



**DISTRICT COURT 02-1-01  
LANCASTER COUNTY  
EXAMINATION REPORT  
FOR THE PERIOD  
JANUARY 1, 2007 TO APRIL 30, 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 District Court 02-1-01, Lancaster County, Pennsylvania (District Court), for the period January 1, 2007 to April 30, 2011, 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, 2007 to April 30, 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 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 deficiencies described in the findings below to be significant deficiencies in internal control over the reporting on the Statement:

- Failure To Make Required Disposition Of Funds.
- Police Receipt Logs For 2007 Were Not Available for Review.
- Inadequate Internal Controls Over Manual Receipts.
- Failure To Follow The *Supreme Court Of Pennsylvania Administrative Office Of Pennsylvania Courts Record Retention & Disposition Schedule With Guidelines Procedures*
- Improper Use Of Jail And Community Service Adjustment.
- Inadequate Voided Receipt Procedures.
- Inadequate Arrest Warrant Procedures - Recurring.

Independent Auditor's Report (Continued)

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, of the significant deficiencies described above, we consider the first five bulleted deficiencies to be material weaknesses.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We are concerned in light of the office's failure to correct a previously reported finding regarding inadequate arrest warrants. We further noted several other significant deficiencies that are identified on the previous page of this Independent Auditor's Report. 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 District Court and is not intended to be and should not be used by anyone other than these specified parties.



**EUGENE A. DEPASQUALE**  
Auditor General

June 25, 2014

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DISTRICT COURT 02-1-01  
LANCASTER COUNTY  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2007 TO APRIL 30, 2011

Receipts:

Department of Transportation		
Title 75 Fines	\$	225,481
Motor Carrier Road Tax Fines		313
Littering Law Fines		139
Child Restraint Fines		1,819
Department of Revenue Court Costs		361,543
Crime Victims' Compensation Bureau Costs		41,912
Crime Commission Costs/Victim Witness Services Costs		30,360
Domestic Violence Costs		11,712
Emergency Medical Service Fines		64,928
CAT/MCARE Fund Surcharges		198,254
Judicial Computer System Fees		180,048
Access to Justice Fees		45,813
Criminal Justice Enhancement Account Fees		3,685
Judicial Computer Project Surcharges		16,828
Constable Service Surcharges		47,915
Miscellaneous State Fines and Costs		10,963
		<hr/>
Total receipts (Note 2)		1,241,713
Disbursements to Commonwealth (Note 3)		<hr/> (1,241,713)
Balance due Commonwealth (District Court) per settled reports (Note 4)		-
Examination adjustments		<hr/> -
Adjusted balance due Commonwealth (District Court) for the period January 1, 2007 to April 30, 2011	\$	<hr/> <hr/> -

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  
JANUARY 1, 2007 TO APRIL 30, 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 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	<u><u>\$ 1,241,713</u></u>
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4. Balance Due Commonwealth (District Court) For The Period January 1, 2007 To April 30, 2011

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

5. Magisterial District Judge Serving During Examination Period

Cheryl N. Hartman served at District Court 02-1-01 for the period January 1, 2007 to April 30, 2011.

DISTRICT COURT 02-1-01  
LANCASTER COUNTY  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2007 TO APRIL 30, 2011

Finding No. 1 - Failure To Make Required Disposition Of Funds

The Lancaster County Deputy Court Administrator disclosed to us in May, 2011 that a former district court clerk misappropriated \$21,078.19 from the district court. Our examination confirmed that the former district court clerk misappropriated \$21,078.19. We determined the \$21,078.19 should have been, but was not, applied to 139 cases for 81 defendants. Of the amount misappropriated, we determined that \$4,565.32 was Commonwealth funds.

The majority of the misappropriation of funds occurred when the former clerk did not record cash payments received from the local police to defendants' cases. Instead the former clerk kept the cash payments. The local police were accepting payments from defendants who were picked up on outstanding warrants for failure to make a payment. Instead of putting the defendants in jail, the local police office would accept payments from the defendants and record the payments on a log. The collections and the log would then be sent by courier to the district court office for processing. A district court employee would sign for the collections and log from the courier. The clerk who misappropriated funds signed for most of the local police collections. We found that the district court did not retain all of the local police collection logs. (Please see Finding No. 2.)

We also found that the former clerk also used jail time and community service adjustments and voided receipts to misappropriate funds. Please refer to Finding No. 5 and Finding No. 6, respectively, for further information.

These conditions existed because the office failed to establish adequate internal controls over receipts received from the local police.

Good internal accounting controls ensure that receipts received from third parties are properly safeguarded in order to prevent funds from being lost or stolen.

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

The former clerk confessed, was terminated from employment and was found guilty of theft by unlawful taking and tampering with public information.

Recommendation

We recommend that the office establish and implement an adequate system of internal controls over receipts to ensure all payments are properly recorded.

DISTRICT COURT 02-1-01  
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FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2007 TO APRIL 30, 2011

Finding No. 1 - Failure To Make Required Disposition Of Funds (Continued)

Management's Response

The Deputy Court Administrator responded as follows:

It is recognized that during this review period there was an inadequate system of internal controls that was in place in 02-1-01. Since the audit period, new policies and procedures that provide for better internal controls have been implemented. The Magisterial District Judge, Office Manager, and several staff that were in place at the time of this offense have either resigned or retired and replacement staff recognize that adherence to the proper internal controls practices is essential to avoiding similar instances in the future.

In this instance, funds were not applied to cases for which funds from the Lancaster City Police were delivered. There was no system of "checks and balances" or safeguards with regard to monies being received by the Lancaster City Police. If these safeguards were in place, the theft would not have endured for as long as it had.

The Magisterial District Court has been provided with a "log form" to monitor the receipt of cash from police and constables who regularly turn in money collected from defendants. The "Cash Receipts and Police/Constable Log" form provides an additional internal control for cash received from police and constables to whom no receipts are generally provided. The additional control is in the form of having all cash receipts acknowledged by the officer or constable as well as verified by the Office Manager or Magisterial District Judge.

Auditor's Conclusion

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

DISTRICT COURT 02-1-01  
LANCASTER COUNTY  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2007 TO APRIL 30, 2011

Finding No. 2 - Police Receipt Logs For 2007 Were Not Available For Review

Our examination of the district court records found that the district court did not retain the local police's receipt collection logs received during 2007.

As discussed in Finding No. 1, the local police would collect funds from defendants who were brought into the police station on outstanding warrants. The local police would record all funds collected at the local police station on a log. The collections and log would then be sent to the district court.

Good internal accounting controls ensure that all receipts are properly accounted for and maintained. In addition, all documentation should be kept until audited by the Department of the Auditor General.

Without a good system of internal control over receipts, the potential is increased that collections associated with the missing logs could be misappropriated.

This condition existed because the office failed to establish and implement an adequate system of internal controls over receipts.

Recommendations

We recommend that the office establish and implement procedures to ensure that all receipt logs are properly accounted for and maintained. In addition, all documentation should be kept until audited by the Department of the Auditor General.

Management's Response

The Deputy Court Administrator responded as follows:

It is recognized that during this review period there was an inadequate system of internal controls that was in place in 02-1-01. Since the audit period, new policies and procedures that provide for better internal controls have been implemented. The Magisterial District Judge, Office Manager, and several staff that were in place at the time of this offense have either resigned or retired and replacement staff recognize that adherence to the proper internal controls practices is essential to avoiding similar instances in the future.

This finding is the result of the Magisterial District Court's failure to retain all necessary documents with regard to payments received from Lancaster City Police.

DISTRICT COURT 02-1-01  
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FOR THE PERIOD  
JANUARY 1, 2007 TO APRIL 30, 2011

Finding No. 2 - Police Receipt Logs For 2007 Were Not Available For Review (Continued)

Management's Response (Continued)

The Magisterial District Court has been provided with a "log form" to monitor the receipt of cash from police and constables who regularly turn in money collected from defendants. The "Cash Receipts and Police/Constable Log" form provides an additional internal control for cash received from police and constables to whom no receipts are generally provided. The additional control is in the form of having all cash receipts acknowledged by the officer or constable as well as verified by the Office Manager or Magisterial District Judge.

Auditor's Conclusion

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

DISTRICT COURT 02-1-01  
LANCASTER COUNTY  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2007 TO APRIL 30, 2011

Finding No. 3 - Inadequate Internal Controls Over Manual Receipts

The Administrative Office of Pennsylvania Courts' (AOPC) policies require computer downtime manual receipts to be issued in the event of a temporary power loss to the district court's computer system. When the computer system is operating again, the computer downtime manual receipt is replaced by an official computer-generated receipt and included in the daily receipts. When the AOPC's policies are not followed, the possibility that funds received by the District Court could be lost or misappropriated increases significantly.

Our examination disclosed that required computer downtime manual receipt procedures were not always followed. During our prior examination, we found that the district court did not have adequate control over unissued computer downtime manual receipts numbered A990301 through A990320. During our current examination, we found that the 20 unissued computer downtime manual receipts mentioned above could not be located and were not available for our examination.

The *Magisterial District Judge Automated Office Clerical Procedures Manual* (Manual) establishes the uniform written internal control policies and procedures for all district courts. The Manual requires that downtime manual receipts be issued in the event of a temporary power loss to the computer system. When the computer system is not operational, the receipt and log sheet should be filled out for each receipt number and the initials of the employee receiving the payment should be documented on the log sheet. The receipts should be used in numerical order; the log sheet should be filled out using the appropriate receipt number; a copy of that receipt should be given to the remitter; and the second copy of the receipt should be kept, along with the associated log, in a secure location. When the computer system is running again, the second copy of the receipt should be attached to the new system-generated receipt and placed in the case file and the date the payment was entered into the system should be documented on the log sheet. Additionally, the Manual requires that when a manual receipt number is issued, the manual receipt number should be entered in the manual receipt number field when creating the computer receipt. This will link the manual receipt to the computer receipt.

Good internal accounting controls ensure that all computer downtime manual receipts are accounted for and maintained.

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

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FOR THE PERIOD  
JANUARY 1, 2007 TO APRIL 30, 2011

Finding No. 3 - Inadequate Internal Controls Over Manual Receipts (Continued)

These conditions existed because the district court failed to establish and implement an adequate system of internal controls over computer downtime manual receipts.

Recommendation

We recommend that the district court establish and implement an adequate system of internal controls over computer downtime manual receipts as noted above.

Management's Response

The Deputy Court Administrator responded as follows:

It is recognized that during this review period there was an inadequate system of internal controls that was in place in 02-1-01. Since the audit period, new policies and procedures that provide for better internal controls have been implemented. The Magisterial District Judge, Office Manager, and several staff that were in place at the time of this offense have either resigned or retired and replacement staff recognize that adherence to the proper internal controls practices is essential to avoiding similar instances in the future.

This finding provides a good illustration of previous office management not being diligent in creating and maintaining records and manual receipts as they should have been. Procedures now require a receipt and log sheet to be completed for each receipt number and the initials of the employee receiving the payment must be documented on the log sheet. Receipts are to be used in numerical order and the log sheet must be completed using the appropriate receipt number. A copy of that receipt must be provided to the remitter and a second copy of the receipt will be retained by the Magisterial District Court in a secure location.

Using MDJS Report #1420, the Office Manager is able to generate a listing of payments that were initially taken using a manual receipt and later entered into the MDJS. This report provides a cross reference between the manual receipt number, the case docket number, system receipt number, date of payment, and amount of payment. This report is then compared to the manual receipt log for discrepancies.

Auditor's Conclusion

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

DISTRICT COURT 02-1-01  
LANCASTER COUNTY  
FINDINGS AND RECOMMENDATIONS  
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Finding No. 4 - 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 closed between January 1, 2007 and December 31, 2008 were not available for examination and were destroyed in May 2011 by the district court without being in compliance with the procedures described in the *Supreme Court of Pennsylvania Administrative Office of Pennsylvania Courts Record Retention & Disposition Schedule with Guidelines* (Schedule).

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

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 failure to maintain these records resulted in an unclear examination trail. Additionally, collections associated with missing case files and documents could be lost or misappropriated.

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Finding No. 4 - 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 Deputy Court Administrator responded as follows:

It is recognized that the Magisterial District Judge, Office Manager, and staff did not follow the Record Retention and Disposition Schedule during this review period in 02-1-01. This is attributable to the lack of storage space in the Magisterial District Court and inadequate knowledge of the Supreme Court of Pennsylvania Courts Record Retention & Disposition Schedule with Guidelines and Procedures.

Since the audit period, the Magisterial District Judge, Office Manager, and several staff that were in place have either resigned or retired and replacement staff recognize that adherence to established policies and procedures is essential. The Magisterial District Judge and Office Manager have been provided with a hard copy of the Supreme Court of Pennsylvania Courts Record Retention & Disposition Schedule with Guidelines and Procedures and directed to online resources regarding the same.

Auditor's Conclusion

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

DISTRICT COURT 02-1-01  
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Finding No. 5 - Improper Use Of Jail And Community Service Adjustment

As discussed in finding Number 1, a former district court clerk misappropriated funds. We noted four cases where district court records noted these cases as closed with jail time served in lieu of payment of fines and costs. However, individual records showed that no jail time was ever served on these cases. Our testing of cases involving jail time disclosed that the former district court clerk used the jail credit adjustment to close out cases where funds were misappropriated.

In addition, our testing of cases involving community service adjustments disclosed that documentation that community service was actually performed by the defendants was not always present. Of 14 cases tested where there was a community service adjustment, 6 had no documentation that community service was actually performed. These cases were authorized by the magisterial district judge.

The *Magisterial District Judge Automated Office Clerical Procedures Manual* (Manual) establishes the uniform written internal control policies and procedures for all district courts. The Manual states that jail and community service compensation may be imposed by the magisterial district judge. However, these adjustments may only be used when jail time was served or community service was actually performed.

By using the jail service time and community service adjustment to close out cases and not having the defendants actually serve the time or perform the community service, the district court is circumventing the system set up by the Administrative Office of the Pennsylvania Courts (AOPC). Additionally, the possibility of funds being lost or misappropriated increases significantly.

Recommendation

We recommend that the district court use the jail credit and community service adjustment in lieu of fines and costs only when the defendants actually serve time and/or perform community service.

DISTRICT COURT 02-1-01  
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Finding No. 5 - Improper Use Of Jail And Community Service Adjustment (Continued)

Management's Response

The Deputy Court Administrator responded as follows:

During the course of the investigation that occurred in 2011 regarding the misappropriation of funds, it became clearly evident that the clerk who misappropriated funds used Community Service and jail time compensation to “zero” out cases and “pocket” the funds. It was also apparent that the Magisterial District Judge, in trusting the staff, signed paperwork without inquiry. Furthermore, the Office Manager was ineffective at managing the day to day operations of the Magisterial District Court and did not oversee the actions of individual staff.

Since the audit period, new policies and procedures that provide for better internal controls have been implemented. The Magisterial District Judge, Office Manager, and several staff that were in place have either resigned or retired and replacement staff recognizes that adherence to established policies and procedures is essential. Due to the internal practices specific to the Lancaster County Court of Common Pleas, the use of Community Service has been greatly diminished as a sentencing alternative and the Magisterial District Judge verifies via signature that all jail time in lieu of payment of fines and costs is served.

Auditor's Conclusion

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

DISTRICT COURT 02-1-01  
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Finding No. 6 - Inadequate Voided Receipt Procedures

Our examination disclosed that proper voided receipt procedures were not always followed. As discussed in Finding No. 1, a former district court clerk misappropriated funds. During our testing of voided receipts, we found two receipts that listed cash as the payment type were subsequently voided without a valid explanation in order to conceal misappropriation of funds. We found that payment was posted to one of the cases 42 days after the date of the initial receipt. The second case did not have payment posted to it even though funds were received.

Good internal controls require that if a receipt must be voided, proper documentation is maintained with the case file to explain the reason for the void.

Without a good system of internal control over voids made by the district court, the potential is increased that funds could be lost, stolen or misappropriated.

Recommendation

We recommend that the district court establish and implement an adequate system of controls over voided receipts.

Management's Response

The Deputy Court Administrator responded as follows:

During this rating period there was a set of policies, practices and procedures regarding voided receipts that was in place but often neglected or ignored by the Magisterial District Judge and/or Office Manager. Furthermore, the Office Manager was ineffective at managing the day to day operations of the Magisterial District Court and did not oversee the actions of individual staff.

Since the audit period, existing and new policies and procedures that provide for better internal controls have been implemented. The Magisterial District Judge, Office Manager, and several staff that were in place at the time of this offense have either resigned or retired and replacement staff recognize that adherence to the proper internal control practices is essential to avoiding similar instances in the future.

DISTRICT COURT 02-1-01  
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Finding No. 6 - Inadequate Voided Receipt Procedures (Continued)

Management's Response (Continued)

Within the MDJS, there is a report entitled the Voided Transactions Report (MDJS 1410) that displays each voided transaction during the date range selected. The report details what was voided, who voided the transaction, and the amount of the voided transaction. At a minimum, this report will be reconciled on a monthly basis by the Office Manager. Furthermore, all voided receipts shall be maintained in a secure location within the Magisterial District Court.

Auditor's Conclusion

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

DISTRICT COURT 02-1-01  
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JANUARY 1, 2007 TO APRIL 30, 2011

Finding No. 7 - Inadequate Arrest Warrant Procedures - Recurring

We cited the district court for inadequate arrest warrant procedures in our last two examinations, with the most recent for the period ending December 31, 2006. Our current examination found that the district court did not correct this issue. 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.

Once again, 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 67 instances in which a warrant was required to be issued. Our testing disclosed that 12 were not issued timely and 6 were not issued at all. The time of issuance ranged from 62 days to 142 days.

In addition, of 38 warrants required to be returned or recalled, 5 were not returned or recalled, and 14 were not returned timely. The time of issuance to the time of return ranged from 198 days to 585 days.

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

**Warrant Issuance Procedures:** The Manual states that on October 1, 1998, new warrant procedures took effect for summary cases. Amendments were made to Pa.R.Crim.P. Rules 430, 431, 454, 455, 456, 460, 461, and 462. To comply with the new changes, the Notice of Impending Warrant (AOPC A418) was created with the purpose of informing the defendant that failure to pay the amount due or to appear for a Payment Determination Hearing will result in the issuance of an arrest warrant. The defendant is also informed that his/her response must be made within ten days of the date of the notice.

According to Pa.R.Crim.P. Rule 430, a Notice of Impending Warrant may be issued in a post-disposition summary case for any of the following reasons:

- A guilty disposition is recorded and no payment is made or a time payment schedule is not created.
- A guilty disposition is recorded and a previously deposited collateral payment, when applied, does not pay the case balance in full.

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Finding No 7 - Inadequate Arrest Warrant Procedures - Recurring (Continued)

- A guilty disposition is recorded and the defendant defaults on a time payment schedule.

According to Pa.R.Crim.P. 430, a warrant SHALL be issued in a summary case for any of the following reasons (a Notice of Impending Warrant is not necessary for the following):

- The defendant has failed to respond to a citation or summons that was served either personally or by certified mail, return receipt requested.
- The citation or summons is returned undeliverable.
- The Magisterial District Judge has reasonable grounds to believe that the defendant will not obey a summons.

**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.

This condition existed because the district court ignored our two prior examination recommendations to review the tickler reports for warrants daily. 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.

Recommendations

We strongly recommend that the district court review the tickler reports for warrants daily and take appropriate action as required by the Manual. We further recommend that the court review warrant control reports and notify police or other officials to return warrants that are unserved for 60 days for summary traffic and non-traffic cases as required by the Manual.

DISTRICT COURT 02-1-01  
LANCASTER COUNTY  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2007 TO APRIL 30, 2011

Finding No 7 - Inadequate Arrest Warrant Procedures - Recurring (Continued)

Management's Response

The Deputy Court Administrator responded as follows:

This is a recurring issue for this Magisterial District Court and therefore, one in which there is a set of policies, practices, and procedures in place but they are often neglected or ignored by the Magisterial District Judge and/or Office Manager because of staffing limitations and/or the sheer volume of cases.

Since the audit period, the Magisterial District Judge, Office Manager, and several staff that were in place at the time have either resigned or retired and replacement staff recognize that adherence to the proper internal control practices is essential to avoiding similar findings in the future.

The current Magisterial District Judge and Office Manager are aware of the AOPC recommendations 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 Court within 60 days of issuance. Returned warrants can either be recorded in the MDJS as unserved, if the defendant is unable to be located, or they can be recalled for reissue.

Although not within the rating period, an "additional" employee assigned to this Magisterial District Court with the sole purpose of managing the warrant list and improving the timeliness with which warrants are issued. Furthermore, using the tools available in the Warrant Management Report (MDJS 3000) it is anticipated that the new Magisterial District Judge and Office Manager will be more diligent in obtaining the issued warrants back from the Constables. This report enables the Magisterial District Court to look for warrants that remain in an "issue" status that are over 60 days since issuance.

Auditor's Conclusion

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

DISTRICT COURT 02-1-01  
LANCASTER COUNTY  
REPORT DISTRIBUTION  
FOR THE PERIOD  
JANUARY 1, 2007 TO APRIL 30, 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

The Honorable John C. Winters	Magisterial District Judge
The Honorable Dennis P. Stuckey	Chairman of the Board of Commissioners
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](mailto:news@auditorgen.state.pa.us).