



COUNTY OF LEHIGH  
OFFICE OF THE CONTROLLER

LEHIGH COUNTY GOVERNMENT CENTER  
17 SOUTH SEVENTH STREET  
ALLENTOWN, PA 18101-2400  
(610) 782-3082 FAX: (610) 820-3335

THOMAS SLONAKER  
COUNTY CONTROLLER

JOHN A. FALK  
DEPUTY CONTROLLER

September 11, 2010

Tim Rogan, Tax Department  
R-Roof III, LLC-7110  
The Red Roof Building  
605 Front Street  
Columbus, OH 43215-5777

Brian Kahler, Fiscal Officer  
Lehigh County Government Center  
17 South Seventh Street  
Allentown, PA 18101-2400

**RE: Red Roof Inn  
1846 Catasauqua Road  
Allentown, PA 18109**

To Messrs. Rogan and Kahler:

We have recently completed an agreed-upon procedures engagement of hotel room rental tax remitted by Red Roof Inn for the period January 1 to December 31, 2009. Our report number 10-51 is attached.

The result of our review is \$343.11 in hotel room rental tax was assessed.

The corresponding HOTEL TAX "DETERMINATION" from Mr. Kahler requesting payment of \$343.11 is also attached.



Thomas Slonaker  
County Controller

Attachments

**COUNTY OF LEHIGH, PENNSYLVANIA**  
**HOTEL ROOM RENTAL TAX REMITTANCES**  
**RED ROOF INN**

*Independent Controller's Office Report on  
Applying Agreed-Upon Procedures  
For the Period January 1 to December 31, 2009*

REPORT NO. 10-51

COUNTY OF LEHIGH, PENNSYLVANIA  
HOTEL ROOM RENTAL TAX REMITTANCES  
RED ROOF INN

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**RE: Red Roof Inn  
1846 Catasauqua Road  
Allentown, PA 18109**

To Messrs. Rogan and Kahler:

Pursuant to Act 12 of 2005, section 1770.8 to the County Code, Lehigh County Ordinance #2005-180 and the Lehigh County Hotel Room Rental Tax Rules and Regulations effective September 4, 2005, a four percent hotel room rental tax shall be collected and remitted to the Lehigh County fiscal officer. We have performed certain procedures enumerated below, which were agreed to by the Lehigh County fiscal officer, solely to assist the county fiscal officer in determining the accuracy of hotel room rental tax remittances made by the Red Roof Inn management for the period January 1 to December 31, 2009. The fiscal officer, as the delegate for the County Executive, is responsible for the collection of the hotel room rental tax.

Procedures performed included:

- Verification of reported revenue to Form PA-3 submitted to the Commonwealth of Pennsylvania, Department of Revenue.

***NOTE:** Form PA-3 was not used to verify reported revenue since consolidated returns reporting multiple locations are filed. As an alternative, we used hotel revenue reports to verify amounts.*

- Compliance to the County of Lehigh Rules and Regulations for hotel room rental tax collection.
- Verification of reported revenue and hotel room rental tax collections to hotel operator accounting records.



This agreed-upon procedures engagement was conducted in accordance with generally accepted government auditing standards and "Government Auditing Standards" as issued by the United States Government Accountability Office (GAO) and "Statements on Standards for Attestation Engagements" as issued by the American Institute for Certified Public Accountants (AICPA). The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures performed.

Reported taxable revenues of \$1,451,650.06 resulted in \$58,066.01 in hotel tax payable to the County of Lehigh during the period under review (before adjustments). Based on our review, additional tax and interest is due for:

Exemption adjustment	\$ 9.97
Remittance adjustment	<u>333.14</u>
Total .....	\$ 343.11 =====

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on hotel room rental tax collections. 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 county fiscal officer and management of the County of Lehigh and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

  
Thomas Slonaker  
County Controller

Attachment

August 24, 2010  
Allentown, PA

Final Distribution

Board of Commissioners  
Donald T. Cunningham, Jr., County Executive  
William Fritz, General Manager, Red Roof Inn