



**STEPHEN J. BARRON, JR., CFE**

**CONTROLLER OF NORTHAMPTON COUNTY**

NORTHAMPTON COUNTY COURTHOUSE  
669 WASHINGTON STREET  
EASTON, PENNSYLVANIA 18042

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Audit Manager

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Solicitor

**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 the County of Northampton's Administration solely to assist you with evaluating the Hotel Room Rental Tax Remittances from License #107 – Wydnor Hall Inn for the period January 1, 2012 to December 31, 2013. 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. 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. **Procedure:** Determine if proper remittance forms are being used and postmarked by the 20<sup>th</sup> of each month.

**Findings:** We reviewed all remittance forms submitted for the period under review and found:

- The Operator continued to use the version of the form revised January, 2011 after the form was updated in May, 2013. However, the information required by these forms is identical, and the only update to the May, 2013 version was an explanation of Line 12 – Late Payment Penalty.
- No remittance form or payment was submitted for April, 2013.
- In 20 months, the remittance form was postmarked after the 20<sup>th</sup> of the month.
- In all months, one or more lines were left blank on the remittance form.

2. **Procedure:** Determine if taxable revenues, exempt revenues and taxes due as reported are accurate.

**Findings:** We reviewed 24 months of the Operator's financial records and found:

- In 22 months, taxable revenue per the Operator's financial records did not match taxable revenue reported to the County. In one month, taxable revenue per the Operator's records matched taxable revenue reported to the County, but the Operator remitted the lesser of actual taxes collected and calculated taxes due. In one month, no remittance form or payment was submitted.
- This Operator did not claim any exemptions for the period under review.
- Based on the findings above, we determined that Wydnor Hall Inn owes the County \$684.19 in unpaid hotel room rental taxes and interest. See Exhibit 1 for additional tax due the County including the calculation of interest.

3. **Procedures:** Determine if interest is calculated accurately and assessed for delinquent payments.

**Findings:**

- No delinquent letter was sent and no interest assessed for April, 2013.
- Interest was calculated accurately and assessed for all other late payments and was paid by the Operator.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the Hotel Room Rental Tax Remittances from License #107 Wydnor Hall Inn for the period January 1, 2012 to December 31, 2013. 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.



Stephen J. Barron, Jr., CFE  
County Controller



Stephanie Rath-Tickle  
Staff Auditor

December 29, 2014

cc: J. Hunter, Director of Fiscal Affairs  
N. Poplawski, Revenue Manager  
L. Sywensky, Deputy Director of Department of Community and Economic Development

COUNTY OF NORTHAMPTON  
Hotel Room Rental Tax Remittances  
License #107 Wydnor Hall Inn  
January 1, 2012 to December 31, 2013

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 Northampton County</u>
January 2012	131.47	95.84	35.63	0.00	35.63
February 2012	160.37	169.56	(9.19)	(4.55)	(13.74)
March 2012	137.33	146.99	(9.66)	(4.64)	(14.30)
April 2012	179.12	218.20	(39.08)	(18.17)	(57.25)
May 2012	198.35	195.28	3.07	0.00	3.07
June 2012	103.75	128.84	(25.09)	(10.91)	(36.00)
July 2012	151.32	152.22	(0.90)	(0.38)	(1.28)
August 2012	172.46	163.12	9.34	0.00	9.34
September 2012	197.00	214.72	(17.72)	(6.91)	(24.63)
October 2012	151.66	185.48	(33.82)	(12.68)	(46.50)
November 2012	121.02	117.72	3.30	0.00	3.30
December 2012	165.96	210.22	(44.26)	(15.27)	(59.53)
January 2013	65.99	70.96	(4.97)	(1.64)	(6.61)
February 2013	84.48	117.96	(33.48)	(10.55)	(44.03)
March 2013	49.47	57.20	(7.73)	(2.32)	(10.05)
April 2013	0.00	156.04	(156.04)	(44.47)	(200.51)
May 2013	122.07	123.36	(1.29)	(0.35)	(1.64)
June 2013	102.85	116.24	(13.39)	(3.41)	(16.80)
July 2013	170.49	189.16	(18.67)	(4.48)	(23.15)
August 2013	140.58	167.76	(27.18)	(6.12)	(33.30)
September 2013	147.53	212.40	(64.87)	(13.62)	(78.49)
October 2013	141.00	192.98	(51.98)	(10.14)	(62.12)
November 2013	68.43	76.80	(8.37)	(1.51)	(9.88)
December 2013	113.16	108.88	4.28	0.00	4.28
<b>Subtotal</b>	3,075.86	3,587.93	(512.07)	(172.12)	(684.19)
<b>Total Due</b>					(684.19)

COUNTY OF NORTHAMPTON  
Hotel Room Rental Tax Remittances  
License #107 Wydnor Hall Inn  
January 1, 2012 to December 31, 2013

Exhibit 1

Please send a check payable to the County of Northampton in the amount of \$684.19

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

If you have any questions, call Nancy Poplawski at 610-559-3116.

Hotel License # 107

Wydnor Hall Inn

3612 Old Philadelphia Pike  
Bethlehem, PA 18015

610-867-6851

Contact: Allyson Chryst