ATTESTATION ENGAGEMENT

District Court 02-1-01

Lancaster County, Pennsylvania

For the Period

May 1, 2011 to December 31, 2014

June 2016

Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General

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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 02-1-01, Lancaster County, Pennsylvania (District Court), for the period May 1, 2011 to December 31, 2014, 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 May 1, 2011 to December 31, 2014, in conformity with the criteria set forth in Note 1.

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.

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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. Given these limitations, during our engagement we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 02-1-01, Lancaster 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.

May 6, 2016

Eugene A. DePasquale
Auditor General

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DISTRICT COURT 02-1-01
LANCASTER COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
MAY 1, 2011 TO DECEMBER 31, 2014

Receipts:		
Department of Transportation		
Title 75 Fines	$	147,428
Motor Carrier Road Tax Fines		550
Overweight Fines		43
Commercial Driver Fines		25
Littering Law Fines		61
Child Restraint Fines		2,117
Department of Revenue Court Costs		274,154
Crime Victims' Compensation Bureau Costs		29,822
Crime Commission Costs/Victim Witness Services Costs		21,407
Domestic Violence Costs		8,448
Department of Agriculture Fines		70
Emergency Medical Service Fines		37,611
CAT/MCARE Fund Surcharges		113,078
Judicial Computer System Fees		120,798
Access to Justice Fees		35,486
Criminal Justice Enhancement Account Fees		11,401
Judicial Computer Project Surcharges		56,238
Constable Service Surcharges		34,705
Miscellaneous State Fines and Costs		9,413
Total receipts (Note 2)		902,855
Disbursements to Commonwealth (Note 3)		(902,855)
Balance due Commonwealth (District Court) per settled reports (Note 4)		-
Examination adjustments		-
Adjusted balance due Commonwealth (District Court) for the period May 1, 2011 to December 31, 2014	$	-

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

DISTRICT COURT 02-1-01
LANCASTER COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
MAY 1, 2011 TO DECEMBER 31, 2014

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	$ 902,855

4. Balance Due Commonwealth (District Court) For The Period May 1, 2011 To December 31, 2014

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

5. Magisterial District Judges Serving During Examination Period

Cheryl N. Hartman served at District Court 02-1-01 for the period May 1, 2011 to May 31, 2013.

Senior Judge Richard H. Sims served at District Court 02-1-01 for the period June 1, 2013 to December 31, 2013.

Senior Judge John C. Winters served at District Court 02-1-01 for the period June 1, 2013 to December 31, 2014.

DISTRICT COURT 02-1-01
LANCASTER COUNTY
SUMMARY OF PRIOR EXAMINATION RECOMMENDATIONS
FOR THE PERIOD
MAY 1, 2011 TO DECEMBER 31, 2014

Summary of Prior Examination Recommendations

During our prior examination, we recommended that the office establish and implement an adequate system of internal controls to ensure that:

- Payments are properly recorded.
- Local police receipt logs are properly accounted for and maintained and available for audit.
- Unissued computer downtime receipts are accounted for and available for audit.
- Record and retention and disposition schedule of the Administrative Office of Pennsylvania Courts is followed.
- Jail and community service credits are issued only when defendants serve jail time and/or perform community service.
- Documentation is available to support all voided receipts.
- Proper arrest warrant procedures are utilized.

During our current examination, we noted that the office complied with our recommendations.

DISTRICT COURT 02-1-01
LANCASTER COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
MAY 1, 2011 TO DECEMBER 31, 2014

This report was initially distributed to:

The Honorable Eileen H. McNulty
Secretary
Pennsylvania Department of Revenue

The Honorable Thomas B. Darr
Court Administrator of Pennsylvania
Supreme Court of Pennsylvania
Administrative Office of Pennsylvania Courts

The Honorable Adam Witkonis
Magisterial District Judge

The Honorable Dennis Stuckey
Chairperson of the Board of Commissioners

The Honorable Brian K. Hurter, CPA
Controller

Mr. Mark M. Dalton
District Court Administrator

This report is a matter of public record and is available online at www.PaAuditor.gov. Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 229 Finance Building, Harrisburg, PA 17120; via email to: news@PaAuditor.gov.