



# **COREY O'CONNOR**

## **Allegheny County Controller**

**INDEPENDENT AUDITOR'S REPORT ON  
INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

**ALLEGHENY COUNTY HEALTH DEPARTMENT  
TITLE V AIR QUALITY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**ISSUED: AUGUST 28, 2025**

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# COUNTY OF ALLEGHENY

## OFFICE OF THE CONTROLLER

104 COURTHOUSE • 436 GRANT STREET  
PITTSBURGH, PA 15219-2498  
PHONE (412) 350-4660 • (412) 350-3006

August 28, 2025

Dr. Iulia Vann  
Director  
Allegheny County Health Department  
542 4<sup>th</sup> Avenue  
Pittsburgh, PA 15219

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

Dear Dr. Vann:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Title V Air Quality Fund of the Allegheny County Health Department ("ACHD") as of and for the year ended December 31, 2024 and have issued our report thereon dated August 28, 2025.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered ACHD's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ACHD's internal control. Accordingly, we do not express an opinion on the effectiveness of ACHD's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the ACHD's Title V Air Quality Fund financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 24-01 and 24-02.

### **Allegheny County Health Department's Response to Findings**


*Government Auditing Standards* requires the auditor to perform limited procedures on the ACHD's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The ACHD's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Dr. Iulia Vann  
August 28, 2025

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kind regards,



Corey O'Connor  
Controller



Lori A. Churilla  
Assistant Deputy Controller, Auditing

cc:      Honorable Patrick Catena, President, County Council  
            Honorable John F. Palmiere, Vice-President, County Council  
            Honorable Sara Innamorato, County Executive, Allegheny County  
            Mr. John Fournier, County Manager  
            Mr. Grant Gittlen, Chief of Staff, Allegheny County  
            Mr. Tim Cox, Director, Budget and Finance  
            Mr. Kenneth J. Varhola, Chief of Staff, County Council  
            Ms. Sarah Roka, Budget Manager, County Council  
            Ms. Kim Joyce, Chief Operations Officer, ACHD  
            Ms. Stacie Perez, Finance Manager, ACHD

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CONTROLLER, COUNTY OF ALLEGHENY  
104 COURTHOUSE  
PITTSBURGH, PENNSYLVANIA 15219

**ALLEGHENY COUNTY HEALTH DEPARTMENT**  
**TITLE V AIR QUALITY FUND**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**FINDING 24-01      FAILURE TO ISSUE OR DENY TITLE V OPERATING PERMITS WITHIN 18 MONTHS**

Criteria: Title V Section 503(c) of the Clean Air Act indicates that permitting authorities “shall approve or disapprove a completed [Title V operating permit] application, and shall issue or deny the permit, within 18 months after the date of receipt thereof.”

Condition: As of December 31, 2024, the ACHD had not issued or denied Title V operating permits for six of the 28 Title V sources in Allegheny County (21%) within 18 months from the date that complete permit applications were received. (Most Title V sources are major sources. A major source is generally a stationary source of air pollutants that directly emits or has the potential to emit 100 tons per year of any air pollutant, 50 tons per year of volatile organic compounds, 10 tons per year of any hazardous air pollutant, or 25 tons per year of a combination of hazardous air pollutants. Some sources that are not major sources may be required to comply with Title V permitting requirements.) The six Title V sources were:

- Springdale Energy (formerly Allegheny Energy Supply, renewal application received 1/13/22),
- Universal Stainless and Alloy Products (renewal application received 5/20/22),
- PPG Industries Springdale (renewal application received 12/8/22),
- LHT Coraopolis Terminals (renewal application received 12/21/22),
- Chambers Development Company, Inc. (renewal application received 2/27/23), and
- ATI Flat Rolled Products Holdings (installation permit application received 10/17/23, when combined with the operating permit application received 7/8/13, is deemed by the ACHD to contain all required Title V permit application elements)

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CONTROLLER, COUNTY OF ALLEGHENY  
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**ALLEGHENY COUNTY HEALTH DEPARTMENT**  
**TITLE V AIR QUALITY FUND**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**FINDING 24-01      FAILURE TO ISSUE OR DENY TITLE V OPERATING PERMITS WITHIN 18 MONTHS (CONTINUED)**

The failure to issue or deny Title V operating permits within 18 months is a repeat finding, first reported in our report on the year ended December 31, 2014.

We observed that the Title V operating permits for Chambers Development Company, Inc., Universal Stainless and Alloy Products, and LHT Coraopolis Terminals were issued by the ACHD on June 26, 2025, July 23, 2025, and August 13, 2025, respectively. We also observed that the ACHD has already prepared draft Title V operating permits for the other three major sources. ACHD management has advised us that the draft PPG Industries Springdale Title V operating permit has been submitted to the EPA for review, that the ACHD is currently reviewing the public comments received in connection with the draft ATI Flat Rolled Products Holdings Title V operating permit, and that the draft Springdale Energy Title V operating permit has already been released for public comment a third time as was requested by the EPA.

Cause:                      The initial backlog in the processing of Title V operating permit applications is believed to have been attributable to a variety of factors, including understaffing of the permitting function and lack of an integrated data gathering and tracking system. The ACHD is still attempting to resolve these issues.

The ACHD has had a part-time administrative assistant on staff since 2023. The administrative assistant has been performing non-engineering tasks that the permitting engineers were previously required to perform, allowing the engineers to focus exclusively on engineering tasks. Because the utilization of an administrative assistant has been so beneficial, the ACHD has elected to terminate the part-time position, and has hired an individual to serve as a full-time administrative assistant. The individual will start work in September of

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**ALLEGHENY COUNTY HEALTH DEPARTMENT**  
**TITLE V AIR QUALITY FUND**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**FINDING 24-01      FAILURE TO ISSUE OR DENY TITLE V OPERATING PERMITS WITHIN 18 MONTHS (CONTINUED)**

2025. One full-time permitting engineer left the County's employ during March of 2025, but ACHD management has advised us that it has already identified and hired a new full-time permitting engineer who started work in July of 2025. ACHD management advised us that it perceives the permitting function to still be one FTE short and would like to add another full-time permitting engineer if possible.

The ACHD's new software system is being used for permit processing, but the permit tracking functionality of the system still requires further development.

Effect: While it appears that progress is being made, the ACHD is still not fully compliant with Section 503(c) of the Clean Air Act.

Recommendations: We recommend that ACHD management continue to take measures to bring ACHD into compliance with the Clean Air Act. This should include:

- Continuing to exert efforts to ensure Title V operating permits are issued (or denied) within the 18-month time parameter established by the Clean Air Act, which involves continuing to address and resolve the backlog of Title V operating permits,
- Continuing to put forth efforts to ensure that adequate personnel resources are allocated to permit processing, and
- Continuing to enter new data into the new software system to facilitate data gathering and more effective tracking of permits.

Management's  
Response:

Management's response begins on page 9.



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CONTROLLER, COUNTY OF ALLEGHENY  
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**ALLEGHENY COUNTY HEALTH DEPARTMENT**  
**TITLE V AIR QUALITY FUND**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**FINDING 24-02      IMPROPER USE OF TITLE V FUND RESOURCES**

**Criteria:** Section 502 of the Clean Air Act governs the administration of major source permitting programs. Section 502(b)(3)(C)(iii) of the Act stipulates that “any fee required to be collected by a State, local, or interstate agency under this subsection shall be utilized solely to cover all reasonable (direct and indirect) costs required to support the permit program”.

**Condition:** At December 31, 2024 the Title V Air Quality Fund had balances of \$880,049 due from the Air Pollution Control Fund, \$62,948 due from the 2019/2022 PM 2.5 Fund, \$30,873 due from the 2023/2027 Public Health Workforce Fund, and \$6,926 due from the 2020/2022 National Air Toxics Trend Station Fund (\$980,796 in the aggregate) that were attributable to unreimbursed payroll cross-charges and uncorrected prior year cross-charge errors. Specifically, County payroll expenditures unrelated to the administration of the major source permitting program were paid with Title V Air Quality Fund cash without the Fund being reimbursed timely. This finding was also reported in our audit reports for the years ended December 31, 2023, 2022 and 2021.

**Cause:** The ACHD did not implement the corrective action that it advised us it would implement in connection with our 2023 audit.

**Effect:** The Allegheny County Health Department has not complied with section 502(b)(3)(C)(iii) of the Clean Air Act in that it has used Title V Air Quality Fund resources to finance County expenditures that were unrelated to the major source permitting program.

**Recommendation:** We recommend that ACHD management reimburse the Title V Air Quality Fund for the balance of the County expenditures charged to the Fund that do not relate to the major source permitting program. Going forward, any such amounts due to the Title V Air Quality Fund should be repaid timely to ensure compliance with the Clean Air Act.

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**TITLE V AIR QUALITY FUND**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**FINDING 24-02      IMPROPER USE OF TITLE V FUND RESOURCES**

Management's  
Response:

Management's response begins on page 9.

COUNTY OF



ALLEGHENY

SARA INNAMORATO  
COUNTY EXECUTIVE

August 28, 2025

Corey O'Connor  
Controller  
County of Allegheny  
436 Grant Street  
Pittsburgh, PA 15219

Dear Mr. O'Connor:

Please find attached the Allegheny County Health Department's responses to the findings identified in your recent Audit of the Title V Air Quality Fund. If you have any questions or need additional information, please let me know.

Sincerely,

Iulia Vann, MD, MPH  
Director, Allegheny County Health Department



IULIA VANN, MD, MPH, DIRECTOR  
**ALLEGHENY COUNTY HEALTH DEPARTMENT**  
542 FOURTH AVENUE • PITTSBURGH, PA 15219  
PHONE (412) 687-ACHD (2243) • FAX (412) 578-8325  
[WWW.ALLEGHENYCOUNTY.US/HEALTHDEPARTMENT](http://WWW.ALLEGHENYCOUNTY.US/HEALTHDEPARTMENT)

**FINDING 24-01: FAILURE TO ISSUE OR DENY TITLE V OPERATING PERMITS WITHIN 18 MONTHS**

**MANAGEMENT RESPONSE:**

Management agrees with the findings and recommendation.

**A. Respondent: (Name, Title, Department, Address and Telephone number):**

Geoff Rabinowitz, Deputy Director, Bureau of Environmental Health, ACHD, 836 Fulton Street, Pittsburgh, PA 15233, (412) 578-8183

**B. Corrective action steps taken and/or planned:**

Thank you for recognizing the improvements that the ACHD Air Quality program have achieved over the past year. The ACHD Air Quality program continues to work on both reducing the Title V permitting backlog and meeting the 180-day time frame to issue permits. The current outstanding Title V permits, as are enumerated within this 2024 Title V Audit, are all within the process to be issued (either already drafted and awaiting the US EPA 45-day review, published for Public Comment, or have already gone through Public Comment and the response to comment document and final permit language is being developed). Unless there is an unexpected issue that arises, such as a comment(s) from the US EPA during their 45-day review, all remaining Title V permits are anticipated to be issued by end of the first quarter of 2026. Also, it should be noted that while not part of this audit, the Air Quality Permitting program has worked diligently to greatly reduce the backlog of the non-Title-V permits, which is now below 10%.

Facility/Permit	Anticipated Date of Final Agency Action	Comments
<b>In Public Comment or Issued</b>		
PPG Springdale	September 2025	In EPA 45-day review
Allied Waste Imperial Landfill		Permit issued July 25, 2025
LHT Coraopolis (Pittsburgh Terminals)		Permit issued August 13, 2025
Universal Stainless		Permit issued July 23, 2025
ATI Flat Rolled Products	November 2025	Finalizing comments for EPA 45-day review
Springdale Energy	December 2024	Finalizing comments for EPA 45-day review

**C. Timeline of dates for performance of planned corrective action steps including completion date:**

March 2026

**D. Description of monitoring to be performed to ensure corrective action steps are taken:**

Monthly permitting check-ins to verify that permit progress is continuing and that new permits/ permit renewals are being processed in a timely manner. Additionally, it will be explored if the REP system can generate a report on days in process for permit applications. If so, this will be utilized as the main verification point.

## **FINDING 24-02: IMPROPER USE OF TITLE V FUND RESOURCES**

### **MANAGEMENT RESPONSE:**

Management agrees with the findings and recommendation.

A. **Respondent: (Name, Title, Department, Address and Telephone number):**

Steve Rickrode, Deputy Director, Administration, ACHD, 542 4<sup>th</sup> Avenue, Pittsburgh, PA 15219, (412) 578-8090

B. **Corrective action steps taken and/or planned:**

ACHD Finance Team reviewed the relevant cross-charges. It was determined there are timing errors due to how the Finance Team is required to process and record transactions to comply with County policy. The Salary/Fringe account transactions were recorded in the respective year; cash entry was not. Per the Controller's Office, since cash cannot be backdated, unless there is an alternative, this will be an on-going issue.

Additionally, in June 2025, Health Fiscal implemented a new cross charge process utilizing NOVATime. The change will allow financial analysts to process journal entries timely. For year-end purposes, ACHD Finance will implement a period closing review process for cross charges, and any resulting "due tos" and "due froms," to account for them more reasonably in coordination with the Controller's Office.

ACHD Finance Team is in the process of completing corrections the misapplied permit fees. The ACHD Finance team is working with the Air Program to establish a Standard Operating Procedure that will aid in any re-categorizations of revenue posted after the original payment is received and recorded.

C. **Timeline of dates for performance of planned corrective action steps including completion date:**

December 31, 2025

D. **Description of monitoring to be performed to ensure corrective action steps are taken:**

ACHD Finance Manager, Grants Manager, and Deputy Director, Administration, will monitor the cross-charging methodology and entries for compliance.