Prepared for

Monroe County Correctional Facility

Audit of

Monroe County Correctional Facility

Work Release, Inmate Welfare and Prisoner Account

For period ending December 31, 2025

Presented by

Erik Diemer
County Controller

Monroe County Correctional Facility
Work Release, Inmate Welfare and Prisoner Account
For period ending December 31, 2025

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OFFICE OF THE CONTROLLER
COUNTY OF MONROE
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Erik A. Diemer
Controller

Anne Howard
Deputy Controller

Jason R. Costanzo, Esq.
Solicitor

June 24, 2026

Board of Prison Inspectors
Monroe County Correctional Facility
4250 Manor Drive
Stroudsburg, PA 18360

Dear Members,

Transmitted herewith for your information is a copy of the audit of the Statement of Changes in Assets and Liabilities for the period ending December 31, 2025.

In line with the policy of this office under which all official audit reports are considered to be public information, once filed with the Prothonotary's Office of Monroe County, this report shall be a public document.

If you have any questions or comments, please do not hesitate to contact my office.

We would like to thank the staff at the Facility for their assistance and cooperation in helping us complete this audit.

Very truly yours,

Erik A. Diemer, Controller

OFFICE OF THE CONTROLLER

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June 24, 2026

Board of Prison Inspectors
Monroe County Correctional Facility
4250 Manor Drive
Stroudsburg, PA 18360

Dear Members,

We have performed an internal audit of the Statement of Changes in Assets and Liabilities of the Monroe County Correctional Facility Work Release, Inmate Welfare and Prisoner Accounts for the period ending December 31, 2025. These financial statements are the responsibility of the Monroe County Correctional Facility. Our responsibility is limited to the internal audit testing identified in the Scope of Internal Audit below.

As described in Note 3, the Monroe County Correctional Facility prepares their financial statements on a cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles.

SCOPE OF INTERNAL AUDIT

- Agree the Statement of Changes in Assets and Liabilities for the period ending December 31, 2025, to the books of record of the Monroe County Correctional Facility.
- Review bank reconciliations and confirm the December 31, 2025, cash balances.

CONCLUSIONS

During our audit we noted a control weakness of the bank reconciliation process.

Condition:

During our review of prisoner account disbursements, we identified two checks for which stop-payment orders had been issued after the payees reported non-receipt. Replacements checks were subsequently issued and negotiated. However, approximately nine months later, the original check also cleared the bank account. The duplicate disbursements were not identified through the monthly bank reconciliation process.

Upon discovery, management-initiated recovery efforts and the duplicate disbursements were subsequently recovered.

Criteria:

Monthly bank reconciliations should be prepared and reviewed in a timely manner to identify unusual transactions, duplicate payments, unauthorized disbursements, and discrepancies between accounting records and bank activity.

Cause:

Procedures for reviewing cleared checks and investigating unusual reconciling items during the bank reconciliation process were not sufficient to identify that previously stopped-payment checks subsequently cleared the account.

Effect:

Failure to detect duplicate disbursements in a timely manner increases the risk of financial loss and may delay recovery efforts. Additionally, errors or unauthorized transactions may remain undetected for extended periods.

Recommendation:

We recommend that management implement procedures to verify that stop-payment checks do not subsequently clear the bank account. Monthly bank reconciliations should include a review of all cleared checks and comparison to records of voided, replaced, or stop-payment checks. Any discrepancies identified during the reconciliation process should be promptly investigated and resolved to prevent duplicate disbursements and reduce the risk of financial loss.

Very truly yours,

Erik A. Diemer, Controller

MONROE COUNTY CORRECTIONAL FACILITY
WORK RELEASE ACCOUNT
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDING DECEMBER 31, 2025

	BALANCE 12/31/2023	DEPOSITS	CHECKS	BALANCE 12/31/2024
Assets				
Cash	$ 47.40	$ 4,563.00	$ 4,333.00	$ 277.40
Outstanding Deposit				
Outstanding Checks				-$230.00
Total Assets				$ 47.40
Liabilities				
Escrow Money	$ -	$ -	$ -	$ -
Total Liabilities				$ -
Assets over Liabilities				$ 47.40

First Northern Bank - opened November, 2014 Account 962783

Outstanding at 12/31/25

28 Checks issued

$80.00	7065
$150.00	7066
$230.00	

Account @ First Northern Bank opened with
$100.00 from Inmate Welfare Account (check #5370)
Deluxe Check Order = $52.60; $47.40 remains in account.

PRISONER ACCOUNT
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDING DECEMBER 31, 2025

	BALANCE 12/31/2024	DEPOSITS	CHECKS/ DEBITS	REC. BALANCE 12/31/2025
Assets				
Cash in Bank	$ 99,256.60	$ 641,649.20	$ 625,711.86	$ **115,193.94**
Outstanding Deposits				$3,498.00
Outstanding Checks				$ (29,766.58)
Total Reconciled Assets				$ 88,925.36
Liabilities				
Haircuts				$ -
Money Order Fee				$ -
Medical Co-Pay				$ -
Phone				$ 22,516.00
Commissary				$ (3,511.53)
Commissary Commissions				$ (1,876.86)
Inmate Account Balance				$ 63,482.42
Restitutions				$ -
Acct Reconciliation				$ -
ATM FEES				$ 982.50
Lock Withdrawals				$ -
Miscellaneous (Razors)				
Total Liabilities				$ 81,592.53
Assets over Liabilities				$ 7,332.83

First Norhern Bank
Account #xxxxx2767

	Outstanding Deposits
	$ 3,498.00
Recovered Overpayment (Oasis) June 2026	$ 8,764.09
	$ 12,262.09

344 Checks Paid /All checks require, and contained, two authorized signature.

Outstanding Checks		
8787	$	5.00
8790	$	35.95
10035	$	30.00
10088	$	7.00
10093	$	9.62
10115	$	24.10
10120	$	154.25
10148	$	173.10
10159	$	6.30

10162	$	7.60
10189	$	23.00
10334	$	0.80
10354	$	8.50
10495	$	12.40
10523	$	6.00
10557	$	3.85
10606	$	30.00
10662	$	10.75
10773	$	24.30
10913	$	20.00
10932	$	5.60
10964	$	4.50
11006	$	7.00
11047	$	11.15
11088	$	2,302.59
11089	$	89.95
11091	$	13.00
9000	$	1,840.59
9004	$	1,975.03
9005	$	42.50
9006	$	26.00
9007	$	500.00
9008	$	3,751.21
9009	$	2,000.60
9010	$	4,132.35
9011	$	2,203.79
9012	$	3,649.21
9013	$	1,945.42
9014	$	66.69
9015	$	3,007.87
9016	$	1,599.01
	$	**29,766.58**

MONROE COUNTY CORRECTIONAL FACILITY
INMATE WELFARE ACCOUNT
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDING DECEMBER 31, 2025

	BALANCE 12/31/2024	DEPOSITS	WITHDRAWALS	BALANCE 12/31/2025
Assets:				
Cash	$ 2,126,993.72	$ 303,201.65	$ 289,718.96	$ 2,140,476.41
Outstanding Checks				$ (3,598.32)
Reconciling Adjustment				$ 0.07
Outstanding Deposit				$ 900.00
Total Reconciled Assets				$ 2,137,778.16

Liabilities:		
Due to County (Q1, Q2, Q3, Q4 2025 D & A)	*Paid 2026*	$ 100,223.13
Due to Vendors		$ -
Total Liabilities		$ 100,223.13
Assets over Liabilites		$ 2,037,555.03

Due to Vendors reflects the amount due for various supplies of inmate materials.

174 - Checks Issued
22 - Invoice reviewed

Due to Vendors

	$ -
	$ -
	$ -
	$ -

Outstanding Checks

AI Mental Health	$ 950.00	6933	2024
	$ 948.32	7172	
AI Mental Health	$ 1,700.00	7173	
	3,598.32		

Monroe County Correctional Facility
Work Release, Inmate Welfare and Prisoner Account
For period ending December 31, 2025

Notes to the Financial Statements

NOTE 1 – REPORTING ENTITY

The Monroe County Correctional Facility is responsible for the herein-described Accounts.

The Monroe County Correctional Facility administers the Work Release, Prisoner, and Inmate Welfare Accounts. Work release earnings and inmate deposits are maintained for the benefit of inmates and may be used for the authorized expenditures and incidental purchases.

The financial activities of the Monroe County Correctional Facility are included in the Monroe County audit. As such, all results of the Monroe County Correctional Facility accounts are reported in the accounts of the County.

NOTE 2 – SCOPE OF THE EXAMINATION

The scope of the audit did not include sufficient examination with respect to the financial statements and records for the preceding period to enable us to, and we do not express an opinion on the consistency of application of accounting principles for any prior periods.

This report pertains to the period ending December 31, 2025. The internal audit procedures performed were limited to the period covered by this report. Internal audit procedures performed were limited to those identified in the Scope of Internal Audit in the Audit Report.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The books and records of the Correctional Facility are maintained on the cash basis of accounting and, therefore, the financial statements presented herein do not purport to present the results of operations in conformity with generally accepted accounting principles.

Receipts are recorded when monies are received. Disbursements are recorded when monies are paid. As previously stated, the cash basis of accounting differs from generally accepted accounting principles. Under generally accepted accounting principles, revenues are recognized in the period earned, and expenditures are recognized in the period incurred, which gives effect to accounts receivable, accounts payable and accrued items.

NOTE 4 – CASH

The Correctional Facility maintains three bank accounts related to inmate activities and funds. Two accounts are non-interest-bearing, and one account is interest- bearing. Receipts and disbursements are processed through these accounts in accordance with established procedures

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June 24, 2026

Board of Prison Inspectors
Monroe County Correctional Facility
4250 Manor Drive
Stroudsburg, PA 18360

Dear Members,

We have performed the audit of the Monroe County Correctional Facility Bank Accounts for the period ending December 31, 2025, and have issued our report thereon dated June 24, 2026. In planning and performing our audit we considered the internal control structure of the Monroe County Correctional Facility in order to determine the extent of our internal auditing procedures and not to provide assurance on the internal control structure. We have not considered the internal control structure since the date of our report.

During our audit, we noted weaknesses in the monthly bank reconciliation review process. Specifically, duplicate disbursements resulting from previously stopped payment checks clearing the account were not detected in a timely manner. We recommend management strengthen controls over the preparation, review, and documentation of monthly bank reconciliations and implement procedures to monitor stop-payment activity.

Very truly yours,

Erik A. Diemer, Controller

Monroe County Correctional Facility
Work Release, Inmate Welfare and Prisoner Account
For the period ending December 31, 2025

Audit Distribution List

1. John D. Christy, President, Prison Board of Inspectors
2. David Parker, Vice Chairman
3. Sharon Laverdure, Commissioner
4. Michael Mancuso, Esquire, District Attorney
5. President Judge Jonathan Mark
6. Nicholas Cirranello, Sheriff
7. Eugene Ruddy, Warden
8. Lea Baylor, Director of Treatment
9. James Fareri, Solicitor
10. Robert Gress, Chief Clerk
11. Prothonotary
12. Audit File