



COUNTY OF LEHIGH  
OFFICE OF THE CONTROLLER

LEHIGH COUNTY GOVERNMENT CENTER  
17 SOUTH SEVENTH STREET  
ALLENTOWN, PA 18101-2400  
(610) 782-3082 FAX: (610) 871-2897

GLENN D. ECKHART  
COUNTY CONTROLLER

JOHN A. FALK  
DEPUTY CONTROLLER

**TO:** Final Report Distribution  
**FROM:** Glenn Eckhart, County Controller *G.E.*  
**DATE:** October 19, 2016  
**RE:** Follow-up on Financial Audit of Area Agency on Aging/Adult Services  
Representative Payee/Guardianship Accounts

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The controller's office has completed a follow-up inquiry to the financial audit of the Area Agency on Aging/Adult Services (AAA/AS) trustee accounts for the period October 1, 2013 to September 30, 2014. The follow-up relates specifically to the audit finding pertaining to dormant client accounts cited in the previously mentioned audit, report #15-6. Our audit report #16-34 is attached.

The results of our audit follow-up are:

- AAA/AS management and the Law Department have successfully disbursed a majority of the dormant account funds via escheatment to the Pennsylvania Treasury Department.
- The Controller's Office appreciates the due diligence of AAA/AS management and the continued effort to remove the dormant trustee accounts.

Attachment

AUDITS/AGING-ADULT SVCES FOLLOW-UP

COUNTY OF LEHIGH  
AREA AGENCY ON AGING/ADULT SERVICES  
REPRESENTATIVE PAYEE ACCOUNTS

*Follow-up Report to the  
Financial Audit for the period October 1, 2013 to September 30, 2014  
(Report #15-6 issued August 31, 2015)*

AUDIT REPORT #16-34

COUNTY OF LEHIGH, PENNSYLVANIA  
AREA AGENCY ON AGING/ADULT SERVICES  
REPRESENTATIVE PAYEE ACCOUNTS  
FOLLOW-UP REPORT

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**TO:** Kay Achenbach, Director of Human Services  
Timothy A. Reeves, Fiscal Officer

**FROM:** Glenn Eckhart, County Controller G. E.

**DATE:** October 17, 2016

**RE:** Follow-Up on Financial Audit of Area Agency on Aging/Adult Services  
Representative Payee/Guardianship Accounts

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The Controller's Office has completed a follow-up inquiry to the financial audit of Area Agency on Aging/Adult Services (AAA/AS) trustee accounts for the period October 1, 2013 to September 30, 2014. The follow-up relates specifically to the audit finding pertaining to dormant client accounts cited in the previously mentioned audit, report #15-6.

The purpose of the follow-up was to determine the current status of the audit finding and assess whether the management of AAA/AS took corrective action to appropriately disburse the dormant account funds. **The follow-up concluded that AAA/AS management solicited the help of the Law Department and successfully disbursed a majority of the dormant account funds via escheatment to the Pennsylvania Treasury Department.** However, as noted in the current status section on page 2, there were five accounts with dormant funds that were not yet disbursed to the appropriate parties.

Our office would like to thank your staff, especially Joel Pattison, for their persistency in working to resolve this matter. If you have any questions or concerns, please do not hesitate to contact Zachary Effting at 610-782-3915.

xc: Board of Commissioners  
E. Keller Kline, Esquire, Department of Law  
Donald H. Lipson, Esquire, Department of Law  
Thomas Muller, County Executive  
Joel Pattison, Administrative Officer 2  
Clayton Reed, Jr., Director of Aging/Adult Services

COUNTY OF LEHIGH, PENNSYLVANIA  
 AREA AGENCY ON AGING/ADULT SERVICES  
 REPRESENTATIVE PAYEE ACCOUNTS  
 FOLLOW-UP REPORT

***Audit Finding and Recommendation***  
*(Excerpt from Report # 15-6 dated August 30, 2015)*

1. Dormant Client Accounts

**Condition:** The management of the AAA/AS maintains dormant client accounts which total \$65,663.76. A majority of these accounts have been closed for more than 10 years. Many of these accounts may be subject to escheatment to the state as required by the Disposition of Abandoned and Unclaimed Property Act (DAUPA), 72 P.S. Section 1301.9. According to the act, unclaimed property is any financial asset that has become dormant which no contact has been made with the owner after a statutory time period.

**Recommendation:** Since prudent efforts to properly disburse these funds have been exhausted by AAA/AS management for many of the dormant accounts, the funds should be transferred to the Fiscal Office. The management of the AAA/AS, working with the county Fiscal Officer and Law Department, should escheat the dormant client accounts. For dormant accounts where AAA/AS management is the court-appointed guardian, we recommend petitioning the court to release the county from guardianship prior to the escheatment of the dormant funds.

**Management's Response:** AAA/AS has been working with Attorneys from the Department of Law to resolve the distribution of funds from dormant client accounts. There is a distinction between dormant accounts for whom the agency was named as legal guardian and those which were representative payee only clients. A recent meeting with AAA/AS, the Controller's Office and Attorney Keller Kline from the Law Department was held. AAA/AS will follow Attorney Kline's direction for the distribution of these funds. Hopefully this issue can be resolved in a timely manner and a specific process for distribution will be developed for AAA/AS to follow going forward.

**Current Status:** AAA/AS management solicited the help of the Law Department and successfully disbursed a majority of the dormant account funds via escheatment to the Pennsylvania Treasury Department. However, there were five accounts with dormant funds that were not disbursed to the appropriate parties. Those dormant accounts are:


	Client Name	Account Balance
1	Jeffrey Mudd	\$ 2,603.23
2	Adolf Yerkes	2,423.41
3	Angela Zanette	595.27
4	Ann Speicher	2,162.19
5	George Washington	5,039.80
<b>Remaining dormant accounts (from audit):</b>		<b>\$12,823.90</b>

The Human Services Department/Office of Aging management will submit a legal requisition to properly disburse the remaining five dormant accounts.



COUNTY OF LEHIGH  
Department of Human Services

Kay L. Achenbach  
Director of Human Services

TO: Glenn Eckhart, County Controller  
FROM: Kay L. Achenbach, Director of Human Services   
DATE: October 17, 2016  
SUBJECT: Financial Audit of Area Agency on Aging/Adult Services

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The Lehigh County Department of Human Services and the Office of Aging and Adult Services very much appreciate the time spent and assistance given by the staff from the Controller's Office. Your assistance in rectifying the dormant accounts has resulted in the vast majority of accounts being successfully and appropriately disbursed.

The Department has submitted the legal requisition the Law Department and will follow the recommendations stemming from that request to disburse the remaining accounts. The Department will keep the Controller's Office apprised of actions recommended by the Law Department as we work toward finalizing these last few accounts.

The Department of Human Services and the Office of Aging and Adult Services look forward to further collaboration with the Controller's Office in future.