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**INDEPENDENT INTERNAL AUDITORS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Members of the Northampton County Council
John A. Brown, County Executive
County of Northampton, Pennsylvania

We have performed the procedures enumerated below, which were agreed to by County Council through Council Resolution Number 15-2014, solely to assist you with evaluating the effectiveness of the substance abuse treatment services provided by Community Education Centers, Inc. (CEC) within the Northampton County Jail. Management at the Jail is responsible for monitoring the effectiveness of CEC's programs on an on-going basis. This Agreed-Upon Procedures engagement was conducted in accordance with standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Procedures and Findings

1. **Procedures:** Provide an analysis of the samples and measures used to make the claims of the program's success. Are there additional measures that can be done:
 - a. Are people who have completed the CEC program and been arrested for a probation and/or parole violation counted in the recidivism rate?
 - b. Are people who have complete the CEC program in Northampton County, but either commit a new crime and/or are imprisoned for a probation or parole violation and subsequently sentenced to state prison by a Northampton County Judge included in the recidivism rate?

Findings:

- a. People who have reoffended after completion of the CEC program are not being counted in the data tracked by CEC. In February of 2014 the Director of Corrections Arnold Matos explained there was a 35% rate of participants in the program that reoffended after completion. Upon receiving the list of program participants from CEC the rate of re-offense was calculated to be 40.7%. This increase can be attributed to the gap between Mr. Matos' statement and the time data that was compiled for the Controller's office.

Upon review of the 283 inmates who completed the program without reoffending (245 in the Futures Program/38 in the Sister to Sister Program) there were 49 individuals identified that reoffended from that list who were counted by CEC as not reoffending. The individuals had criminal dockets listed in the Pennsylvania Department of Justice Portal after their discharge dates and all the charges were initiated after the person was released. Charges initiated while the person was still in jail (crimes that came to light after the person was already incarcerated) were not counted in this list because the person was receiving treatment and these acts happened before any treatment was rendered. These 49 individuals were not noted as reoffenders in any documents by CEC and in the summary pages of the data provided these individuals were considered successful graduates of the program.

In the futures program, of the 44 graduates that were identified, 47.7% (21) reoffended with drug or alcohol charges. Of those 44 it should also be noted that 3 of the people identified reoffended after the list was forwarded to me and 2 went beyond a 3 year look back limit incorporated by scientific studies into recidivism.

Taking into account a total review of the Sister to Sister and Futures Program only 49% of the program participants are successful in not reoffending.

Most surprising was that 2 of the 44 people listed as successfully completing the program were currently residing at Northampton County Prison at the time of the review for this report. These individuals should have been known to CEC at the time data was turned over to the Controller's Office.

It should be noted that incidents among inmates within the prison that take part in these programs are very low considering only 3.7% of the incidents since treatment began come from enrolled inmates. This saves costs and does promote safety in the prison for other inmates, guards and staff at the Jail.

- b. People who commit new crimes within Northampton County and are sent to the county jail or state prison are being picked up in the rates, but there were errors noted above that show those reoffending are not often captured.

Finding offenders using name and date of birth are easily tracked if they commit crimes in Pennsylvania. However, the tools available to the public do not facilitate tracking a person if they commit a crime outside the Commonwealth of Pennsylvania. This remains the case and I was not able to gain access to databases that keep such data because neither I nor any member of my staff was a member of law enforcement.

2. Procedures:

- a. How do people get referred to the program?
- b. What are the channels of referral?
- c. Can a person be enrolled more than once?

Findings:

- a. For the Therapeutic Community Programs (TC) inmates are referred by court order, inmate request or Jail management recommendation. Some inmates at the West Easton

Treatment Center are required to attend by court order; all inmates are encouraged to attend all or some of the programs. Inmates can be pre-screened based on their criminal history of continual recidivism in the Jail.

- b. A full-time CEC Assessment Counselor sits with every referral to read through a series of questions for the inmate to answer. The answers are scored by a rubric value and based on those scores, the inmate is either suitable or not suitable for the TC programs. The program's curriculum is set up to address various disciplines such as cognitive behavior, thinking errors, relapse prevention, anger management, life skills, fatherhood/motherhood, coping skills, problem solving strategies, re-entry preparation, women's recovery, etc.
 - c. An inmate may be enrolled more than once if Jail management and CEC program personnel believe that the inmate will benefit from the program. If an inmate is transferred to another county or leaves the unit for disciplinary reasons, medical isolation or medical/MH issues, their bed is held for up to 15 days before filling the bed. Typically though there are enough men completing the program or being transferred to the Work Release program that there are one or two open beds in case someone returns after the 15 day period.
3. **Procedure:** What are the salaries of all the staff and clinicians that provide services in Northampton County?

Findings: The various components of the contracts and contract extension agreements were reviewed to calculate the salary component for all County payments to CEC. From inception of Contract #08-104 beginning August 2008 through May 2014 for Contract #13-191, the total paid for salaries amounts to \$1,987,127 or 64.1% of the cumulative total paid to CEC to date. Per CEC, the current salaries of staffing at the various County programs is as follows:

Men's Program

Position	FTE	Current Salary
Director	1.0	47,500
Counselor	1.0	29,453
Counselor	1.0	28,184
Counselor	1.0	29,994
Counselor	1.0	28,080
Aftercare Counselor	1.0	30,847
Assessor	1.0	30,410
Administrative Assistant	1.0	26,998

Women's Program

Position	FTE	Current Salary
Senior Counselor	1.0	30,430
Senior Counselor	.5	OPEN
Aftercare Counselor	.5	17,550

West Easton Program

Position	FTE	Current Salary
Supervisor	1.0	35,000
Counselor	1.0	28,829
Counselor	1.0	29,350
Counselor	.5	18,070
Administrative Assistant	1.0	25,480

4. **Procedure:** How much of the money goes to CEC overhead that is not spent directly on the property?

Findings: The various components of the contracts and contract extension agreements were reviewed to calculate the overhead component for all County payments to CEC. In addition to salaries and benefits, the contract costs include “administrative expenses” and “admin allocation of direct expenses”.

The “administrative expenses” category, with the exception of the “insurance-liability” line item, represents costs that are spent directly on the property. “Insurance-liability” and “admin allocation of direct expenses” are shared CEC corporate indirect overhead costs and represent overhead not spent directly on the property. The “admin allocation of direct expenses” includes a profit margin.

The total paid to CEC from inception of Contract #08-104 beginning August 2008 through May 2014 for Contract #13-191 for overhead not spent directly on the property amounts to \$359,456 or 11.6% of the cumulative payments to CEC.

The total amount for CEC overhead that is not spent on the property for the first year of new Contract #13-191 amounts to \$15,885 for “insurance-liability” and \$67,906 for “admin allocation of direct expenses”, or 11.2% of the total current year contract costs.

5. **Procedure:** What do other prisons pay for the same or similar services from CEC?

Findings: Northampton County’s program is specially designed; therefore it was difficult to find other CEC clients with a comparable program. CEC did provide us with a list of clients; many of these clients using Therapeutic Community models are out of state and have a different number of beds than in Northampton County. In PA, many of CEC’s clients are

State Correctional Institutions and their programs are classified as "Intensive Outpatient" which is dissimilar to a Therapeutic Community program.

6. **Procedure:** Obtain a benchmark to determine if other prisons with similar programs pay the same or similar fees.

Findings: We conducted a survey of local Counties to determine if they ran programs similar to the one run by Northampton County. As noted above, our program was specially designed and includes Therapeutic Community modules for men and women in the main jail and a program at the West Easton Treatment Center which is not considered a Therapeutic Community. Most of the local Counties approached for the survey do not offer Therapeutic Communities. The only surveyed County which did is Chester County, but their program was extremely small and has recently been discontinued. Other Counties willing to provide us with program costs indicated that they spend less on Drug and Alcohol programs, but since they do not offer Therapeutic Communities, their programs are not comparable to ours. Although Berks County does not offer a Therapeutic Community model, they do treat approximately 270 inmates at a given time at an annual budgeted cost of \$112,000.

7. **Procedure:** Determine if there is competition in the market for services like CEC provides throughout the Commonwealth and nearby jurisdictions.

Findings: Our research revealed that there are a number of substance abuse providers that operate in Pennsylvania and nearby jurisdictions, but not all of them offer in-prison Therapeutic Community programs. CEC assisted us by providing a list of vendors they consider to be their competitors. We performed research on these and most of them did not indicate that they had any other clients in Pennsylvania. One vendor's website, however, Gaudenzia, indicated that they offer Therapeutic Community programs and that they have a number of clients in Pennsylvania. This vendor, however, did not submit a proposal to the County either in 2008 or in 2013 when RFPs were issued.

8. **Procedure:** Is the program accredited?

Findings: The programs operated by CEC within the Jail are not accredited in part because the Jail itself is not accredited. The new tower section of the Jail was built to the specifications necessary for accreditation but the older section of the Jail does not meet those specifications.

However, the same curricula used at Northampton County for the Therapeutic (TC) Communities programs and at the West Easton Treatment facility are used at other CEC locations that are accredited by the American Corrections Association. The curricula are tailored to specific population served at that site based on assessment protocol.

9. **Procedure:** If the program is accredited, is it considered the highest accreditation?

Findings: Yes. Accreditation by the American Corrections Association is the highest form of accreditation available.

10. **Procedure:** Is there an accreditation that CEC does not have that other providers do have?

Findings: While consulting with other counties about their programs to reduce recidivism, we did not come across accreditations that other providers have, that CEC does not have. At one time consideration was given to obtain licensing through the State Department of Drug and Alcohol for programs in the Jail. However the price increase would have been exorbitant because it would have mandated that staffing with counselors be at a ratio of one staff for every eight inmates.

11. **Procedure:** What percentage of our population is enrolled in the program(s) at any particular time?

Findings: Monthly census and participation data for 2013 was obtained from the Jail and CEC for the Future Foundations and Sister-to-Sister Therapeutic Community programs, as well as the West Easton Treatment Center. The percentage of Jail population enrolled each month is detailed in the tables below.

**Male Therapeutic Community – Future Foundations
 Northampton County Jail**

Month 2013	Avg. Male Census	Avg. Male Participation	Percent Enrolled
January	714	57.2	8.0%
February	752	63.1	8.4%
March	726	63.6	8.8%
April	719	62.2	8.7%
May	713	63.2	8.9%
June	725	62.1	8.6%
July	717	62.6	8.7%
August	724	62.8	8.7%
September	766	63.7	8.3%
October	793	63.2	8.0%
November	783	62.5	8.0%
December	743	63.7	8.6%

**Female Therapeutic Community – Sister-to-Sister
 Northampton County Jail**

Month 2013	Avg. Female Census	Avg. Female Participation	Percent Enrolled
January	92	19.0	20.7%
February	98	16.4	16.7%
March	91	13.4	14.7%
April	97	16.1	16.6%
May	92	19.8	21.5%
June	96	19.7	20.5%
July	95	19.4	20.4%
August	96	19.0	19.8%
September	104	18.5	17.8%
October	103	20.0	19.4%
November	103	18.9	18.3%
December	102	18.4	18.0%

**Continuum of Care – Substance Abuse & Domestic Difficulties
 West Easton Treatment Center**

Month 2013	Average Census	Average Participation	Percent Enrolled
January	88	66	75.0%
February	84	72	85.7%
March	67	65	97.0%
April	68	56	82.4%
May	68	54	79.4%
June	67	58	86.6%
July	55	48	87.3%
August	84	54	64.3%
September	74	63	85.1%
October	88	62	70.5%
November	66	53	80.3%
December	71	51	71.8%

12. **Procedure:** Is the money spent by Northampton County properly segregated and used only for rehabilitation in the Northampton County Department of Corrections?

Findings: CEC financial statements were obtained to determine the level of detail of financial reporting. CEC financial statements are consolidated statements and do not provide detail of costs for the various programs they run throughout the country. Money spent by Northampton County is not reported separately; therefore, the statements do not provide the detail necessary to make a determination as to whether or not money spent by the County is used only for rehabilitation at the County Department of Corrections.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the effectiveness of the substance abuse treatment services provided by Community Education Centers, Inc. (CEC) within the Northampton County Jail. 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 the management of the County of Northampton, Pennsylvania and is not intended to be and should not be used by anyone other than these specified parties.



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August 18, 2014

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