



RICHARD J. SZULBORSKI

CONTROLLER OF NORTHAMPTON COUNTY

NORTHAMPTON COUNTY COURTHOUSE
669 WASHINGTON STREET
EASTON, PENNSYLVANIA 18042

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**INDEPENDENT INTERNAL AUDITOR'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Members of the Northampton County Council
Lamont G. McClure, Jr., County Executive
County of Northampton, Pennsylvania

We have performed the procedures enumerated below, which were agreed to by the County of Northampton's Administration solely to assist you with evaluating the Hotel Room Rental Tax Remittances from License #102 Comfort Suites University for the period January 1, 2016 to December 31, 2017. County management is responsible for ensuring that Operators within Northampton County are collecting this tax from their guests and that Operators remit the tax they collect to the County. 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. Procedure: Determine if taxable revenues, exempt revenues and taxes due as reported are accurate.

Findings: We reviewed all 24 remittance forms submitted during the period and found:

- The Hotel was submitting the higher amount between the tax due and tax collected.
- The Hotel Operator was not including pet fees in their revenue amount.
- The Hotel Operator took two invalid exemptions.

2. Procedure: Determine if the Operator is using the latest version of the remittance form and that the form was fully completed in a proper and accurate manner.

Findings: We reviewed all 24 remittance forms submitted during the period and found:

- The proper remittance form was being used.
- There were six months with minor calculation errors.
- In 2017, there were two months that the taxable revenue was missing.
- All remittance forms were submitted in a timely manner.

INDEPENDENT INTERNAL AUDITOR'S REPORT
ON APPLYING AGREED-UPON PROCEDURES
Hotel Room Rental Tax Remittances – License #102 Comfort Suites University
January 1, 2016 – December 31, 2017
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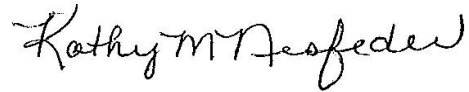
Based on the findings above, we determined that the License #102 Comfort Suites University owes Northampton County \$890.98 in hotel room taxes. See Exhibit 1 for additional tax due from the hotel.

We conducted this agreed-upon procedures engagement in accordance with generally accepted government auditing standards. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on Hotel Room Rental Tax Remittances from License #102 Comfort Suites University. Accordingly, we do not express such an opinion or conclusion. 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.



Richard J. Szulborski
County Controller



Kathy M. Nesfeder, CRMA, CFE
Auditor II

December 14 2018

cc: S. Barron, Director of Fiscal Affairs
N. Poplawski, Revenue Manager
T. Smith, Director of Department of Community and Economic Development
K. Collis, Community and Economic Development Specialist

COUNTY OF NORTHAMPTON
Hotel Room Rental Tax Remittances
License #102 Comfort Suites University
January 1, 2016 – December 31, 2017

Exhibit 1

<u>Date</u>	<u>Tax Remitted</u>	<u>Tax Calculated</u>	<u>Over/Under Payment</u>	<u>Interest</u>	<u>Amount Due to County</u>
January 2016	\$ 7,038.32	\$ 7,059.52	\$ (21.20)	\$ (10.49)	\$ (31.69)
February 2016	7,183.44	7,196.62	(13.18)	(6.33)	(19.51)
March 2016	7,743.50	7,760.30	(16.80)	(7.81)	(24.61)
April 2016	11,047.31	11,065.20	(17.89)	(8.05)	(25.94)
May 2016	11,733.29	11,748.49	(15.20)	(6.61)	(21.81)
June 2016	11,798.06	11,820.46	(22.40)	(9.41)	(31.81)
August 2016	14,168.35	14,187.55	(19.20)	(7.49)	(26.69)
September 2016	10,705.36	10,735.76	(30.40)	(11.40)	(41.80)
October 2016	11,462.70	11,499.74	(37.04)	(13.33)	(50.37)
November 2016	9,255.19	9,294.19	(39.00)	(13.45)	(52.45)
December 2016	8,231.72	8,260.12	(28.40)	(9.37)	(37.77)
Subtotal 2016	\$ 110,367.24	\$ 110,627.95	\$ (260.71)	\$ (103.74)	\$ (364.45)
January 2017	\$ 6,236.96	\$ 6,256.96	\$ (20.00)	\$ (6.30)	\$ (26.30)
February 2017	8,241.00	8,256.60	(15.60)	(4.68)	(20.28)
May 2017	11,194.86	11,228.46	(33.60)	(8.57)	(42.17)
June 2017	11,891.63	11,922.03	(30.40)	(7.29)	(37.69)
July 2017	11,209.22	11,243.62	(34.40)	(7.74)	(42.14)
August 2017	13,732.43	13,804.85	(72.42)	(15.21)	(87.63)
September 2017	10,958.85	11,038.05	(79.20)	(15.44)	(94.64)
October 2017	11,178.01	11,237.21	(59.20)	(10.66)	(69.86)
November 2017	9,829.55	9,896.69	(67.14)	(11.08)	(78.22)
December 2017	8,240.35	8,264.35	(24.00)	(3.60)	(27.60)
Subtotal 2017	\$ 102,712.86	\$ 103,148.82	\$ (435.96)	\$ (90.57)	\$ (526.53)
Grand Total	\$ 213,080.10	\$ 213,776.77	\$ (696.67)	\$ (194.31)	\$ (890.98)
Total Due					<u>\$ (890.98)</u>

COUNTY OF NORTHAMPTON
Hotel Room Rental Tax Remittances
License #102 Comfort Suites University
January 1, 2016 – December 31, 2017

Exhibit 1

Please send a check payable to the County of Northampton in the amount of \$890.98 and a copy of this statement to:

County of Northampton
Revenue Division, Attn. Nancy Poplawski
669 Washington Street
Easton, PA 18042

If you have any questions, call Nancy Poplawski at 610-829-6187.

Hotel License #102

Comfort Suites University
120 West 3rd Street
Bethlehem, PA 18015

Contact: Alis Bajan