

**County Controller**

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**Solicitor**

Robert A. Nitchkey, Jr., Esq.

**County Executive**

Lamont G. McClure, Jr.

**County Council**

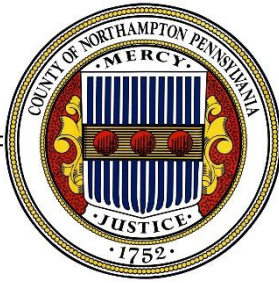
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Agreed-Upon Procedures  
Report

**HOTEL TAX GRANT -  
ARTSQUEST  
TURN AND GRIND  
SHOP AND  
COMMUNITY  
CULTURAL CENTER  
PROJECT**

As of December 31, 2021

**Office of the Controller  
County of Northampton  
Pennsylvania**



**RICHARD J. SZULBORSKI**

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Solicitor

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

Northampton County Commissioners  
Lamont G. McClure, Jr., County Executive  
County of Northampton, Pennsylvania

We have performed the procedures enumerated below, which were agreed to by the Department of Community and Economic Development (DCED) on administration and usage of the Hotel Tax Grant – ArtsQuest Turn and Grind Shop and Community Cultural Center Project. DCED management is responsible for the administration and usage of the Hotel Tax Grant. The sufficiency of these procedures is solely the responsibility of the parties specified in this report, who have acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves the practitioner performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed.

**Procedures and Findings**

1. **Procedure:** Confirm that funds were held in a separate FDIC-insured institution and that no bank fees were paid out of this account.

**Findings:** Funds are being held in a FDIC-insured institution and no bank fees were paid from this account.

2. **Procedure:** Confirm that all funds were expended by the end of the project terms. This step will only be performed in the final year of the grant.

**Findings:** This procedure will be completed at the end of the project.

3. **Procedure:** Inspect documentation maintained for all fund expenditures.
  - a. Confirm that all expenses are for the purposes outlined in the grant and any amendments.
  - b. Confirm that expenses are properly categorized and in line with the agreed-upon budget.
  - c. Ensure that project budgets were not modified without County approval.

**Findings:** There were no expenditures or budget amendments in 2021.

4. **Procedure:** Confirm that an Annual Report was submitted to the County as outlined in the grant agreement and any amendments. Ensure that all amounts included on the report are supported.

**Findings:** ArtsQuest submitted an annual report as outlined in the grant agreement.

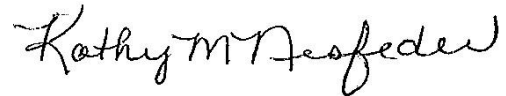
5. **Procedure:** Compliance – Confirm that the grantee has complied with all contracting requirements outlined in the grant and any amendments.

**Findings:** ArtsQuest did not execute any bids for either project in 2021.

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 the administration and usage of the Hotel Tax Grant – ArtsQuest Turn and Grind Shop and Community Cultural Center Project. 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. We are required to be independent of the responsible party and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to the agreed-upon procedures engagement.



Richard J. Szulborski  
County of Northampton Controller  
Easton, Pennsylvania



Kathy M. Nesfeder, CRMA, CFE  
Lead Auditor

August 1, 2022

cc: S. Barron, Director of Fiscal Affairs  
T. Smith, Director of DCED