



**CLERK OF THE COURT OF COMMON PLEAS
SOMERSET COUNTY
EXAMINATION REPORT
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2011**

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 the Clerk of the Court of Common Pleas, Somerset County, Pennsylvania (County Officer), for the period January 1, 2010 to December 31, 2011, pursuant to the requirements of Section 401(b) of *The Fiscal Code*, 72 P.S. § 401(b). This Statement is the responsibility of the county office'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(b) of *The Fiscal Code* to audit the accounts of each county officer 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(b) 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 County Officer as it pertains to receipts made on behalf of the Commonwealth for the period January 1, 2010 to December 31, 2011, 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 County Officer'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 County Officer's Statement that is more than inconsequential will not be prevented or detected by the County Officer'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 Outstanding Check Procedures - Recurring.

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 County Officer'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.

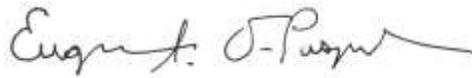
The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we did note an other matter that, while not required to be included in this report by *Government Auditing Standards*, has been included in the finding below:

- Inadequate Assessment of Fines, Costs, Fees, and Surcharges.

Independent Auditor's Report (Continued)

We are concerned in light of the office's failure to correct a previously reported finding regarding inadequate outstanding check procedures. During our current examination period the office had inadequate assessment of fines, costs, fees and surcharges and inadequate outstanding check procedures. The office should strive to implement the recommendations and corrective actions noted in this report.

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



May 9, 2014

EUGENE A. DEPASQUALE
Auditor General

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CLERK OF THE COURT OF COMMON PLEAS
SOMERSET COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2011

Receipts:

Department of Transportation		
Title 75 Fines	\$	80,114
Department of Revenue Court Costs		22,863
Crime Victims' Compensation Costs		42,147
Crime Commission Costs/Victim Witness Services Costs		28,481
Domestic Violence Costs		4,402
Emergency Medical Services Fines		4,030
DUI - ARD/EMS Fees		5,390
CAT/MCARE Fund Surcharges		36,129
Judicial Computer System/Access to Justice Fees		13,805
Offender Supervision Fees		191,782
Constable Service Surcharges		247
Criminal Laboratory Users' Fees		10,483
Probation and Parole Officers' Firearm Education Costs		4,470
Substance Abuse Education Costs		41,652
Office of Victims' Services Costs		4,125
Miscellaneous State Fines and Costs		<u>59,923</u>
 Total receipts (Note 2)		 550,043
 Disbursements to Commonwealth (Note 3)		 <u>(550,043)</u>
 Balance due Commonwealth (County) per settled reports (Note 4)		 -
 Examination adjustments		 <u>-</u>
 Adjusted balance due Commonwealth (County) for the period January 1, 2010 to December 31, 2011		 <u><u>\$ -</u></u>

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

CLERK OF THE COURT OF COMMON PLEAS
SOMERSET COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2011

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 summary and criminal cases filed with the Clerk of the Court of Common Pleas' Office.

3. Disbursements

Total disbursements are comprised as follows:

Clerk of the Court checks issued to:

Department of Revenue	<u>\$ 550,043</u>
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4. Balance Due Commonwealth (County) For The Period January 1, 2010 To December 31, 2011

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

5. County Officer Serving During Examination Period

Mary K. Dinning served as the Clerk of the Court of Common Pleas for the period January 1, 2010 to December 31, 2011.

CLERK OF THE COURT OF COMMON PLEAS
SOMERSET COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2011

Finding No. 1 - Inadequate Outstanding Check Procedures - Recurring

We cited the issue of inadequate outstanding check procedures in the prior examination for the period ending December 31, 2009. However, our current examination found that the office did not correct this issue. Once again our examination of the court's checking account disclosed that the Clerk of Court's office was carrying 77 outstanding checks totaling \$4,764.70 dated from September 8, 2010 to June 7, 2011 that were still outstanding as of December 31, 2011.

This condition existed because the office ignored our prior examination recommendation and failed to establish adequate internal controls over its outstanding check procedures.

Good internal accounting controls require that the office follow up on all outstanding checks. If a check is outstanding for a period over 90 days, efforts should be made to locate the payee. If efforts to locate the payee are unsuccessful, the amount of the check should be removed from the outstanding checklist, added back to the checkbook balance, and subsequently held in escrow for unclaimed escheatable funds.

The failure to follow these procedures results in a weakening of internal control over the cash account and inefficiency caused by the needless record-keeping of outstanding checks.

Recommendations

We strongly recommend that the Clerk of Court's office establish and implement a procedure whereby outstanding checks are reviewed monthly to determine if there are any long outstanding checks. If checks remain outstanding and attempts to contact payees after 90 days are unsuccessful, the office should reinstate the amount of outstanding checks to the court's checking account and subsequently hold these monies in escrow for unclaimed escheatable funds.

Management's Response

The Clerk of Court responded as follows:

I will address checks from my bank account that are designated as "OUT" by escheating them to the PA Treasury or locating a better address for the recipient.

Auditor's Conclusion

This is a recurring finding. It is imperative that the office take all steps necessary to comply with our recommendations.

CLERK OF THE COURT OF COMMON PLEAS
SOMERSET COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
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Finding No. 2 - Inadequate Assessment of Fines, Costs, Fees, and Surcharges

Our examination disclosed that the office did not assess certain fines, costs, fees, and surcharges as mandated by law. Of 40 cases tested, we noted the following discrepancies:

- There were three cases in which DNA Cost was not assessed.
- There was one case in which the Substance Abuse Education Cost was not assessed.
- There was one case in which the Judicial Computer System/Access To Justice (JCP/ATJ) Fees were not assessed properly.

The following addresses the assessment of fines, costs, fees, and surcharges that were not properly assessed:

- Effective January 31, 2005, Title 44 P.S. § 2322, specifies that all felonies, regardless of offense, and misdemeanors for § 2910 (relating to luring a child into a motor vehicle) and § 3126 (relating to indecent assault), authorizes the automatic assessment of a \$250 DNA cost when a DNA sample is taken.
- Substance Abuse Education Costs amended Title 18 by adding Section 7508. This section imposed a \$100 cost on driving under the influence (DUI) offenses and on all drug related offenses covered in the Controlled Substance, Drug, Device and Cosmetic Act. Also, effective February 1, 2004, DUI offenses in which the offender's blood alcohol level is greater than .16% require an additional \$200 cost. The cost is distributed 50/50 between the County and Commonwealth.
- Title 42 Pa. C.S.A. §3733 provides for collection of Judicial Computer System/Access to Justice (JCS/ATJ) Fees.

The improper assessing of these costs and fees resulted in the defendant not being assessed the proper amount of costs and fees associated with the violation; and/or a loss of revenue to the Commonwealth and County.

These incorrect assessments occurred because the office was not aware or up-to-date on laws and regulations regarding the proper assessment of Commonwealth fines, costs, fees, and surcharges.

CLERK OF THE COURT OF COMMON PLEAS
SOMERSET COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2011

Finding No. 2 - Inadequate Assessment of Fines, Costs, Fees, and Surcharges (Continued)

Recommendation

We recommend that the office review the laws noted above to ensure that fines, costs, fees, and surcharges are assessed as mandated by law.

Management's Response

The Clerk of Court responded as follows:

I will make sure all fees are imposed on cases including DNA costs, Substance Abuse fees, CJES and JCPS fees.

Auditor's Conclusion

During our next examination, we will determine if the office complied with our recommendation.

CLERK OF THE COURT OF COMMON PLEAS
SOMERSET COUNTY
COMMENT
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2011

Comment - Compliance With Prior Examination Recommendations

During our prior examination, we recommended:

- That the office attempt to identify the existing cash shortage and take appropriate action.
- That the office establish and implement an adequate system of internal controls over manual receipts.

Our current examination found that the office substantially complied with our prior examination recommendations. Insignificant instances of noncompliance were verbally communicated to the office.

CLERK OF THE COURT OF COMMON PLEAS
SOMERSET COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2011

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

Mr. Thomas J. Dougherty
Director
Division of Grants and Standards
Pennsylvania Board of Probation and Parole

The Honorable Rose Svonavec	Clerk of the Court of Common Pleas
The Honorable Rebecca Canavan	Controller
The Honorable John P. Vatavuk	Chairperson of the Board of Commissioners

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.