election on election night. A sheriff deputy is stationed inside the office while funds are being disbursed. For security and record keeping purposes, the Controller recommends that election workers be paid using the accounts payable system after the election.

Response: The County Clerk, Director of Finance, Supervisor of Tax Claim and Revenue, and the Manager of Accounting met to discuss this issue. A decision was made to move toward automating the payment process of election workers. We have contacted our financial management software vendor and requested a quote to develop a program that would take the election worker information from an excel spreadsheet and automatically create an invoice batch in the accounts payable system. This would eliminate the need to manually enter approximately 1,000 invoices. The fiscal technicians would check the invoice batch against the excel spreadsheet, and then run the checks.

Steps to be Taken: The interested parties will meet again after a quote is received from the vendor. If the project is approved, the Finance Department will work with the vendor in time for the general election in the fall of 2014.