

# Lancaster County Prison Financial Affairs Audit Report

For the period of January 1, 2022, through December 31, 2023



Lisa K. Colón  
Lancaster County Controller

**Lancaster County Prison Financial Affairs Audit  
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For the period January 1, 2022, through December 31, 2023**

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## Controller's Office

150 North Queen Street

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Lancaster, PA 17603

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### Controller

Lisa K. Colón

July 13, 2024

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

Dear Ms. Steberger:

Attached is the audit report for the Lancaster County Prison Financial Audit as prepared by the Lancaster County Controller's Office. The examination period, for the audit procedures, was performed covering the period between January 1, 2022, through December 31, 2023. The Controller's Office tested and audited the financial and procedural affairs pertaining to the Prison's Inmate General Inmate and Employee Welfare Fund, Capital Projects, Commissary Store Account, revenues and expenses incurred, in accordance with applicable State and local laws and regulation, and for purposes of satisfying Pennsylvania Code Chapter 95, Regulation 95.239.

While conducting our audit, we noted findings, and/or issues of non-compliance, that allows opportunity for strengthening internal controls and operating efficiency. They are presented within the report under *Audit Summary of Facts*.

Please note, it is the responsibility of the Warden, Deputies and office management to ensure compliance with any and all applicable State and local laws and regulations, as well as County policy in place. 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.

The Controller's Office acknowledges the cooperation and commitment of the Warden and her office in assisting with this audit. Your help and the help of your staff were instrumental to the performance and completion of this audit in a timely manner.

This report is intended for the information and use of the Prison and its management and is not intended to be and should not be used by anyone other than the specified party without consent. However, this report is a matter of public record and its distribution is not limited.

Sincerely,

Lisa K Colón  
Lancaster County Controller  
jdg

CC: Lancaster County Prison Board



**Lancaster County Prison Financial Affairs Audit**  
**Relevant Audit Notes**  
**For the period January 1, 2022, through December 31, 2023**

**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.<sup>1</sup>

**Note B – DESCRIPTION OF PRISON**

The Lancaster County 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. The Warden of the Prison is Cheryl Steberger, the Deputy Warden for Security Operations is Miguel Castro, the Deputy Warden for Inmate Services is Joseph P. Shiffer, the Major is Louis Chirichello, and the Director of Administration is Arla Brown. 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 2022, the official housing capacity at Lancaster County Prison was 1,085. The average daily population of inmates throughout 2022 was 758. As of December 2023, the official housing capacity at Lancaster County Prison was 1,085. The average daily population of inmates throughout 2023 was 758. Between January 1, 2022, through December 31, 2023, the Lancaster County Prison saw the highest number of inmates with 812 on September 4, 2023, while January 10, 2023, saw the lowest number of inmates with 692. There were 3,863 and 4,263 total commitments during the calendar years ending 2022 and 2023, respectively.<sup>2</sup> It is necessary to identify issues relating to the inmate's criminality and to implement, maintain, and monitor

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<sup>1</sup> <https://www.co.lancaster.pa.us/153/Prison>

<sup>2</sup> Exhibit D (pg.19) & Exhibit E (pg.20)

**Lancaster County Prison Financial Affairs Audit**  
**Relevant Audit Notes (*continued*)**  
**For the period January 1, 2022, through December 31, 2023**

**Note B – DESCRIPTION OF PRISON (*continued*)**

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.

**Note C – SCOPE AND PROCEDURES OF AUDIT**

The period of review is January 1, 2022, through December 31, 2023.

The Controller’s Office obtained a full understanding of the controls in place, their functions, control operators and the level of segregation surrounding the financial affairs of the Lancaster County Prison.

A selection of revenues and expenditures were selected for testing. The Controller’s Office selected 100% of the Canteen vending machine receipts (48 Employee Welfare receipts), 5 revenue samples from the Inmate General Welfare Fund (“IGWF”) receipts and 5 revenue samples were selected from the Store account receipts. The Controller’s Office selected 7 capital expenditures, 24 IGWF expenditures, 4 Employee Welfare Fund expenses, and 4 Oasis invoices billed to the Prison to test. Furthermore, balances of each sub-class capital expenditure account, and the IGWF year-end balance were tested to ensure adherence to Prison and County policies.

The sample size was made accordingly to minimize sampling risk to the lowest level and ensure each item of the population had a fair and equal chance of selection.

**Note D – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Prison reports on the cash-basis of accounting. Under the cash basis of accounting, revenues are recognized when received and expenses are recognized when the disbursements are made.

**Note E – OBJECTIVES OF AUDIT**

The overall objective of the audit was to determine the accuracy and adherence of the financial affairs and operations of the Lancaster County Prison to County and Prison policies and procedures. This includes:

- Ensuring the control environment is effective
- Ensuring expenditures are legitimate, properly recorded and made in accordance with policy
- Ensuring revenues are complete, accurate and properly recorded
- Identifying any indication of error, fraud or abuse

**Lancaster County Prison Financial Affairs Audit**  
**Relevant Audit Notes (*continued*)**  
**For the period January 1, 2022, through December 31, 2023**

**Note F – OBSERVATIONS, FINDINGS, RECOMMENDATIONS AND MANAGEMENT RESPONSES**

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

**Lancaster County Prison Financial Affairs Audit**  
**Audit Findings & Observations**  
**For the period January 1, 2022, through December 31, 2023**

This section of the report presents the findings and observations that resulted from our audit procedures. A finding may be a result of an underlying control deficiency, whether evaluated on an individual basis or in the aggregate. As such, to determine their impact to the audit objective, the magnitude of impact, likelihood of occurrence and the nature of the deficiency should be carefully considered, if a deficiency exists. Following the findings and observations, we provide recommendations to correct the described occurrences.

**Finding #1: Unused Capital Project Funds Not Returned to the Store Account and Insufficient Balances to Cover Capital Projects**

**Background:**

Store account revenues are generated from the Prison's commissary contract and shall be deposited into the Store account. These funds are permitted to be used for prison improvements, equipment/supplies, other prison related expenses, and inmate service provider contracts (such as mental health programs, child services, sexual victimization support, re-entry services, etc.). The Warden, Deputy Warden or Director of Administration will review the need for all store fund requests. Requests are approved by the Chief Clerk, acting on behalf of the County funds from the Store Account into the Prison's budget by assigning a sub-class account to track expenditures for each approved project ("capital expenditure"). The Controller's Office will transfer funds from the sub-class account to the General Fund, and vice versa, via journal entry recording at the request of the Prison. When the project is complete and all invoices are paid, any remaining funds in the sub-class account should be transferred back to the Store account, for future use.

**Description:**

While performing the Sub-Class Account Test and the Capital Project Expenditure Test, the Controller's identified 10 active sub-class accounts. Six of these accounts had expenditures with a net zero balance remaining at the end of 2023, which indicates that 100% of Store Account monies transferred into the sub-class accounts were expensed dollar for dollar in the year the monies were transferred. The remaining four sub-class accounts had outstanding balances either from insufficient amounts transferred into the sub-class account to cover capital expenditures or monies transferred in a sub-class account exceeding capital expenditures incurred.

During 2022, no monies from the Prison Store Account were transferred into the Family Service Advocate project sub-class account #29016. However, a \$16,000.00 expenditure for this project was incurred. The following year, a transfer of \$44,250.00 was made into the Family Service Advocate project and \$30,750.00 was expensed. Between 2022 and 2023, a net balance of \$28,250.00 remained in sub-class account #29016. This remaining balance represents Store Account monies transferred in for a capital project, but not expensed fully, necessitating the unused funds to be transferred from the General Fund back into the Store Account, for future use.

**Lancaster County Prison Financial Affairs Audit**  
**Audit Findings & Observations (*continued*)**  
**For the period January 1, 2022, through December 31, 2023**

**Finding #1: Unused Capital Project Funds Not Returned to the Store Account and Insufficient Balances to Cover Capital Projects (*continued*)**

Between both years ending 2022 and 2023, the Pre-Release Reentry Services, sub-class account #29042, also had a remaining balance of \$34,681.68. A transfer of \$34,681.68 from the General Fund should have been returned to the Store Account.

During 2022, a transfer of \$14,659.00 Store Account monies was transferred to the sub-class account #29048, created for the Shower Stall Ceilings Repair. However, a total expense of \$22,787.00 was incurred for this project, resulting in the sub-class account to be short \$8,128.00 for this project. A transfer of \$8,128.00 from the Store Account should have been made to the General Fund to cover the insufficient funds in the sub-class account #29048.

In 2023, a transfer of \$5,589.00 of Store Account monies was transferred into the Mesh & Razor Wire Installation sub-class account #29051. Only \$4,459.91 of the money transferred in was expensed during the year. A transfer of \$1,129.09 from the General Fund should have been returned to the Store Account.

**Finding #2: Unused Monies Not Returned to the Employee Welfare Fund**

**Background:**

Employee Welfare revenues are generated from monthly vending machine commissions. Only revenues from vending machines, from Prison employee-use, are debited towards the Employee Welfare account. Usage for Employee Welfare monies require approval from the Chief Clerk and are to be used for employee-related expenses.

**Description:**

The Controller's Office tested all four transfers of funds from the Employee Welfare Account and identified three of the transfers were not depleted fully resulting in a remaining balance totaling \$932.24, which should have been returned to the Employee Welfare Fund. During 2022, only \$4,350.00 of the \$5,000.00 Employee Welfare Fund transfer was expensed for the County's yearly Christmas Party. In April 2023, \$4,968.82 of the \$5,000.00 Employee Welfare Fund transfer was expensed during Corrections Week. For the 2023 County Christmas Party a transfer of \$4,751.00 was made, however, only \$4,319.94 was expensed. Between the three transfers, a total of \$932.24 remained unused. The unused monies belong to the Employee Welfare Fund.

**Finding #3: Misallocation of Employee Welfare Revenues**

**Background:**

Employee Welfare revenues are generated from monthly vending machine commissions. Only revenues from vending machines, from Prison employee-use, are debited towards the Employee

**Lancaster County Prison Financial Affairs Audit**  
**Audit Findings & Observations (continued)**  
**For the period January 1, 2022, through December 31, 2023**

**Finding #3: Misallocation of Employee Welfare Revenues (continued)**

Welfare account. Usage for Employee Welfare monies require approval from the Chief Clerk and are to be used for employee-related expenses.

**Description:**

During the examination of vending machine commissions throughout the Prison, the Controller's Office identified \$3,289.34 were incorrectly allocated to the Commissioner's Office Employee Welfare Fund account #6541. These funds should have been allocated to the Prison's Employee Welfare Fund account #6541. The Controller's Office also identified a total of \$1,846.93 incorrectly allocated to the Prison's Other Fees account #6444. The funds should have been allocated to the Prison's Employee Welfare Fund account #6541.

**Finding #4: Incorrect Expense Coding**

**Background:**

Funds from the IGWF may be used for approved expenditures at the discretion of the Warden specifically to benefit the inmates at the prison, according to the Prison Policy Statement #B-4 found in Exhibit B. These expenditures are coded directly to Program #22030 (IGWF) and must be assigned a #31000's sub-class code, representing an approved expense category, and are also required to be coded to an expense account according to the nature of the expense.

**Description:**

While performing the IGWF Expense Test, the Controller's Office identified four expenditures that were coded to the incorrect or inaccurate expense account and one expenditure that was not assigned a sub-class #. Sample #122 was an expense for inmate stipends. This expense should have been coded to the expense account #7346 Miscellaneous Services or account #7318 Other Contractual Services, as the expense is to cover for jobs rendered by inmates. Sample #123 was an expense for an all-day pass from the South-Central Transit Authority. The expense should have been coded to sub-class #31019 IGWF Inmate Transportation and the expense account #7329-Travel. Sample #200 was an expense for a Spanish translator. The expense should have been coded to the expense account # 318- Other Professional Services, Acct #7345- Other Contractual Services, or Acct #7346- Miscellaneous Services. Sample #96 was an expense for Catastrophic Billing for Medical Services Provided to the Detainees of Lancaster County Jail, although the expense account was correctly coded, the expense was not coded a sub-class. All Inmate General Welfare Fund expenses require a sub-class, depending on the nature of the expense. Sample #96 should have been coded to the sub-class account #31018- IGWF Catastrophic Medical Expenses.

**Lancaster County Prison Financial Affairs Audit**  
**Audit Findings & Observations (*continued*)**  
**For the period January 1, 2022, through December 31, 2023**

**Observation #1: Itemized Oasis Management Invoices Not Provided to the Prison**

**Background:**

Oasis Management is the commissary vendor for the Prison. Oasis Management collects and distributes weekly orders to inmates, based upon the Commissary Menu provided to inmates. The Commissary Menu is updated periodically, to reflect changes in prices and the addition or removal of items. At the end of each week, Oasis Management will invoice the Prison for the full amount of commissary goods purchased by inmates.

**Description:**

The Controller's Office identified that the Prison did not receive detailed itemized invoices for the sale of Commissary goods purchased by inmates. The invoices that were submitted to the Prison included a list of the sub-class or group of items and their sub-totals (i.e., beverages, chips/snacks, candy/pastry, hygiene, clothing, miscellaneous, postal, and hygiene). As a result, the Prison is unable to reconcile and/or identify any errors in pricing or quantities of items purchased. The Controller's Office obtained detailed/itemized invoices from Oasis Management, directly, to compare the invoice originally billed to the Prison and test accuracy of the total amount billed.

This observation was previously identified in the prior year audit.

**Observation #2: Incorrect Check # Recorded on IDRF Form**

**Background:**

Interdepartmental Receipt Forms ("IDRF") are written up to detail the monies collected by the Prison and to be remitted to the County. Monies are grouped by revenue type and the amounts, check numbers, and the specific revenue account are recorded on each IDRF, before submitting to the Controller's Office.

**Description:**

The Controller's Office identified IDRF #04-21-2022 had an incorrect check number recorded on the IDRF. The IDRF incorrectly read check number # 110326947. However, upon review of a copy of the check, the check number was #110326917, which originated from commissions from the Prison's vending machines.

**Lancaster County Prison Financial Affairs Audit  
Audit Responses  
For the period January 1, 2022, through December 31, 2023**

Based on the Audit Findings & Observations section of this report, the Controller's Office provides an opportunity for management to respond to audit findings and/or observations. This section represents the responses from the Lancaster County Prison to the findings and/or observations, as deemed necessary, identified in the previous section. This audit report was made available to the Lancaster County Prison on July 11, 2024.

**A. *In response to Finding #1: Unused Capital Project Funds Not Returned to the Store Account and Insufficient Balances to Cover Capital Projects***

**29016 - Family Services Advocate:** \$16,000.00 remained from the 2019 PO#91806. Services were not provided in 2019 due to COVID. This monies were used to pay initial invoices in 2023. Monies are paid upon receipt of the invoice. All invoices to date have been paid. A new contract is being awarded, and the existing balance will be used prior to use of new monies.

**29042 - Pre-Release Reentry Services:** There were multiple PO's with this vendor and we failed to use the correct PO for payment. There are anticipated invoices for payment. This coincides with the "New Beginnings Plus" notes below.

**29048 - Shower Stall Ceilings Repair:** Our records show that cost of \$8,127.90 was part of another project sub-class 29046.

**29049 - Camera Masking:** Coding error

**29050 - New Beginnings Plus:** There were multiple PO's with this vendor and we failed to use the correct PO for payment. Payment for this contract has been completed. This coincides with the "Pre-Release Reentry Services" above.

**29051 - Mesh & Razor Wire Installation:** A remaining invoice of \$1,695.75 requires payment, however, we are questioning a discrepancy with the amount.

***Controller's Office Response:***

The Controller's Office acknowledges the Prison's responses and affirms the finding. In the following section we provide a recommendation to address Finding #1 identified in this audit report.

**B. *In response to Finding #2: Unused Monies Not Returned to the Employee Welfare Fund***

Attached please find receipts for expense equaling transferred monies.

***Controller's Office Response:***

The Controller's Office acknowledges the response provided and the finding has been rectified.

**Lancaster County Prison Financial Affairs Audit**  
**Audit Responses (*continued*)**  
**For the period January 1, 2022, through December 31, 2023**

**C. *In response to Finding #3: Misallocation of Employee Welfare Revenues***

We are unable to provide a response as we are not in the workflow process for these actions.

***Controller's Office Response:***

The Controller's Office acknowledges the response provided and reaffirms that the finding has been brought to the attention of the Prison.

**D. *In response to Finding #4: Incorrect Expense***

Sample #122, ITP expense line item is 7227, voucher coincides, for 2025 budget, will change to line item 7346. Sample #123, attention to detail. Sample #200, same as #122. Sample #96 attention to detail.

***Controller's Office Response:***

The Controller's Office acknowledges the response provided.

**E. *In response to Observation #1: Itemized Oasis Management Invoices Not Provided to the Prison***

The need for detailed statements from Oasis was observed in our last audit and simultaneously we began receiving detailed invoices at the completion of the audit, April 2023.

***Controller's Office Response:***

The Controller's Office acknowledges the response provided.

**F. *In response to Observation #2: Incorrect Check # Recorded on IDRF Form***

A concentrated effort for data entry and review will be applied to decrease human errors such as typos.

***Controller's Office Response:***

The Controller's Office acknowledges the response provided.

**Lancaster County Prison Financial Affairs Audit**  
**Audit Recommendations**  
**For the period January 1, 2022, through December 31, 2023**

Based on identified audit findings, observations and management's responses, the Controller's Office provides the following recommendations to correct and improve such described occurrences listed in the preceding section.

**Finding #1: Unused Capital Project Funds Not Returned to the Store Account and Insufficient Balances to Cover Capital Projects**

**Controller's Recommendation**

Capital expenditures for Prison projects should remain to be closely tracked. Any unused funds shall be returned to the Prison's Store Account, except for when there is an open purchase order.

**Finding #2: Unused Monies Not Returned to the Employee Welfare Fund**

**Controller's Recommendation**

Employee-related expenditures should remain to be closely tracked. Any used funds shall be returned to the Prison's Employee Welfare Fund.

**Finding #3: Misallocation of Employee Welfare Revenues**

**Controller's Recommendation**

The Prison should be responsible for handling employee welfare revenues pertaining to their department, to closely review and track commissions earned at their department are distributed to correctly.

**Finding #4: Incorrect Expense Coding**

**Controller's Recommendation**

During the performance of the prior year audit, the Controller's Office provided the Prison a full list of account codes, sub-class codes and their descriptions, as a reference to correctly code and record Prison expenses. The Controller's Office will re-issue this list and provide any additional assistance as needed.

**Lancaster County Prison Financial Affairs Audit**  
**Audit Summary of Facts**  
**For the period January 1, 2022, through December 31, 2023**

We have performed procedures to assist in evaluating an effective control environment, proper use of expenditures, properly recorded revenues to the County, adherence to policies and procedures and identify any occurrences or indications of error, fraud or abuse. The procedures of this internal audit were conducted for the period January 1, 2022, through December 31, 2023.

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

We sampled revenues and expenditures of the Inmate General Welfare account, the Employee Welfare account, the Store account, and tested the effectiveness of controls in place. Furthermore, balances of each sub-class capital expenditure account and the IGWF year-end balance were tested to ensure adherence to Prison and County policies established (see pages 16-18).

AP details, invoices, purchase orders, interdepartmental receipt forms, and voucher request forms were items accessible to the Controller's Office. Additional information required was provided by the Prison to perform the audit. For all further inquiries and questions relating to the audit testing, the Controller's Office contacted the Prison.

Procedures in evaluating internal controls included obtaining an understanding of the financial affairs of the Prison (which includes the nature, objectives, applicable policies, and procedures) and assessing areas with higher risk of error (i.e., coding expense accounts, improper use of funds, compliance to policies and procedures, etc.) and any fraud.

The inherent limitations of any internal control structure and environment may cause errors, irregularities, or inconsistencies to occur and/or not be detected. Our testing would not necessarily disclose all matters of the internal control structure that might be reportable conditions. Included in our audit, we have reported at least one finding during the performance of the audit.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely manner. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

**Lancaster County Prison Financial Affairs Audit**  
**Audit Summary of Facts (*continued*)**  
**For the period January 1, 2022, through December 31, 2023**

The Controller's Office identified that a lack of controls exists, resulting in Finding #1 through #4. Finding #1, Prison Store Account Monies Lost to the County's General Fund, was a result of the Prison over-allocating and/or under-allocating Store account monies to an existing capital project. An under-allocation of Store account funds would indicate that the Prison allocated for the capital project and an over-allocation of Store account funds would indicate the Prison did not expend fully the amount allocated towards the capital project. Under or over allocating Store account funds indicate a lack of controls exist to track capital project expenditures. Finding #2, Unused Monies Not Returned to the Employee Welfare Fund, similar to Finding #1, was a result of not tracking and/or accounting the total monies expensed from the Employee Welfare Fund account. The audit identified remaining unused Employee Welfare Fund monies that should have been returned to the Employee Welfare Fund for future use. Although, Finding #3, Misallocation of Employee Welfare Revenues, may have resulted from an accidental oversight, the Controller's Office identified that monies that belonged to the Prison's Employee Welfare Fund was actually entered as revenues to the Commissioner's Office Employee Welfare Fund, resulting in a short to the Prison's Employee Welfare Fund. The Prison, however, is not responsible for this error. Rather the Commissioner's Office was responsible for recording employee welfare revenues and allocating them to the correct department and accounts. Finding #4, Incorrect Expense Coding, was a result of a lack of controls over the review and approval process when recording expenditures on a County Voucher form. This finding was also previously identified in the prior audit.

In future audits, we will continue to re-evaluate the internal control to ensure that policies and procedures do not become inadequate or ineffective because of changes in conditions or design.

We conducted our audit to obtain a reasonable understanding about whether the accounts tested are free of material misstatement. 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 Financial Affairs Audit**  
**Controller's Office Summary**  
**For the period January 1, 2022, through December 31, 2023**

We are pleased with the work the Lancaster County Prison is continuing to perform. We believe the Prison will continue to demonstrate efficient and effective operations. This is a direct result of Cheryl Steberger, Lancaster County Prison Warden; Arla Brown, Director of Administration, and their dedicated staff's willingness to enact our recommendations and positive changes to ensure improvement is attributed in every aspect of the Prison's functions. We are pleased that the Lancaster County Prison was devoted to ensuring the completion of the Lancaster County Prison Financial Affairs Audit for the calendar years 2022 and 2023.

**Lancaster County Prison Financial Affairs Audit**  
**Exhibit A - Audit Engagement Letter**  
**For the period January 1, 2022, through December 31, 2023**



Controller  
Lisa K. Colón

**Controller's Office**

150 North Queen Street  
Suite #710  
Lancaster, PA 17603  
Phone: 717-299-8262  
www.lancastercountypa.gov

December 21, 2023

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

Dear Ms. Steberger:

Please be advised that, as a part of the routine audits performed by the Lancaster County Controller's Office, we will be examining the financial operations for Lancaster County Prison ("Prison") for the year 2022. We are conducting this audit for the purposes of satisfying Pennsylvania Code Chapter 95, Regulation 95.239. We intend to audit the Prison's Inmate General Welfare Fund, Capital Projects, Commissary Store Account, revenues and expenses. Unlike past audits conducted in previous years, we will not test current/released inmate records. The Controller's Office will strictly be testing the financial operations of the Lancaster County Prison. Although an actual audit plan has not been devised yet, we have included a Planning Memo for the audit.

You, or designated member(s) of your staff should expect the following from us:

- An interview with you and your staff to gain an overall understanding of your department's financial activities & operations, duties, and responsibilities.
- An interview with you and other responsible personnel to gain an understanding of your department's structure of internal control over financial reporting and over compliance with pertinent laws and regulations
- Requests for the following, applicable to the scope of the audit:
  - Copies of all policies & procedures as they relate to fiscal operations
  - Copy of organizational chart of employees and functions as they relate to your office
  - Copy of flowchart for the functions of your office or a description of the functions of your office that can be used to create a flowchart, if applicable.
  - Copies of certain physical records based on a sampled section of transactions



**Lancaster County Prison Financial Affairs Audit  
Exhibit A - Audit Engagement Letter (continued)  
For the period January 1, 2022, through December 31, 2023**



**Controller's Office**

150 North Queen Street  
Suite #710  
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Phone: 717-299-8262  
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**Controller**  
Lisa K. Colón

We expect to begin working with you within the next 30 days. If you or your staff have any questions, please contact Juan D. Garcia, [ju.garcia@lancastercountypa.gov](mailto:ju.garcia@lancastercountypa.gov), or Karen Stewart, [kmstewart@lancastercountypa.gov](mailto:kmstewart@lancastercountypa.gov), who will be overseeing the audit, creating the audit plan, and selecting key process of areas to test. We appreciate the anticipated cooperation from you and the Prison staff.

Sincerely,

Lisa Colón  
Lancaster County Controller  
K.M.S



**Lancaster County Prison Financial Affairs Audit**  
**Exhibit B – Prison Policy Statement B-4 Inmate General Welfare Fund**  
**For the period January 1, 2022, through December 31, 2023**

	<b>PRISON POLICY STATEMENT</b> <b>COUNTY OF LANCASTER, PENNSYLVANIA</b>	
<b>Policy Subject:</b> <p style="text-align: center;"><b>Inmate General Welfare Fund</b></p>	<b>Policy Number:</b> <p style="text-align: center;"><b>B-4</b></p>	
<b>Date of Issue/Revision:</b> <small>February 21, 2013; June 15, 2017 – Approved Expenses Added- Reviewed / Approved by B. Hurter, Controller  April 18, 2019 – medical costs added to Sec. III &amp; Cap increased to \$500K. Approved by Prison Board  8/20/2020 – Annual Review, no changes</small>	<b>Authority:</b> <p style="text-align: center;">Cheryl Steberger      Lawrence George  Warden                      Chief Clerk</p>	<b>Effective Date:</b> <p style="text-align: center;">February 21, 2013  April 18, 2019</p>
<b>Solicitor Approval:</b> <p style="text-align: center;">February 21, 2013 CC  October 21, 2016 CH</p>	<b>Title 37 Reference:</b> <p style="text-align: center;"><b>95.239</b></p>	<b>Distribute by:</b> <p style="text-align: center;">Email / Website</p>

- I. **AUTHORITY**  
The authority of the Warden to direct the operations of Lancaster County Prison as established in Title 37 Chapter 95 of the Pennsylvania Code as amended. Section 95.239 directly relates to Commissary and other funds. Due to Warden being in control of certain funds, additional policy approval will be made by the Chief Clerk.
- II. **POLICY**  
It is the policy of the Lancaster County Prison (LCP) to maintain an inmate general welfare fund (hereinafter "IGWF") to be used as described in this policy.
- A. IGWF Revenue --Revenue generated from LCP's telephone contract and other various sources shall be deposited into the IGWF account.
  - B. IGWF Cap-- In the event the IGWF account accumulates a balance of \$500,000 or more at year end, any balance over \$500,000 shall be transferred to the County's General Fund to offset LCP's expenditures.
  - C. Annual Audit--The IGWF shall be audited annually.
  - D. Annual Review--This policy will undergo an annual review.
- III. **APPROVED EXPENDITURES**  
Funds from the IGWF may be used for approved expenditures at the discretion of the Warden to benefit the inmates at the prison. An expenditure that is above the 3<sup>rd</sup> Class County Purchasing Guidelines (published annually) must be presented to the Chief Clerk for approval.  
The following expenditures have been approved by the Lancaster County Prison Board.
- A. **Activities**
    - a. Recreation, athletics, and exercise equipment
    - b. Audio Visual
    - c. Entertainment, to include television, movies, live performances, etc.
    - d. Day room expenses
    - e. Decorations and gifts for major holidays
  - B. **Library**
    - a. Recreational reading books, periodicals, tapes or other types of media
    - b. Furnishings (except administrative)
    - c. Computer software and maintenance
    - d. Law Library and access to the courts, including supplies to indigent inmates
  - C. **Inmate Programs**
    - a. Inmate Trustee Workers and Block cleaning stipends
    - b. Education Programs
    - c. Gardening Project
    - d. Prison Ministry Services

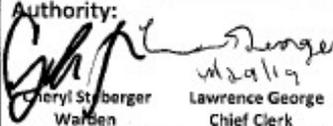
**Lancaster County Prison Financial Affairs Audit**  
**Exhibit B – Prison Policy Statement B-4 Inmate General Welfare Fund (*continued*)**  
**For the period January 1, 2022, through December 31, 2023**

APPROVED EXPENDITURES (CONTINUED)

- D. Visiting Rooms
- E. Family Resource Programs
- F. Chapel
  - a. Nonspecific religious items
  - b. Items for use in the chapel that are used for various religious or secular activities—for example, sound systems, seating and storage cabinets
- G. Inmate Postage
- H. Checks and deposit slip printing for inmate checking account
- I. Transportation upon release
- J. Commissary items for indigent inmates and admission hygiene kits
- K. Any item that has been approved through the budget request process and assigned a sub-group code by the Controller's office. These include but are not limited to:
  - a. Barber Services and/or supplies
  - b. Inmate forms/documents to include printing expenses
  - c. Inmate ID supplies and equipment
  - d. Fans for housing areas
  - e. Clean out of inmate trash from bar screen
  - f. Drug Tests for inmates and Outmates/Narcan doses
- L. Approved medical expenses incurred by inmates that have exceeded catastrophic limit cap as described in the contract between the County of Lancaster and the prison's medical vendor.

- IV SUPERSEDED POLICY  
This policy supersedes all facility policy and procedure on this subject

**Lancaster County Prison Financial Affairs Audit**  
**Exhibit C – Prison Policy Statement B-5 Store Account Policy (Commissary)**  
**For the period January 1, 2022, through December 31, 2023**

		<b>PRISON POLICY STATEMENT</b> <b>COUNTY OF LANCASTER, PENNSYLVANIA</b>
<b>Policy Subject:</b> <p style="text-align: center;"><b>Store Account Policy (Commissary)</b></p>		<b>Policy Number:</b> <p style="text-align: center;"><b>B-5</b></p>
<b>Date of Issue/Revision:</b> <small>June 16, 2017 Revised/Approved by B. Hurter, Controller          March 15, 2019—No change, approved by Prison Board</small>	<b>Authority:</b>  <small>Cheryl St. Berger Warden      Lawrence George Chief Clerk</small>	<b>Effective Date:</b> <p style="text-align: center;">July 1, 2017</p>
<b>Solicitor Approval:</b> <small>October 21, 2016 CH          June 29, 2017 CH</small>	<b>Title 37 Reference:</b> <p style="text-align: center;">95.239</p>	<b>Distribute by:</b> <p style="text-align: center;">Email / Website</p>

- I. **AUTHORITY**  
 The authority of the Warden to direct the operations of Lancaster County Prison as established in Title 37 Chapter 95 of the Pennsylvania Code as amended. Section 95.239 directly relates to commissary and other funds.
  
- II. **POLICY**  
 It is the policy of the Lancaster County Prison (LCP) to maintain a Store Account to be used as described in this policy.
  - A. Store account revenue is generated from LCP's Commissary contract and shall be deposited into the Store Account
  - B. Funds are permitted to be used for prison improvements, equipment/supplies or other prison related expenses. Funds may be used for inmate service provider contracts. These services include, but are not limited to, mental health programs, child services, sexual victimization support, re-entry services, etc.
  - C. This account will have an annual audit and report prepared by an independent party using generally accepted accounting principles.
  - D. This policy will undergo an annual review.
  
- III. **REQUESTED USE OF FUNDS**
  - A. Prison Management (Warden, Deputy Warden or Director of Administration) will review the need for all store fund requests.
  - B. The Chief Clerk, acting on behalf of the County Commissioners, must approve funds being spent from the Store Account.
  - C. The approval will be forwarded to Budget Services and the Controller's office to initiate the transfer of funds from the Store Account into LCP's budget.
  - D. The Controller's office will assign a Sub-group account number to track expenditures for each approved project.
  - E. When the approved project is complete, and all invoices are paid, any funds remaining in the project account will be transferred back into the Store Account. LCP staff should initiate this action by a request to the Controller's office.
  - F. Outside agencies that request use of store funds must submit their proposal in writing to the Warden. The request must include the proposed scope of services to be delivered to the inmate population, the cost of services and must include a list of measurable results that will be submitted for review of the Prison Board monthly.
  
- IV. **SUPERSEDED POLICY**  
 This policy supersedes all facility policy or procedure on this subject.

**Lancaster County Prison Financial Affairs Audit**  
**Exhibit D – 2022 Prison Population**  
**For the period January 1, 2022, through December 31, 2023**

The following was provided by Arla Brown, the Director of Administration.

**2022 TOTAL DAILY POPULATION**

Day of Month	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
1	731	759	734	757	764	778	775	764	776	796	748	736
2	733	751	740	762	766	775	808	752	763	798	726	738
3	741	752	746	765	770	760	779	758	771	791	730	745
4	737	753	750	772	764	764	780	770	770	789	721	745
5	734	756	750	779	766	768	783	770	783	794	721	732
6	732	759	755	770	766	764	768	777	783	791	722	728
7	719	760	749	773	768	767	766	783	769	788	721	724
8	721	762	750	764	770	752	764	775	772	790	724	725
9	722	750	745	770	769	758	772	769	778	792	720	721
10	730	753	740	771	766	766	777	774	785	792	720	726
11	731	742	741	772	771	772	770	772	792	785	719	725
12	737	756	748	772	774	773	780	770	792	774	723	722
13	734	761	748	768	770	765	785	775	801	765	727	722
14	730	762	750	769	775	762	780	778	801	760	725	719
15	737	762	754	772	780	759	786	783	803	764	728	717
16	737	746	756	778	777	750	789	782	798	764	713	717
17	740	739	764	778	779	748	793	776	800	771	719	718
18	740	745	763	767	770	757	779	770	799	766	718	719
19	739	745	770	769	764	762	780	768	791	758	719	715
20	750	748	774	768	769	762	773	776	797	760	725	710
21	752	750	761	777	779	762	763	776	785	753	725	700
22	758	746	759	782	778	770	769	777	780	755	720	698
23	761	739	760	784	780	767	767	774	778	761	715	703
24	747	746	763	791	768	757	767	771	787	757	717	705
25	749	744	753	784	767	762	773	775	789	751	719	710
26	743	744	759	782	772	767	779	768	787	738	723	716
27	751	750	762	769	771	776	767	778	789	743	728	704
28	750	739	756	759	777	773	772	779	782	746	721	698
29	761		752	760	782	766	764	782	786	747	740	696
30	766		758	761	793	773	767	781	782	754	733	701
31	762		766		785		772	769		741		710

<b>AVG</b>	741	751	754	772	773	765	776	773	786	769	724	718
<b>YTD AVG</b>	741	746	749	754	758	759	761	763	765	766	762	758

<b>MIN</b>	719	739	734	757	764	748	763	752	763	738	713	696
<b>MAX</b>	766	762	774	791	793	778	808	783	803	798	748	745

<b>YTD MIN</b>	696
<b>YTD MAX</b>	808

**Lancaster County Prison Financial Affairs Audit  
Exhibit E – 2023 Prison Population  
For the period January 1, 2022, through December 31, 2023**

The following was provided by Arla Brown, the Director of Administration.

**2023 TOTAL DAILY POPULATION**

Day of Month	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
1	711	731	726	725	738	745	798	790	796	783	798	773
2	714	726	730	727	737	736	801	782	799	776	792	775
3	716	723	718	730	729	743	789	783	808	783	787	783
4	696	727	719	733	735	745	793	783	812	794	790	771
5	695	732	721	727	723	747	779	792	799	790	792	774
6	697	727	719	718	729	743	791	795	790	790	783	773
7	698	725	712	722	738	741	790	792	794	794	787	760
8	699	718	718	720	738	748	800	790	790	795	783	761
9	695	724	717	729	747	755	805	789	791	796	776	767
10	692	722	723	720	742	766	805	779	800	797	773	766
11	697	723	728	722	738	775	804	779	794	797	780	748
12	703	726	730	714	740	769	794	785	796	788	789	752
13	713	714	723	703	749	773	797	789	781	786	783	739
14	723	725	733	702	748	759	797	782	788	795	775	744
15	726	720	716	711	749	750	799	777	779	798	765	751
16	740	733	714	716	749	763	799	787	776	792	770	751
17	734	738	711	718	752	780	797	783	777	806	772	755
18	722	736	718	725	757	778	804	782	777	802	775	746
19	722	742	726	709	750	785	797	784	777	803	779	751
20	721	749	724	718	754	778	783	785	772	793	774	744
21	723	744	732	716	760	773	778	789	765	794	778	743
22	724	749	734	728	747	776	786	785	763	806	756	735
23	714	737	734	728	745	747	788	784	770	805	767	736
24	714	736	733	727	734	751	797	782	771	807	773	739
25	717	740	735	746	729	762	795	780	777	796	777	738
26	724	745	736	743	720	760	785	787	764	804	781	738
27	731	738	736	738	724	785	782	789	772	792	777	730
28	733	731	737	732	727	794	786	796	781	796	783	727
29	736		734	739	731	800	794	799	774	796	783	728
30	741		728	737	735	790	796	798	781	798	780	735
31	748		719		737		801	800		801		738

<b>AVG</b>	717	731	725	724	740	764	794	787	784	795	779	751
<b>YTD AVG</b>	717	724	724	724	727	734	742	748	752	756	758	758

<b>MIN</b>	692	714	711	702	720	736	778	777	763	776	756	727
<b>MAX</b>	748	749	737	746	760	800	805	800	812	807	798	783

<b>YTD MIN</b>	692
<b>YTD MAX</b>	812