



**NIGHT COURT 12-0-00
DAUPHIN COUNTY
EXAMINATION REPORT
FOR THE PERIOD
JANUARY 1, 2007 TO DECEMBER 31, 2010**

COMMONWEALTH OF PENNSYLVANIA

EUGENE A. DEPASQUALE - AUDITOR GENERAL

DEPARTMENT OF THE AUDITOR GENERAL



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EUGENE A. DePASQUALE
AUDITOR GENERAL

Independent Auditor's Report

The Honorable Daniel P. Meuser
Secretary
Pennsylvania Department of Revenue
Harrisburg, PA 17128

We have examined the accompanying statement of receipts and disbursements (Statement) of Night Court 12-0-00, Dauphin County, Pennsylvania (District Court), for the period January 1, 2007 to December 31, 2010, pursuant to the requirements of Section 401(c) of *The Fiscal Code*, 72 P.S. § 401(c). This Statement is the responsibility of the Night Court's management. Our responsibility is to express an opinion on this Statement based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. An examination includes examining, on a test basis, evidence supporting the Statement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

We are mandated by Section 401(c) of *The Fiscal Code* to audit the accounts of each district court to determine whether all moneys collected on behalf of the Commonwealth have been correctly assessed, reported and promptly remitted. *Government Auditing Standards* issued by the Comptroller General of the United States include attestation engagements as a separate type of audit. An attestation engagement performed pursuant to *Government Auditing Standards* involves additional standards that exceed the standards provided by the American Institute of Certified Public Accountants. Accordingly, this attestation engagement complies with both *Government Auditing Standards* and Section 401(c) of *The Fiscal Code*.

Independent Auditor's Report (Continued)

In our opinion, the Statement referred to above presents, in all material respects, the operations of the Night Court as it pertains to receipts made on behalf of the Commonwealth for the period January 1, 2007 to December 31, 2010, in conformity with the criteria set forth in Note 1.

In accordance with *Government Auditing Standards*, we are required to report findings of significant deficiencies in internal control, violations of provisions of contracts or grant agreements, and abuse that are material to the Statement and any fraud and illegal acts that are more than inconsequential that come to our attention during our examination. We are also required to obtain the views of management on those matters. We performed our examination to express an opinion on whether the Statement is presented in accordance with the criteria described above and not for the purpose of expressing an opinion on the internal control over reporting on the Statement or on compliance and other matters; accordingly, we express no such opinions.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Night Court's ability to initiate, authorize, record, process, or report data reliably in accordance with the applicable criteria such that there is more than a remote likelihood that a misstatement of the Night Court's Statement that is more than inconsequential will not be prevented or detected by the Night Court's internal control. We consider the deficiency described in the finding below to be a significant deficiency in internal control over the reporting on the Statement:

- Inadequate Internal Controls Over Manual Receipts.

A material weakness is a significant deficiency or combination of significant deficiencies that results in more than a remote likelihood that a material misstatement of the Statement will not be prevented or detected by the Night Court's internal control. Our consideration of the internal control over reporting on the Statement would not necessarily disclose all matters in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We consider the significant deficiency described above to be a material weakness.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Pennsylvania Department of Revenue, the Administrative Office of Pennsylvania Courts, and the Night Court and is not intended to be and should not be used by anyone other than these specified parties.



August 15, 2013

EUGENE A. DEPASQUALE
Auditor General

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NIGHT COURT 12-0-00
 DAUPHIN COUNTY
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2007 TO DECEMBER 31, 2010

Receipts (Note 2)		\$904,348.41
District Court 09-1-02	\$ 111.00	
District Court 12-1-01	77,428.32	
District Court 12-1-02	132,700.74	
District Court 12-1-03	103,698.84	
District Court 12-1-04	90,858.20	
District Court 12-1-05	153,139.83	
District Court 12-1-06	16,354.44	
District Court 12-2-01	61,523.24	
District Court 12-2-02	29,488.22	
District Court 12-2-03	13,288.57	
District Court 12-2-04	48,948.06	
District Court 12-2-05	70,786.13	
District Court 12-3-01	5,207.40	
District Court 12-3-02	11,366.20	
District Court 12-3-03	67,526.55	
District Court 12-3-04	17,540.50	
District Court 12-3-05	3,769.17	
Dauphin County Clerk of the Court of Common Pleas	613.00	
Total Disbursements (Note 3)		\$ (904,348.41)
Balance of receipts versus disbursements for the period January 1 2007 to December 2010		\$ -

Notes to the Statement of Receipts and Disbursements are an integral part of this report.

NIGHT COURT 12-0-00
DAUPHIN COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2007 TO DECEMBER 31, 2010

1. Criteria

The Statement of Receipts and Disbursements provides a summary of receipts and disbursements by category. The categories and the amounts of fines, costs, fees, and surcharges assessed are based on Pennsylvania laws and regulations.

The Statement was prepared in accordance with reporting requirements prescribed by the Pennsylvania Department of Revenue. Under this method, only the Commonwealth portion of cash receipts and disbursements are presented, revenues are recognized when received, and expenditures are recognized when paid.

The money collected by Night Court 12-0-00 is disbursed to the district courts and the Clerk of the Court, as listed on the Statement. Commonwealth money is subsequently disbursed to the Department of Revenue by these offices.

2. Receipts

Receipts consist of collections on behalf of the district courts in Dauphin County and Dauphin County Clerk of the Court of Common Pleas.

3. Disbursements

Disbursements consist of collections on behalf of district courts in Dauphin County and Dauphin County Clerk of The Court of Common Pleas.

4. Magisterial District Judges Serving During Examination Period

This is a central arraignment court where all of the “on call” Magisterial Judges in Dauphin County perform their duties in the evenings and on the weekends. Therefore, various magisterial judges served at Night Court 12-0-00 for the period January 1, 2007 to December 31, 2010.

5. Deputy Court Administrator’s Serving During Examination Period

Robert Hawley served as Deputy Court Administrator at Night Court 12-0-00 for the period January 1, 2006 to May 31, 2008.

The Deputy Court Administrator’s position at Night Court 12-0-00 was vacant for the period June 1, 2008 to January 1, 2009.

Troy Petery served as Deputy Court Administrator at Night Court 12-0-00 for the period February 1, 2009 to December 31, 2010.

NIGHT COURT 12-0-00
DAUPHIN COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
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Finding - Inadequate Internal Controls Over Manual Receipts

The Administrative Office of Pennsylvania Courts' (AOPC) policies require computer downtime manual receipts to be issued in the event of a temporary power loss to the district court's computer system. When the computer system is operating again, the computer downtime manual receipt is replaced by an official computer-generated receipt and included in the daily receipts. When the AOPC's policies are not followed, the possibility that funds received by the District Court could be lost or misappropriated increases significantly.

Our examination disclosed that required computer downtime manual receipt procedures were not always followed. We noted the following:

- There were five computer downtime manual receipts that could not be located and were not available for our examination.
- Computer downtime manual receipts were not issued in numerical sequence.

The *Magisterial District Judge Automated Office Clerical Procedures Manual* (Manual) establishes the uniform written internal control policies and procedures for all district courts. The Manual requires that downtime manual receipts be issued in the event of a temporary power loss to the computer system. When the computer system is not operational, the receipt and log sheet should be filled out for each receipt number and the initials of the employee receiving the payment should be documented on the log sheet. The receipts should be used in numerical order; the log sheet should be filled out using the appropriate receipt number; a copy of that receipt should be given to the remitter; and the second copy of the receipt should be kept, along with the associated log, in a secure location. When the computer system is running again, the second copy of the receipt should be attached to the new system-generated receipt and placed in the case file and the date the payment was entered into the system should be documented on the log sheet. Additionally, the Manual requires that when a manual receipt number is issued, the manual receipt number should be entered in the manual receipt number field when creating the computer receipt. This will link the manual receipt to the computer receipt.

Good internal accounting controls ensure that:

- Computer downtime manual receipts are accounted for and maintained.
- Computer downtime manual receipts are issued in numerical sequence.

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FINDING AND RECOMMENDATION
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Finding - Inadequate Internal Controls Over Manual Receipts (Continued)

Adherence to good internal accounting controls and the uniform internal control policies and procedures, as set forth in the Manual, would have ensured that there were adequate internal controls over collections.

These conditions existed because the night court failed to establish and implement an adequate system of internal controls over computer downtime manual receipts.

Recommendation

We recommend that the night court establish and implement an adequate system of internal controls over computer downtime manual receipts as noted above.

Management's Response

No formal response was offered at this time.

Auditor's Conclusion

We will determine if the office complied with our recommendation during our next examination.

NIGHT COURT 12-0-00
DAUPHIN COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2007 TO DECEMBER 31, 2010

This report was initially distributed to:

The Honorable Daniel P. Meuser
Secretary
Pennsylvania Department of Revenue

The Honorable Zygmunt Pines
Court Administrator of Pennsylvania
Supreme Court of Pennsylvania
Administrative Office of Pennsylvania Courts

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Deborah S. Freeman, Esquire	Acting Magisterial District Court Administrator
Mr. Troy A. Petery	Deputy District Court Administrator
The Honorable Jeffrey T. Haste	Chairman of the Board of Commissioners
The Honorable Marie E. Rebuck	Controller

This report is a matter of public record and is available online at <http://www.auditorgen.state.pa.us>. Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 231 Finance Building, Harrisburg, PA 17120; via email to: news@auwditorgen.state.pa.us.ww