

ATTESTATION ENGAGEMENT

District Court 19-2-01
York County, Pennsylvania
For the Period
January 1, 2008 to December 31, 2012

September 2014



Commonwealth of Pennsylvania
Department of the Auditor General
Eugene A. DePasquale • Auditor General



Commonwealth of Pennsylvania
Department of the Auditor General
Harrisburg, PA 17120-0018
Facebook: Pennsylvania Auditor General
Twitter: @PAAuditorGen

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 19-2-01, York County, Pennsylvania (District Court), for the period January 1, 2008 to December 31, 2012, 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*.

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, 2008 to December 31, 2012, in conformity with the criteria set forth in Note 1.

Independent Auditor's Report (Continued)

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 the reporting on the Statement:

- Failure To Follow The *Supreme Court Of Pennsylvania Administrative Office Of Pennsylvania Courts Record Retention & Disposition Schedule With Guidelines* 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. 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 District Court and is not intended to be and should not be used by anyone other than these specified parties.

Independent Auditor's Report (Continued)

We appreciate the courtesy extended by District Court 19-2-01, York County, to us during the course of our examination. If you have any questions, please feel free to contact Michael B. Kashishian, CPA, CGAP, CFE, Director, Bureau of County Audits, at 717-787-1363.

A handwritten signature in black ink, appearing to read "John M. Lori", with a horizontal line extending to the right.

August 20, 2014

John M. Lori, CPA
Deputy Auditor General for Audits

CONTENTS

	<u>Page</u>
Financial Section:	
Statement Of Receipts And Disbursements	1
Notes To The Statement Of Receipts And Disbursements	2
Finding And Recommendations:	
Finding - Failure To Follow The <i>Supreme Court Of Pennsylvania</i> <i>Administrative Office Of Pennsylvania Courts Record</i> <i>Retention & Disposition Schedule With Guidelines</i> Procedures.....	3
Report Distribution	6

DISTRICT COURT 19-2-01
YORK COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2012

Receipts:

Department of Transportation		
Title 75 Fines	\$	742,676
Motor Carrier Road Tax Fines		25
Overweight Fines		2,400
Littering Law Fines		1,463
Child Restraint Fines		3,332
Department of Revenue Court Costs		550,375
Crime Victims' Compensation Bureau Costs		132,697
Crime Commission Costs/Victim Witness Services Costs		94,912
Domestic Violence Costs		33,376
Department of Agriculture Fines		603
Emergency Medical Service Fines		206,519
CAT/MCARE Fund Surcharges		647,839
Judicial Computer System Fees		251,071
Access to Justice Fees		67,670
Criminal Justice Enhancement Account Fees		11,206
Judicial Computer Project Surcharges		51,026
Constable Service Surcharges		37,792
Miscellaneous State Fines and Costs		17,337
		<hr/>
Total receipts (Note 2)		2,852,319
Disbursements to Commonwealth (Note 3)		<hr/> (2,852,319)
Balance due Commonwealth (District Court) per settled reports (Note 4)		-
Examination adjustments		<hr/> -
Adjusted balance due Commonwealth (District Court) for the period January 1, 2008 to December 31, 2012	\$	<hr/> <hr/> -

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

DISTRICT COURT 19-2-01
YORK COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2012

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	\$ 2,852,319
-----------------------	--------------

4. Balance Due Commonwealth (District Court) For The Period January 1, 2008 To December 31, 2012

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

5. Magisterial District Judges Serving During Examination Period

Harold Kessler served at District Court 19-2-01 for the period January 1, 2008 to April 4, 2008.

Rotating Senior Judges Paul Diehl and Roger Estep served from April 5, 2008 to June 30, 2009.

Barry L. Bloss served at District Court 19-2-01 for the period July 1, 2009 to December 31, 2012.

DISTRICT COURT 19-2-01
YORK COUNTY
FINDING AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2012

Finding - Failure To Follow The Supreme Court Of Pennsylvania Administrative Office Of Pennsylvania Courts Record Retention & Disposition Schedule With Guidelines Procedures

Our examination disclosed that traffic/non-traffic citations issued or closed between January 1, 2008 and December 31, 2008, were not available for examination. The citations were destroyed by the district court during September 2011. The district court did not comply with the procedures described in the *Supreme Court of Pennsylvania Administrative Office of Pennsylvania Courts Record Retention & Disposition Schedule with Guidelines* (Schedule) when it destroyed the citations.

The Schedule outlines the proper procedures for the destruction of non-permanent court records. Disposal request procedures state:

A request to destroy non-permanent scheduled records must be submitted by the record custodian requesting permission to dispose of the record(s) to the Record Retention Officer utilizing a Unified Judicial System Disposal Log for Non-Permanent Records form adopted by the AOPC as provided in Pa.R.J.A. No. 507. The Record Retention Officer shall review the Records Disposal Log Form for completeness and shall grant written permission to dispose of such non-permanent records upon ascertaining that the applicable retention period as set forth in the schedule has been met. Written approval from the AOPC is not necessary before destroying non-permanent records as identified in the schedule. A log of individual disposition actions involving non-permanent records must be maintained. Copies of the Records Disposal Log Form shall be submitted on an annual basis to the AOPC. (See §4.5 Form Retention)

Although the Schedule identifies traffic and non-traffic citations as records that may be destroyed after three years, the Schedule also states in part:

Records subject to audit must be retained for the periods listed in the schedule and must be audited and all findings resolved before such records may be destroyed. [Emphasis added.]

The Court stated that they were unaware these records were not yet audited.

Because the traffic/non-traffic citations issued or closed between January 1, 2008 and December 31, 2008 were not available for examination, we were unable to trace the amount of the citation to the accounting records. Additionally, collections associated with destroyed citations, case files and documents are at a greater risk to be misappropriated.

DISTRICT COURT 19-2-01
YORK COUNTY
FINDING AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2012

**Finding - Failure To Follow The Supreme Court Of Pennsylvania Administrative Office Of
Pennsylvania Courts Record Retention & Disposition Schedule With Guidelines
Procedures (Continued)**

Recommendations

We recommend that the district court comply with the procedures listed in the Schedule.

We further recommend that the district court not destroy citations until after they have been subject to examination by the Department of the Auditor General.

Management's Response

The Magisterial District Judge responded as follows:

As the record custodian for DC 19-2-01, one of my responsibilities is to routinely review Permanent and Non-Permanent Records generated through this Court. According to the Supreme Court of Pennsylvania Administrative Office of Pennsylvania Courts Record Retention & Disposition Schedule with Guidelines, section 5.2 Magisterial District Courts, Pittsburgh Municipal Courts, Philadelphia Court Records provides for the mandatory retention period of records. Requests for the disposal of Permanent and Non-Permanent Records meeting the mandatory retention period are forwarded to the Record Retention Officer. According to the Supreme Court of Pennsylvania Administrative Office of Pennsylvania Courts Record Retention & Disposition Schedule with Guidelines, section 2.3 Disposal Request Procedure & Log: Non-Permanent Records states: The following must be followed: 1. The record custodian seeking permission to dispose of the record shall complete a Record Disposal Log Form for records designated for destruction pursuant to the appropriate schedule, and shall submit the form to the Record Retention Officer for review and approval. 2. The Record Retention Officer will indicate approval or disapproval in the provided place(s), and return a copy to the individual submitting the destruction request. The original Records Disposal Log Form will be retained by the Records Retention Officer. 3. If approved, the records listed on the log form may then be destroyed. 4. No later than January 31st of every year, the Record Retention Officer will forward to the AOPC a copy of the log forms listing the records that have been disposed during the previous year. On September 20, 2011 I submitted to the Records Retention Officer a list of records, which was believed to meet the

DISTRICT COURT 19-2-01
YORK COUNTY
FINDING AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2012

**Finding - Failure To Follow The Supreme Court Of Pennsylvania Administrative Office Of
Pennsylvania Courts Record Retention & Disposition Schedule With Guidelines
Procedures (Continued)**

Management's Response (Continued)

requirements for proper disposal. On September 29, 2011 the Records Retention Officer approved the request. Relying on the approval of the Records Retention Officer, the files were subsequently destroyed. It was not until after the records were destroyed, November 30, 2011, the Records Retention Officer did notify District Court 19-2-01 that the last audit conducted by the Commonwealth of Pennsylvania Office of the Auditor General was through 2007. Zelenkosfske-Axelrod, LLC conducted an independent auditor's report for the year 2008. It was their opinion that the financial statements, did present fairly, in all material respects, the assets and liabilities arising from cash transactions of District Court 19-2-01, as of December 31, 2008, and its cash receipts and disbursements paid during the year then ended. In summary, I sought permission from and was given approval by the Record Retention Officer, per the Supreme Court of Pennsylvania Administrative Office of Pennsylvania Courts Record Retention & Disposition Schedule with Guidelines. I was not notified until after the destruction of the records that the Commonwealth of Pennsylvania Office of the Auditor General had not audited them.

Auditor's Conclusion

During our next examination we will determine if the district court complied with our recommendations.

DISTRICT COURT 19-2-01
YORK COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2012

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 Barry L. Bloss	Magisterial District Judge
The Honorable Steve Chronister	Chairperson of the Board of Commissioners
The Honorable Robb P. Green	Controller
Mr. Paul Crouse	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.