



COUNTY OF LEHIGH
OFFICE OF THE CONTROLLER

LEHIGH COUNTY GOVERNMENT CENTER
17 SOUTH SEVENTH STREET
ALLENTOWN, PA 18103-2400
(610) 782-3082 FAX: (610) 871-2897

GLENN ECKHART
COUNTY CONTROLLER

JOHN A. FALK
DEPUTY CONTROLLER

TO: Final Report Distribution
FROM: Glenn Eckhart, County Controller G.E.
DATE: December 3, 2015
RE: Audit (AUP) of Indigent Kit Overcharges

We have completed an AUP (agreed-upon-procedures) audit of Indigent Kit Overcharges for the period November 3, 2008 through June 20, 2015. Our audit report number 15-18 is attached.

The results of our audit are:

- The County of Lehigh received reimbursement from Oasis Management Inc. in the amount of \$24,688.89 .

We want to express our appreciation to the County of Lehigh Jail management who initially identified and reported the price differences to the Controller.

Attachment

AUDITS/OASIS INDIGENT KIT OVERCHARGES

COUNTY OF LEHIGH, PENNSYLVANIA

**INDIGENT KIT OVERCHARGES
JAIL COMMISSARY VENDOR
OASIS MANAGEMENT SYSTEMS INC.**

*Independent Controller's Office Report on
Applying Agreed-Upon Procedures
For the Period November 3, 2008 to June 20, 2015*

REPORT NO. 15-18

COUNTY OF LEHIGH, PENNSYLVANIA
INDIGENT KIT OVERCHARGES
JAIL COMMISSARY VENDOR
OASIS MANAGEMENT SYSTEMS INC.

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GLENN D. ECKHART
COUNTY CONTROLLER

JOHN A. FALK
DEPUTY CONTROLLER

Edward Sweeney, Director of Corrections
Lehigh County Jail
38 North Fourth Street
Allentown, PA 18102-3448

Dear Mr. Sweeney:

We have performed certain procedures enumerated below, which were agreed to by you, solely to assist you in determining the accuracy of indigent kits invoices billed to the County of Lehigh by Oasis Management Systems (Oasis) from November 3, 2008 through June 20, 2015.

For the initial period February 1 through June 20, 2015 procedures performed included:

- Request and review recalculations of indigent kit billings and supporting documents for the above period from Oasis.
- Compare kit count per Oasis to data tracked by the Jail accountant.
- Compare product pricing from Oasis to rates paid by the County of Lehigh for the same products.

This agreed-upon procedures engagement was conducted in accordance with generally accepted government auditing standards and "Government Auditing Standards" as issued by the United States Government Accountability Office (GAO) and "Statements on Standards for Attestation Engagements" as issued by the American Institute for Certified Public Accountants (AICPA). The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures performed.

The results of our audit are:

- Oasis provided supporting documents for indigent kit billings for the period February 1 through June 20, 2015.
 1. Our review found the cost amounts were adequately documented.
 2. The kit quantities matched the data tracked by the Jail accountant.
 3. Comparable county purchased amounts were too limited to use to test pricing.
 4. We find the overcharge calculation of \$2,218.54 (or 19.81% of \$11,199.29 kit invoices) by Oasis for February 1 through June 20, 2015 to be reasonable.

- Indigent kit invoices from Oasis for the period November 3, 2008 through January 31, 2015 amounted to \$113,429.31 per data tracked by the Jail accountant. Applying the overcharge of 19.81% calculated above, the overcharge for November 3, 2008 through January 31, 2015 is projected to be \$22,470.35 ($\$113,429.31 \times 19.81\%$). This information is only provided for discussion purposes and is not an audited amount.
- The total overcharge for the period November 3, 2008 through June 20, 2015 would amount to \$24,688.89 [$\$2,218.54$ (audited) + $\$22,470.35$ (projected/unaudited)], based on the above data.

We were not engaged to and did not conduct a full (financial or compliance) audit, the objective of which would be the expression of an opinion on compliance to the contract between Oasis Management Systems and the County of Lehigh. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Jail management 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.

We wish to thank Oasis representatives for their full cooperation and assistance provided during our audit.



Glenn Eckhart
County Controller

November 30, 2015

Audited by: Thomas Schweyer & John Falk

xc: Board of Commissioners
Cindy Egizio, Assistant Director of Corrections
Daniel McCarthy, Director of Administration
Christopher Miller, Jail Accountant
Thomas Muller, County Executive
Tim Reeves, Fiscal Officer
Charles Smith Jr., Esquire

AUDITS/OASIS



Edward Sweeney, CJM
Director

Department Of Corrections
38 North Fourth Street
Allentown, Pa 18102

November 30, 2015

Glenn Eckhart, Controller
County of Lehigh
17 South 7th Street
Allentown, PA 18101

Dear Glenn,

Thank you, Glenn, for the opportunity to review the draft final report. I have no suggested changes but will take this opportunity to thank the Controller's Office and the Department of Law for your joint efforts to help us resolve this matter fairly and expeditiously. In particular, I applaud the special efforts displayed by Deputy Controller John Falk and Assistant Solicitor Chuck Smith. We have a common interest in ensuring that vendors doing business with the county abide by the established contract terms and it is very helpful to me, as a department head, to be able to rely upon the controller's office to step in and take the lead in such matters when called upon.

Sincerely,

A handwritten signature in black ink, appearing to read "Edward Sweeney", written in a cursive style.

Edward Sweeney, CJM
Director of Corrections

EGS/jmr

cc: Tom Muller, County Executive
John Falk, Deputy Controller ✓
Matt Sorrentino, Solicitor
Chuck Smith, Assistant Solicitor