



**DISTRICT COURT 02-3-08
LANCASTER COUNTY
EXAMINATION REPORT
FOR THE PERIOD
JANUARY 1, 2010 TO APRIL 30, 2013**

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 District Court 02-3-08, Lancaster County, Pennsylvania (District Court), for the period January 1, 2010 to April 30, 2013, pursuant to the requirements of Section 401(c) of *The Fiscal Code*, 72 P.S. § 401(c). This Statement is the responsibility of the District 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 District Court as it pertains to receipts made on behalf of the Commonwealth for the period January 1, 2010 to April 30, 2013, 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 District 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 District Court's Statement that is more than inconsequential will not be prevented or detected by the District Court's internal control. We consider the deficiency described in the finding below to be a significant deficiency in internal control over reporting on the Statement:

- Inadequate Arrest Warrant Return Procedures.

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 District 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. However, we believe that the significant deficiency described above is not 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 District Court and is not intended to be and should not be used by anyone other than these specified parties.



February 12, 2014

EUGENE A. DEPASQUALE
Auditor General

CONTENTS

	<u>Page</u>
Financial Section:	
Statement Of Receipts And Disbursements.....	1
Notes To The Statement Of Receipts And Disbursements.....	2
Finding and Recommendation:	
Finding - Inadequate Arrest Warrant Return Procedures	4
Report Distribution	6

DISTRICT COURT 02-3-08
LANCASTER COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2010 TO APRIL 30, 2013

Receipts:

Department of Transportation		
Title 75 Fines	\$	283,048
Motor Carrier Road Tax Fines		625
Overweight Fines		6,609
Commercial Driver Fines		7,584
Littering Law Fines		178
Child Restraint Fines		678
Department of Revenue Court Costs		153,674
Crime Victims' Compensation Bureau Costs		19,497
Crime Commission Costs/Victim Witness Services Costs		13,989
Domestic Violence Costs		4,561
Department of Agriculture Fines		3,994
Emergency Medical Service Fines		69,830
CAT/MCARE Fund Surcharges		223,218
Judicial Computer System Fees		71,301
Access to Justice Fees		19,560
Criminal Justice Enhancement Account Fees		3,932
Judicial Computer Project Surcharges		17,917
Constable Service Surcharges		6,884
Miscellaneous State Fines and Costs		23,732
		<hr/>
Total receipts (Note 2)		930,811
Disbursements to Commonwealth (Note 3)		<hr/> (930,811)
Balance due Commonwealth (District Court) per settled reports (Note 4)		-
Examination adjustments		<hr/> -
Adjusted balance due Commonwealth (District Court) for the period January 1, 2010 to April 30, 2013	\$	<hr/> <hr/> -

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

DISTRICT COURT 02-3-08
LANCASTER COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2010 TO APRIL 30, 2013

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.

2. Receipts

Receipts are comprised of fines, costs, fees, and surcharges collected on behalf of the Commonwealth. These fines, costs, fees, and surcharges represent collections made on traffic, non-traffic, civil, and criminal cases filed with the District Court.

3. Disbursements

Total disbursements are comprised as follows:

District Court checks issued to:

Department of Revenue	\$ 928,502
Game Commission	1,172
Turnpike Commission	516
Labor and Industry	<u>621</u>
	<u><u>\$ 930,811</u></u>

4. Balance Due Commonwealth (District Court) For The Period January 1, 2010 To April 30, 2013

This balance reflects the summary of monthly transmittal reports as settled by the Department of Revenue.

DISTRICT COURT 02-3-08
LANCASTER COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
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5. Magisterial District Judges Serving During Examination Period

Thomas Fee served at District Court 02-3-08 for the period January 1, 2010 to September 1, 2011.

Senior Judge Jonathan Winters served at District Court 02-3-08 for the period September 2, 2011 to April 30, 2013.

6. Court Closing

District Court 02-3-08 closed on April 30, 2013.

DISTRICT COURT 02-3-08
LANCASTER COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
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Finding - Inadequate Arrest Warrant Return Procedures

Warrants are used to enforce the collection of monies on traffic and non-traffic cases in which defendants failed to make payments when required. A Warrant of Arrest (AOPC 417) is used to authorize an official to arrest a defendant, to collect fines and costs from the defendant after a disposition, or to collect collateral for a trial. If the defendant does not respond within ten days to a citation or summons, a Warrant of Arrest may be issued.

During our testing of warrant procedures, we noted that warrant procedures established by the *Magisterial District Judge Automated Office Clerical Procedures Manual* (Manual) were not always followed. The Magisterial District Judge did not consistently issue warrants when required. We tested 28 instances in which a warrant was required to returned or recalled, two were not returned or recalled, and six were not returned timely. The time of issuance to the time of return ranged from 188 days to 934 days.

The Manual establishes the uniform written internal control policies and procedures for all district courts.

Warrant Return Procedures: The Manual states that the Administrative Office of Pennsylvania Courts (AOPC) recommends that those in possession of arrest warrants should be notified to return warrants that have not been served. For summary traffic and non-traffic cases, outstanding warrants should be returned to the Magisterial District Judge's office within 60 days of issuance. Returned warrants can either be recorded in the Magisterial District Judge System (MDJS) as unserved, if the defendant is unable to be located; or they can be recalled for reissue, if the server has not exhausted all means of finding the defendant.

The failure to follow warrant procedures could result in uncollected fines and unpunished offenders. Additionally, the risk is increased for funds to be lost or misappropriated.

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

Recommendation

The district court officially closed on April 30, 2013. Therefore, we will not be providing a recommendation.

DISTRICT COURT 02-3-08
LANCASTER COUNTY
FINDING AND RECOMMENDATION
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Finding - Inadequate Arrest Warrant Procedures (Continued)

Management's Response

The District Court Administrator responded as follows:

In regard to the written finding for the Audit of Magisterial District Court, 02-3-08, for the time period of 1-1-10 through 4-30-13, I am responding to the written finding that warrants were not recalled in a timely manner on a consistent basis throughout the audit period.

Please be advised that, due to the Supreme Court's Redistricting Plan as it relates to Lancaster County, this Magisterial District Court was closed on April 30, 2013. The Judge that was assigned to this Court is no longer serving in this capacity and the office manager retired in February, 2013. Other personnel working in this office were reassigned to other Courts and are not familiar enough with the audit process or its requirements to comment.

Typically when we see this type of written finding in an audit, it is directly attributable to a large caseload of the office, understaffing and/or staff turnover. The caseload during the time period of this audit rose by approximately 9% (from 3427 to 3739) without any additional staff being added to offset the increase. Furthermore, the Magisterial District Judge that was elected to service this district in 2008, passed away unexpected in August, 2011. His premature sudden departure caused a lack of continuity in the leadership of the office for a period of time until a long term senior judge was appointed.

Since the office is now closed, we cannot take any corrective measures but will take steps to ensure that staff of all our Magisterial District Courts review the warrant control reports and notify police and/or constables to return warrants that are unserved for 60 days in summary traffic and non traffic cases.

DISTRICT COURT 02-3-08
LANCASTER COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2010 TO APRIL 30, 2013

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

The Honorable Dennis Stuckey	Chairman of the Board of Commissioners
The Honorable Brian Hurter, CPA	Controller
Mr. Mark M. Dalton	District Court Administrator

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@auditorgen.state.pa.us.