

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



*Management Letter  
Chester County Prison Canteen Fund  
For the year ended December 31, 2008*

*Valentino F. DiGiorgio, III*

Valentino F. DiGiorgio, III, Controller

**To: Warden D. Edward McFadden**

### **Introduction**

On May 13, 2009, Internal Audit completed an audit of the *Chester County Prison Canteen Fund (Canteen)*. Carissa M. Petrelia was the auditor-in-charge. Internal Audit is required by the Pennsylvania Department of Corrections to review the *Canteen Fund* annually to ensure compliance with laws and regulations of the Commonwealth and to assess the overall internal control structure. The scope of our audit included a review of the following:

- Cash and Petty Cash
- Cash Disbursements
- Voided Disbursements
- Compliance (KCN Contract).

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 this report (also dated May 13, 2009) should be considered in conjunction with this management letter.

### **Executive Summary**

The management and staff of the *Canteen* are, in all material respects, in compliance with laws and regulations set forth by the Pennsylvania Department of Corrections. Internal Audit noted no significant deficiencies or material weaknesses in the overall internal control structure. Minor findings involving internal controls are included within this Management Letter.

We would like to thank the staff of the Chester County Prison for their cooperation and assistance during the course of this audit. We have provided herein a copy of our "Audit Findings" and "Recommendations" for your review and comment.

Please feel free to contact our office at (610) 344-6064 should you have any questions or concerns.

**COUNTY OF CHESTER**  
**CHESTER COUNTY PRISON CANTEEN FUND**  
**FINDINGS AND RECOMMENDATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

**I. INTERNAL CONTROL FINDINGS AND RECOMMENDATIONS**

AUTHORIZATION

Finding 1: Cash Disbursements

Internal Audit noted the following:

- In 2 instances, the check request originating in the County Finance Department was not on file with the check copy.
- In 2 instances, the check request was not approved by Prison personnel.
- In 1 instance, the check request was not approved by the County Finance Department.

Recommendation

Internal Audit recommends that all check requests originating in the County Finance Department be on file as support for the check issued to the County general fund. Internal Audit also recommends that prison management ensure that check requests are approved by Prison personnel as well as by the County Finance Department.

Auditee Response

*Prison management concurs with the findings and recommendations.*

**COUNTY OF CHESTER**  
**CHESTER COUNTY PRISON CANTEEN FUND**  
**SUMMARY OF EXIT CONFERENCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**

An exit conference was not warranted for the audit of the Prison Canteen Fund. Warden D. Edward McFadden has accepted the Audit Report and Management Letter as presented.