

# ATTESTATION ENGAGEMENT

---

District Court 09-3-02  
Cumberland County, Pennsylvania  
For the Period  
January 1, 2009 to December 31, 2013

---

July 2015



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 Eileen H. McNulty  
Secretary  
Pennsylvania Department of Revenue  
Harrisburg, PA 17128

We have examined the accompanying statement of receipts and disbursements (Statement) of District Court 09-3-02, Cumberland County, Pennsylvania (District Court), for the period January 1, 2009 to December 31, 2013, pursuant to the requirements of Section 401(c) of *The Fiscal Code*, 72 P.S. § 401(c). The District Court's management is responsible for this Statement. 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 and, accordingly, included 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, 2009 to December 31, 2013, 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 all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the Statement; and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the Statement. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. 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 internal control over reporting on the Statement or on compliance and other matters; accordingly, we express no such opinions.

Our consideration of internal control over reporting on the Statement was for the limited purpose of expressing an opinion on whether the Statement is presented in accordance with the criteria described above and was not designed to identify all deficiencies in internal control over reporting on the Statement that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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 Statement will not be prevented, or detected and corrected on a timely basis. We consider the deficiency listed below to be a material weakness.

- Bank Deposit Slips Were Not Properly Validated.

As part of obtaining reasonable assurance about whether the Statement is free from material misstatement, we performed tests of the District Court's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of Statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our engagement, and accordingly, we do not express such an opinion. 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 the District Court 09-3-02, Cumberland 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 "Eugene A. DePasquale". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Eugene A. DePasquale  
Auditor General

May 27, 2015

## 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 - Bank Deposit Slips Were Not Properly Validated.....	3
Report Distribution .....	5

DISTRICT COURT 09-3-02  
 CUMBERLAND COUNTY  
 STATEMENT OF RECEIPTS AND DISBURSEMENTS  
 FOR THE PERIOD  
 JANUARY 1, 2009 TO DECEMBER 31, 2013

Receipts:

Department of Transportation		
Title 75 Fines	\$	801,001
Motor Carrier Road Tax Fines		175
Overweight Fines		525
Commercial Driver Fines		3,528
Littering Law Fines		701
Child Restraint Fines		1,245
Department of Revenue Court Costs		373,046
Crime Victims' Compensation Bureau Costs		35,246
Crime Commission Costs/Victim Witness Services Costs		25,223
Domestic Violence Costs		8,386
Department of Agriculture Fines		5,888
Emergency Medical Service Fines		188,367
CAT/MCARE Fund Surcharges		600,599
Judicial Computer System Fees		192,516
Access to Justice Fees		51,836
Criminal Justice Enhancement Account Fees		8,391
Judicial Computer Project Surcharges		38,216
Constable Service Surcharges		7,443
Miscellaneous State Fines and Costs		<u>146,273</u>
 Total receipts (Note 2)		 2,488,605
 Disbursements to Commonwealth (Note 3)		 <u>(2,488,605)</u>
 Balance due Commonwealth (District Court) per settled reports (Note 4)		 -
 Examination adjustments		 <u>-</u>
 Adjusted balance due Commonwealth (District Court) for the period January 1, 2009 to December 31, 2013	 \$	 <u><u>-</u></u>

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

DISTRICT COURT 09-3-02  
 CUMBERLAND COUNTY  
 NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS  
 FOR THE PERIOD  
 JANUARY 1, 2009 TO DECEMBER 31, 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	\$ 2,488,488
Department of Environmental Resources	<u>117</u>
Total	<u><u>\$ 2,488,605</u></u>

4. Balance Due Commonwealth (District Court) For The Period January 1, 2009 To December 31, 2013

This balance reflects the summary of monthly transmittal reports as settled by the Department of Revenue. The balance also reflects a summary of any receipts disbursed directly to other state agencies.

5. Magisterial District Judge Serving During Examination Period

Vivian J. Cohick served at District Court 09-3-02 for the period January 1, 2009 to December 31, 2013.

DISTRICT COURT 09-3-02  
CUMBERLAND COUNTY  
FINDING AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2009 TO DECEMBER 31, 2013

**Finding - Bank Deposit Slips Were Not Properly Validated**

Our examination of the district court's accounting records disclosed that the office copy of the bank deposit slip was not properly validated by the bank in 60 of the 75 deposits tested. Of the 60 deposits not properly validated, 22 deposits were not validated at all, 29 deposits had the deposit listing report validated as to total amount, 8 deposits had the deposit listing report validated to cash and total amount and 1 deposit had a bank teller "stamp" but this did not list the total or date.

Good internal accounting controls require that the amount of each check and the total amount of cash deposited are identified on the deposit slip. The office copy of each deposit should be brought to the bank to be validated. If the bank cannot validate the deposit slip, the office should obtain a deposit ticket from the bank that validates total cash and the total deposit. After the office receives the validation from the bank, it should be reconciled to the receipts by someone other than the person preparing or making the deposit.

Without a good system of internal controls over funds received by the office, the possibility of funds being lost or misappropriated increases significantly.

The office was not aware of the internal control weaknesses caused by not obtaining a validated deposit slip or deposit ticket from the bank.

**Recommendations**

We recommend that the office obtain a validation from the bank as to the mix of cash and checks deposited. We further recommend that the validation is reconciled to receipts by someone other than the person preparing or making the deposit.

**Management's Response**

The Magisterial District Judge responded as follows:

We were under the impression after our last audit that having the bank stamp our system generated daily deposit, which has a breakdown of cash, money orders, checks received would be correct to show the total and breakdown. During this audit, it was pointed out to us that this is not sufficient, although no financial discrepancies were found when verified with bank documentation. We are currently having the bank stamp both the deposit slip and the daily deposit report. One stamp indicates cash amount that the bank received with date and the other stamp indicates the total deposit amount with the date.

DISTRICT COURT 09-3-02  
CUMBERLAND COUNTY  
FINDING AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2009 TO DECEMBER 31, 2013

**Finding - Bank Deposit Slips Were Not Properly Validated (Continued)**

Auditor's Conclusion

The procedure of having the bank stamp your system generated daily deposit is acceptable to show the total and breakdown of each deposit. However, our current examination found that this procedure was not followed in all instances. It is imperative that every bank deposit slip is properly validated to ensure that all funds are deposited. During our next examination we will determine if the offices complied with our recommendations.

DISTRICT COURT 09-3-02  
CUMBERLAND COUNTY  
REPORT DISTRIBUTION  
FOR THE PERIOD  
JANUARY 1, 2009 TO DECEMBER 31, 2013

This report was initially distributed to:

The Honorable Eileen H. McNulty  
Secretary  
Pennsylvania Department of Revenue

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

The Honorable Vivian J. Cohick	Magisterial District Judge
The Honorable Barbara B. Cross	Chairman of the Board of Commissioners
The Honorable Alfred Whitcomb	Controller
Ms. Melissa H. Calvanelli	District Court Administrator

This report is a matter of public record and is available online at <http://www.PaAuditor.gov>. 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@PaAuditor.gov](mailto:news@PaAuditor.gov).