



# Lehigh County

Pennsylvania

## OFFICE OF THE CONTROLLER

Mark Pinsley, MBA

COUNTY CONTROLLER

Nanton John, CIA, CFE

DEPUTY CONTROLLER

**TO:** Final Report Distribution

**FROM:** Mark Pinsley, County Controller

**DATE:** July 31, 2025

**RE:** 2024 Audit of Bureau of Collections

We have completed an audit of the Bureau of Collections *Statement of Receipts and Disbursements*, for the year ended December 31, 2024. Our report, number 25-21, is attached. We wish to thank the Bureau of Collection Office for their cooperation and support during the audit.

The results of our audit are:

- The *Statement of Receipts and Disbursements* for the year ended December 31, 2024 presents fairly, in all material aspects, the financial activity of the Bureau of Collections.

Money In:

**\$ 7.4 million**

Case Costs & Fees collected  
during 2024

Money Out:

**\$ 7.1 million**

Costs, Fines, Restitution &  
Refunds disbursed in 2024

Attachment



**COUNTY OF LEHIGH, PENNSYLVANIA**

**BUREAU OF COLLECTIONS**

*Statement of Receipts and Disbursements  
For the Year ended December 31, 2024  
and Controller's Opinion*

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REPORT NO. 25-21

COUNTY OF LEHIGH, PENNSYLVANIA  
BUREAU OF COLLECTIONS

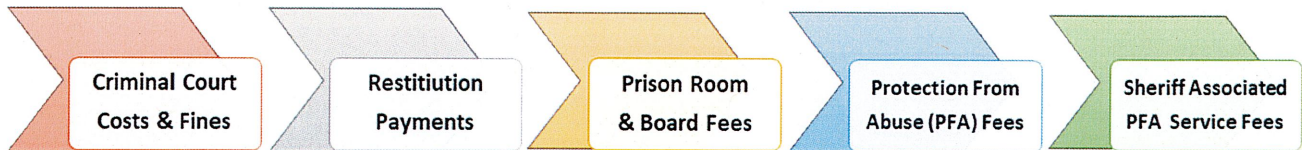
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COUNTY OF LEHIGH, PENNSYLVANIA  
BUREAU OF COLLECTIONS

*Background*

The Bureau of Collections is tasked with the enforcement and collection of various court-related financial obligations. Case cost and fees are entered into the collection system by various county departments that include the Clerk of Courts, Juvenile and Adult Probation departments, Sheriff's Office, and the Department of Corrections. Costs and fees include:



The bureau plays a crucial role in ensuring the proper allocation and distribution of both local and state revenues collected from these obligations.

- **State fines and fees** are transmitted to the state revenue department via the County's Fiscal Office.
- **Local fines** are disbursed directly to local governments.
- **Restitution payments** are distributed to individual crime victims.

To support effective collections, the bureau engages in proactive communication and tracking efforts:

- **Monthly payment reminder statements** are mailed to clients.
- **Internet address searches** are conducted to locate clients who have moved without notifying the bureau.

Clients who fail to make required payments may be charged with **contempt of court**. The bureau conducts contempt hearings **twice monthly** to address delinquent accounts. Possible Hearing Outcomes:

- Court-ordered payment plans
- Wage attachment
- Incarceration

Through its comprehensive collection and enforcement efforts, the Bureau of Collections supports both county operations and the broader justice system. Its role in revenue collection, victim restitution, and enforcement ensures compliance with court-ordered financial obligations and promotes fiscal accountability.





**Lehigh County**  
Pennsylvania

**OFFICE OF THE CONTROLLER**

Mark Pinsley, MBA

COUNTY CONTROLLER

Nanton John, CIA, CFE

DEPUTY CONTROLLER

**INDEPENDENT AUDITOR'S REPORT**

Timothy Reeves, Chief Fiscal Officer  
Office of Fiscal Affairs  
Lehigh County Government Center  
17 South Seventh Street  
Allentown, PA 18101-2400

**Report on Financial Statements**

***Opinion***

We have audited the accompanying Statement of Receipts and Disbursements of the Bureau of Collections for the year ended December 31, 2024 (hereinafter referred to as the Schedules) and the related notes to the Schedules.

In our opinion, the Schedules referred to above present fairly, in all material respects, the financial activity arising from cash transactions of the Bureau of Collections for the year ended December 31, 2024, in accordance with the cash basis of accounting described in Note 1.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (GAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Bureau of Collections' and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Emphasis of Matter – Basis of Accounting***

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements were prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Also, as discussed in Note 1, the Schedules present only the Bureau of Collections financial activity and does not purport to, and does not, present fairly the assets, liabilities, and results of operations of the County of Lehigh for the calendar year ending December 31, 2024 in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, mis- representations, or the override of certain internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bureau of Collections' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Bureau of Collections' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 30, 2025 on our consideration of the Bureau of Collections' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering management's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Mark Pinsley". The signature is written in a cursive style, with the first name "Mark" and the last name "Pinsley" clearly legible. There is a horizontal line under the "y" in "Pinsley".

MARK PINSLEY  
County Controller

Allentown, Pennsylvania  
July 30, 2025

Audited by: Joseph Buick

Final Distribution:

Phillips Armstrong, County Executive  
Board of Commissioners  
Janine Donate, Director, Department of Corrections  
Michelle Graupner, Clerk of Judicial Records  
Joseph Hanna, Sheriff  
Gavin Holihan, District Attorney  
Edward Hozza, Director of Administration  
The Honorable J. Brian Johnson, President Judge  
Kevin Miller, Chief Probation Officer, Juvenile Probation  
Russel Montchal, AOPC  
Pamela Sheffer, Chief Probation Officer, Adult Probation  
Stephanie Szabo, Deputy Court Administrator  
Kerry Turtzo, Court Administrator



COUNTY OF LEHIGH, PENNSYLVANIA  
BUREAU OF COLLECTIONS

*Statement of Receipts and Disbursements*  
*For the Year ended December 31, 2024*  
(NOTE 1)

Receipts	
Total Office Receipts (NOTE 2)	<u>\$7,415,444</u>
Disbursements (NOTE 2)	
Costs & Fines - County of Lehigh	\$4,575,876
Costs & Fines - PA Department of Revenue	\$1,410,981
Costs & Fines - Other Municipalities	\$165,432
Refunds & Restitution	\$1,216,325
(Less) Void Checks	(\$267,919)
Total Disbursements	<u>\$7,100,695</u>
Excess of Receipts Over Disbursements	\$314,749
Cash Book Balance - January 1, 2024	<u>\$1,449,767</u>
Cash Book Balance - December 31, 2024	<u>\$1,764,516</u>

The accompanying notes are an integral part of this financial statement.

COUNTY OF LEHIGH, PENNSYLVANIA  
BUREAU OF COLLECTIONS

*Notes to Financial Statement*  
*For the Year ended December 31, 2024*

**1. Summary of Significant Accounting Policies**

**A. Reporting Entity**

A portion of the Bureau of Collections' financial activity is a part of the County of Lehigh's reporting entity, included in the general fund and is subject to annual financial audit by external auditors. The remaining financial activity is part of other governmental entities. This report is only for internal audit purposes.

**B. Basis of Accounting**

The accounting records of the County of Lehigh and the Statement of Receipts and Disbursements are maintained on the cash receipts and disbursements basis of accounting. Under this basis of accounting, revenue is recognized when cash is received and expenditures are recognized when paid. This differs from Generally Accepted Accounting Principles (GAAP) which requires the accrual basis of accounting.

**2. Office Receipt and Disbursement Activity**

Office receipts are generated by defendant payments for court assessed costs and fines, victim restitution, and Lehigh County Prison room and board charges. Disbursements consist of restitution payments to Lehigh County, other local government entities, businesses, and individuals. Disbursements also include monies refunded to defendants when all costs, fines, and restitution assessments have been satisfied.





**Lehigh County**  
—Pennsylvania—

**OFFICE OF THE CONTROLLER**

Mark Pinsley, MBA

COUNTY CONTROLLER

Nanton John, CIA, CFE

DEPUTY CONTROLLER

**Independent Auditor's Report on Internal Control over Financial Reporting and  
On Compliance and Other Matters Based on an Audit of Financial Statements in Accordance  
with Government Auditing Standards**

Timothy Reeves, Chief Fiscal Officer  
Office of Fiscal Affairs  
Lehigh County Government Center  
17 South Seventh Street  
Allentown, PA 18101-2401

We have audited, in accordance with the auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in the *Government Auditing Standards* issued by the Comptroller of the United States; the accompanying Statement of Receipts and Disbursements of the Bureau of Collections for the year ended December 31, 2024 (hereafter referred to as the Schedules) and have issued our report thereon dated July 30, 2025.

***Internal Control over Financial Reporting***

In planning and performing our audit of the Schedules, we considered the Bureau of Collections' internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Schedules, but not for the purpose of expressing an opinion on the effectiveness of management's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bureau of Collections' internal control over financial reporting.

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 basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements 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 to those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies may exist that have not been identified.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Bureau of Collections' Schedules are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Our audit also included sufficient and appropriate tests for fraud, waste and abuse and we included in our report any material (either quantitatively or qualitatively) instances we noted however, our audit procedures would not necessarily identify all instances of fraud, waste and abuse that may be reportable.

### ***Management's Response to the Audit***

If provided, the Bureau of Collections' response to our audit is included in this report. We did not audit the Bureau of Collections' response and, accordingly, we do not express an opinion on it.

### ***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal controls and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management, Phillips Armstrong, County Executive; Edward Hozza, Director of Administration; and, the Board of Commissioners, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink that reads "Mark Pinsley". The signature is written in a cursive style with a large, stylized "P" and a horizontal line extending from the end of the name.

MARK PINSLEY  
County Controller

Allentown, Pennsylvania  
July 30, 2025