

Lancaster County Prison Audit Report

Work Release

For the period of January 1, 2019 through December 31, 2019



Brian K. Hurter, CPA
Lancaster County Controller

Lancaster County Prison Audit
For the period of January 1, 2019 through December 31, 2019

TABLE OF CONTENTS

	<u>Page(s)</u>
Audit Letter to Cheryl Steberger, Lancaster County Prison Warden	
Relevant Audit Notes	1-3
Audit Findings and Observations	4-5
Audit Recommendations	6
Audit Summary of Facts	7
Audit Responses	8-9



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Controller
Brian K. Hurter, CPA

August 16, 2021

Cheryl Steberger, Warden
Lancaster County Prison
625 East King Street
Lancaster, PA 17602

Dear Ms. Steberger:

Attached is the report for the audit of the Work Release department of the Lancaster County Prison ("Prison"), prepared by the Lancaster County Controller's Office. Our examination procedures were performed covering the period of January 1, 2019 through December 31, 2019. We have tested and audited the Work Release department, specifically regarding the amount of board & lodging, fines & costs, and any other associated amounts charged to the Work Release inmates. Our testing included a review that the amounts charged were in accordance with Lancaster County Prison policies and procedures, and that the amounts were remitted to the appropriate entities.

We hope to provide recommendations for improvement to internal controls, as well as continued efficiency over the Prison's operations. Additionally, we hope our recommendations can help the processes for recording Work Release transactions. It is the responsibility of the Prison's management to ensure the operations are in compliance with applicable laws and regulations. We do not express an opinion or provide any assurance on the information examined because the limited procedures executed do not provide us with sufficient evidence to express an opinion. We did, however, note some instances that warrant mention and recommendations for correction and/or improvement, and they are described in the Findings and Observations section of this report.

Our responsibility is to audit the specific Prison department listed above, and to report the results of the audit to the Lancaster County Commissioners, the Lancaster County Prison Board, and the Lancaster County Prison Administration.

We acknowledge the cooperation and assistance that we received from the Lancaster County Prison personnel. The help from the Prison staff was instrumental to the performance of this audit.

This report is intended for the information and use of the Lancaster County Prison Administration, the Lancaster County Board of Commissioners, and the Lancaster County Prison Board and it not intended and should not be used by anyone other than these specified parties without consent. However, public policy dictates that this report is a matter of public record, and its distribution is not limited.

Sincerely,

Brian K. Hurter, CPA
Lancaster County Controller

cc: Lancaster County Board of Commissioners
Lancaster County Prison Board



Lancaster County Prison
Relevant Audit Notes
For the period of January 1, 2019 through December 31, 2019

Note A – PRISON MISSION STATEMENT

The mission of the Lancaster County Prison is to provide for the humane and secure care, custody and control of those individuals who are charged with criminal offenses, while also providing for the protection and safety of the community through the detention of such individuals.¹

Note B – DESCRIPTION OF PRISON

The Prison, located at 625 East King Street in the City of Lancaster, is a County owned and operated facility, and it is governed by the Lancaster County Prison Board, which is comprised of the County Commissioners, President Judge, District Attorney, Sheriff, and Controller. During the period of audit, the Warden of the Prison was Cheryl Steberger, the Deputy Warden for Operations was Robert Wolfe, the Deputy Warden for Inmate Services was Joe Shiffer, the Major was William Aberts, and the Director of Administration was Tammy Moyer. Warden Cheryl Steberger has been in her role since March 2016. The Prison acts as the custodian of those being held in custody pending the result of his/her charges and those who are sentenced to imprisonment for two years or less.

The Prison is a fundamental part of the operations of the County of Lancaster, and it conducts many programs which are necessary to help address the issues, addictions, and the educational needs of the inmates in custody. These programs are adapted based on the needs of the inmates and the evolving provisions of the law.

The Warden manages the Prison with the help of her Deputies, Major, and Director of Administration. The Warden oversees the activities of the Prison's staff, including correctional officers, supervisors, unit managers, and administrative and support staff. The Warden indirectly manages all Prison staff to ensure the safety and security at the Prison. It is also the responsibility of the Warden to maintain the proper treatment of inmates, which includes the care, custody, and control of those inmates.

The Prison's management and its Prison Board believe in the rehabilitation of those in custody. As of December 2019, the official capacity at Lancaster County Prison was 1,085. The average number of individuals housed within Work Release during 2019 was 71. It is necessary to identify issues relating to the inmate's criminality and to implement, maintain, and monitor programs that will prepare the inmates to confront these issues in a constructive manner. The Prison attempts to prepare inmates to return to society as contributing and productive members.

¹ Taken directly from Prison's website (<http://www.co.lancaster.pa.us/153/Prison>)

Lancaster County Prison
Relevant Audit Notes (Continued)
For the period of January 1, 2019 through December 31, 2019

Note C – SCOPE AND PROCEDURES OF AUDIT

The period of review is January 1, 2019 through December 31, 2019, which covers the entirety of 2019.

A sample of inmates on Work Release were selected from 2019 and numerous procedures were performed to test the amounts charged for board & lodging, fines & costs, and any other amounts charged to the Work Release inmates. The procedures also included a review of the board & lodging amounts to verify if the amounts were in accordance with the Work Release Rulebook.

Note D – STATUS OF PREVIOUS AUDIT FINDINGS, OBSERVATIONS, AND RECOMMENDATIONS

On August 29, 2019, the Lancaster County Controller issued the Work Release Audit Report to the Warden of the Lancaster County Prison. This audit report was for the period of January 1, 2018 to December 31, 2018. The audit reported noted nine findings along with ten recommendations. Individuals can refer to that audit report for a description of the prior year findings, observations, and recommendations. During the current audit, we reviewed the status of the 2018 audit findings, observations, and recommendations that related to the Work Release affairs of the Prison to ensure the operations are continuing to move forward in a manner that promotes the Prison to be more efficient, and to allow the Prison administration to be more diligent, in all aspects of the Prison's essential operations.

Regarding the recommendations described in the audit for the 2018 year, which specifically pertained to the Work Release department of the Prison, the Prison administration has fulfilled seven of the ten recommendations. The Prison fulfilled recommendation 1 by rewriting the Work Release Rulebook. The Prison fulfilled recommendation 4 by noting if the paychecks are for a weekly or bi-weekly period. The Prison fulfilled recommendation 5 by electronically scanning and saving the copies of all paychecks, stubs, and green sheets. The Prison fulfilled recommendations 6 and 7 by segregating the duties within the Work Release department. The same individual collecting the green sheets, is not the same individual retrieving the cash and disbursing the cash. The Prison fulfilled recommendation 9 by developing a Work Release agreement for the employers of inmates, to verify they understand the consequences the inmate may face if any concerns arise. The Prison fulfilled recommendation 10 by creating backup of checks written from the Prison's bank account.

Lancaster County Prison
Relevant Audit Notes (*Continued*)
For the period of January 1, 2019 through December 31, 2019

**Note E - OBSERVATIONS, FINDINGS, RECOMMENDATIONS, AND
MANAGEMENT'S RESPONSES**

The Controller reported certain observations and findings along with recommendations for improvement as a result of the examination performed over the Prison Work Release Department. The Warden provided responses to these observations, findings, and recommendations. The sections detailing both follow this note.

Lancaster County Prison
Audit Findings and Observations
For the period of January 1, 2019 through December 31, 2019

This section of the report presents the findings and observations that resulted from our examination. Following the findings and observations, we provide recommendations to correct or better the described occurrences.

Finding 1 – Inmate not charged for Board & Lodging:

Background:

Throughout 2019, there were approximately 262 inmates housed in the Work Release section of the Lancaster County Prison. Depending on the inmate's charges and sentencing requirements, the court system may allow for the inmate to be a part of the Work Release program. The Work Release program allows for the inmate to have employment outside of the Prison. Any inmate that is a part of the Work Release program is required to pay a fee for board & lodging, drug testing, and fines & costs (if applicable).

Per Lancaster County Prison officials, if an inmate is paid weekly, the inmate is required to pay 20% of his/her net paycheck for board & lodging, with a minimum fee of \$50 and a maximum fee of \$204. If the inmate is paid bi-weekly, the inmate is required to pay 20% of his/her net paycheck for board & lodging, with a minimum fee of \$100 and a maximum fee of \$408.

Description:

One instance was found that an inmate's paycheck was deposited into the inmate's account rather than being put through the Work Release deposit process, which led to the inmate not being charged board & lodging. This resulted in irregularities between the board & lodging charges for the Work Release inmates, as well as lost revenue for the County of Lancaster.

Lancaster County Prison
Audit Findings and Observations (*Continued*)
For the period of January 1, 2019 through December 31, 2019

Finding 2 –Board & Lodging Report in Excess of IDRF Deposit:

Background:

Throughout 2018, there were approximately 262 inmates housed in the Work Release section of the Lancaster County Prison. Depending on the inmate's charges and sentencing requirements, the court system may allow for the inmate to be a part of the Work Release program. The Work Release program allows for inmate to have employment outside of the Prison. Any inmate that is a part of the Work Release program is required to pay a fee for board & lodging, drug testing, and fines & costs (if applicable).

Per Lancaster County Prison officials, if an inmate is paid weekly, the inmate is required to pay 20% of his/her net paycheck for board & lodging, with a minimum fee of \$50 and a maximum fee of \$204. If the inmate is paid bi-weekly, the inmate is required to pay 20% of his/her net paycheck for board & lodging, with a minimum fee of \$100 and a maximum fee of \$408.

Description:

The Board & Lodging Report calculated an additional \$32 in charges compared to the amount stated on the IDRF. This resulted in irregularities between the board & lodging charges for the Work Release inmates. We were unable to determine which inmate was not included in the IDRF write up.

Lancaster County Prison
Audit Recommendations
For the period of January 1, 2019 through December 31, 2019

In the preceding section of this report, we listed findings and observations from our examination. This section of the report presents the recommendations we have provided to correct or better the described occurrences listed in the Audit Findings and Observations.

1. The board & lodging charges should be verified by someone other than a Prison employee in the Work Release department.
2. Keep a log for which inmate is supposed to be receiving a paycheck/money order each week based on if the inmate is paid weekly or bi-weekly. It is important for the Prison employees to know if the inmate gets paid weekly or bi-weekly so that the inmate can be appropriately charged for his/her fees and requested disbursements.
3. We recommend that the inmate should sign off on a weekly report acknowledging accurate deposit amount and accurate withdrawals thus giving them a level of responsibility regarding the fees and charges associated with their incarceration. This recommendation is in addition to all Work Release inmate paycheck deposits being counted by someone in the Work Release Department and an individual in the Prison's Business Office.
4. We recommend that the IDRFB have backup documentation, such as the Board & Lodging Report attached to reflect the individuals in which the IDRFB deposit is representing.

Lancaster County Prison
Audit Summary of Facts
For the period of January 1, 2019 through December 31, 2019

We have performed specific procedures to assist in evaluating internal control and continued effectiveness and efficiency of the Lancaster County Prison for the Work Release Department. Our procedures performed were created to review the amounts being charged to Work Release inmates, to verify that inmates on the Work Release schedule had a paycheck, and to verify that those amounts and practices are in accordance with the Work Release Rulebook. Our procedures also included a review of the process of the Work Release program from when the inmate is scheduled to work, to when the inmate receives his/her paycheck, and finally when any fees and requested disbursements are incurred and sent to the appropriate entity.

Reportable conditions involved issues coming to our attention relating to significant deficiencies or non-compliance that could adversely affect the Prison records. These conditions could adversely affect the Prison's ability to record and report financial data consistent with those standards of management. While conducting our audit, we noted findings, observations, and issues of non-compliance which are described in the Audit Findings and Observations section.

We sampled inmates from the Work Release Department to ensure that the inmates were properly charged the correct amounts for board & lodging, drug testing, fines & costs, and any other associated fees or requested disbursements. Inherent limitations in any internal control structure can cause errors or irregularities to occur and not be detected. Our testing would not necessarily disclose all matters in the internal control structure that might be reportable conditions. In future audits, we will continue to re-evaluate the internal control structure to ensure that policies and procedures do not become inadequate or ineffective because of changes in conditions or design. We did not express an opinion or provide any assurance on the information examined because the limited procedures executed do not allow us sufficient evidence to express an opinion.

Lancaster County Prison
Audit Responses – August 13, 2021
For the period of January 1, 2019 through December 31, 2019

This section of the report presents responses from the Lancaster County Controller's Office to the responses received from the Prison on August 13, 2021, in regard to the Lancaster County Prison draft audit, which was originally sent to the Prison on July 30, 2021.

A. In response to Finding #1: We will ensure clear communication between the Business Office and the Work Release Department regarding processing of Work Release paychecks. Specifically, who is on the program, and that their paychecks need to be processed as such. The Lancaster County Prison agrees with the finding and looks forward to implementing the recommendations. Additionally, we appreciate the opportunity to respond to this audit.

Controller's Office Response: The Controller's Office reaffirms the finding and recommendations. We will monitor this finding in the future audits of the Lancaster County Prison Work Release. We appreciate the efforts that are being made by the Prison and the new processes they will be implementing to address the concerns noted.

B. In response to Finding #2: Work Release and Business Office staff responsible for payroll will always check to ensure that the proper deductions are being made when processing checks. Specifically, we will ensure the 20% for housing does not exceed the \$204.00 per week/\$408.00 biweekly policy. Staff will monitor this carefully and override any amounts above to ensure policy is being followed. The Lancaster County Prison agrees with the finding and looks forward to implementing the recommendations. Additionally, we appreciate the opportunity to respond to this audit.

Controller's Office Response: The Controller's Office reaffirms the finding and recommendations. We will monitor this finding in the future audits of the Lancaster County Prison Work Release. It is rewarding to see that the Prison has already instituted the step of double checking the deposit, as we suggested in the recommendations.

Lancaster County Prison
Audit Responses – August 13, 2021 (*Continued*)
For the period of January 1, 2019 through December 31, 2019

Controller's Office Summary:

We are very pleased with the progress that has been made since our last audit. The Prison has made changes quickly and effectively, and it is evidenced in this audit. We believe that the financial records of Prison's Work Release department will continue to be more accurate with the changes the department has already made, and the implementation of the recommendations provided. We hope that this will lead to a more overall efficient and effective Work Release department. The Controller's Office appreciates the Warden and Prison Administration's openness and honesty in feeling comfortable to request that this audit be completed and understanding that we are here to help in whatever capacity is necessary. The willingness of the Warden and her staff to fix the issues discovered shows continued dedication to providing the best service to the inmates of the Lancaster County Prison and all parties involved in the process of an inmate's incarceration. We will monitor our findings and recommendations in future audits to assure the recommendations are being properly adhered to.