



Office of the State Auditor

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Management's Response

MONTHLY RECONCILIATIONS

The accounting procedures of the State Auditor's Office are detailed in the Internal Accounting Control Procedures. This is an internal document that specifies the timing and procedures for conducting reconciliations. These procedures would normally identify an error such as the one found by the auditor. A deposit of \$27.50 was erroneously recorded twice and was not detected during the reconciliation process. The error resulted in a \$27.50 overstatement of revenue in the agency's accounting records.

The above notwithstanding, we have requested an additional report from the CG's office to assist in the reconciliation process. The additional report will detail individual revenue transactions and should help identify reconciling differences.

NEW HIRE AND TERMINATION PAY

The Internal Accounting Control Procedures also specifies the agency payroll procedures. One step in the procedures requires a review of computations. In the past this review was conducted on a sample or "spot check" basis. The procedures have been modified to include a check of all computations used in making adjustments to the payroll.

A handwritten signature in black ink that reads 'Tom Wagner'.

Thomas L. Wagner, Jr., CPA  
State Auditor  
November 17, 2000