

CLERK OF THE COURT OF COMMON PLEAS/ADULT PROBATION AND PAROLE
DEPARTMENT/JUVENILE PROBATION DEPARTMENT

CUMBERLAND COUNTY

EXAMINATION REPORT

FOR THE PERIOD

JANUARY 1, 2005 TO DECEMBER 31, 2008

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Independent Auditor's Report

Mr. C. Daniel Hassell
Acting 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/Adult Probation and Parole Department/Juvenile Probation Department, Cumberland County, Pennsylvania (County Officers), for the period January 1, 2005 to December 31, 2008, 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.

Except as discussed in the fourth paragraph, 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)

As discussed in Finding Nos. 1 and 2, a population of manual receipts could not be determined. Without these records, we could not perform our standard examination procedures. As a result, the scope of our examination of the County Officers' Statement was limited, and we were unable to satisfy ourselves by other examination procedures.

In our opinion, except for the effects, if any, of the matters noted in the preceding paragraph, 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 ended December 31, 2008, 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 deficiencies described in the findings below to be significant deficiencies in internal control over the reporting on the Statement:

- Inadequate Internal Controls Over Manual Receipts - Adult Probation And Parole Department.
- Inadequate Internal Controls Over Manual Receipts - Juvenile Probation Department.

Independent Auditor's Report (Continued)

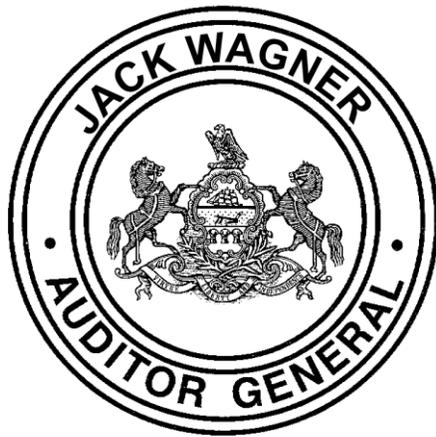
A material weakness is a significant deficiency or combination of significant deficiencies that results in more than a remote likelihood that a material misstatement of the Statement will not be prevented or detected by the County Officer's internal control. Our consideration of the internal control 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. We consider all of the significant deficiencies described above 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*.

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 Officers and is not intended to be and should not be used by anyone other than these specified parties.

October 20, 2009

JACK WAGNER
Auditor General



CLERK OF THE COURT OF COMMON PLEAS/ADULT PROBATION AND PAROLE
DEPARTMENT/JUVENILE PROBATION DEPARTMENT
CUMBERLAND COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2005 TO DECEMBER 31, 2008

Receipts:

Department of Transportation			
Title 75 Fines	\$	274,335	
Department of Revenue Court Costs		143,256	
Crime Victims' Compensation Costs		420,214	
Crime Commission Costs/Victim Witness Services Costs		246,796	
Domestic Violence Costs		26,630	
Emergency Medical Services Fines		23,616	
DUI - ARD/EMS Fees		62,693	
CAT/MCARE Fund Surcharges		265,675	
Judicial Computer System/Access to Justice Fees		79,247	
Offender Supervision Fees		900,894	
Constable Service Surcharges		405	
Criminal Laboratory Users' Fees		80,298	
Probation and Parole Officers' Firearm Education Costs		33,791	
Substance Abuse Education Costs		224,563	
Office of Victims' Services Costs		103,755	
Miscellaneous State Fines and Costs		<u>197,652</u>	
 Total receipts (Note 2)	 \$	 3,083,820	
 Disbursements to Commonwealth (Note 3)		 <u>(3,084,079)</u>	
 Balance due Commonwealth (County) per settled reports (Note 4)		 (259)	
 Examination adjustments		 <u>-</u>	
 Adjusted balance due Commonwealth (County) January 1, 2005 to December 31, 2008	 \$	 <u><u>(259)</u></u>	

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

CLERK OF THE COURT OF COMMON PLEAS/ADULT PROBATION AND PAROLE
DEPARTMENT/JUVENILE PROBATION DEPARTMENT
CUMBERLAND COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2005 TO DECEMBER 31, 2008

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	\$ 3,077,500
Commonwealth of Pennsylvania	588
Department of General Services	61
Department of Corrections	4,597
Department of Public Welfare	401
Department of Labor and Industry	25
Liquor Control Board	329
Pennsylvania Higher Education Assistance Agency	117
State Police	50
Turnpike Commission	411
	411
Total	\$3,084,079

CLERK OF THE COURT OF COMMON PLEAS/ADULT PROBATION AND PAROLE
DEPARTMENT/JUVENILE PROBATION DEPARTMENT
CUMBERLAND COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2005 TO DECEMBER 31, 2008

4. Balance Due County For The Period January 1, 2005 To December 31, 2008

This balance reflects a 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. Reconciliation Of Settled Reports

The following presents a reconciliation of monthly reports settled by the Department of Revenue for the period January 1, 2005 to December 31, 2008:

Date of Summary of Collections Report	Balance Due Settled Reports Commonwealth (County)	Adjustments	Adjusted Balance Due Commonwealth (County)
2005			
January	\$ (176)	\$ -	\$ (176)
February	-	-	-
March	-	-	-
April	-	-	-
May	-	-	-
June	-	-	-
July	-	-	-
August	(50)	-	(50)
September	(50)	-	(50)
October	-	-	-
November	-	-	-
December	-	-	-
2006			
January	-	-	-
February	-	-	-
March	17	-	17
April	-	-	-
May	-	-	-
June	-	-	-
July	-	-	-
August	-	-	-
September	-	-	-
October	-	-	-
November	-	-	-
December	-	-	-

CLERK OF THE COURT OF COMMON PLEAS/ADULT PROBATION AND PAROLE
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CUMBERLAND COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2005 TO DECEMBER 31, 2008

5. Reconciliation Of Settled Reports (Continued)

Date of Summary of Collections Report	Settled Reports Commonwealth (County)	Adjustments	Balance Due Commonwealth (County)
2007			
January	\$ -	\$ -	\$ -
February	-	-	-
March	-	-	-
April	-	-	-
May	-	-	-
June	-	-	-
July	-	-	-
August	-	-	-
September	-	-	-
October	-	-	-
November	-	-	-
December	-	-	-
2008			
January	-	-	-
February	-	-	-
March	-	-	-
April	-	-	-
May	-	-	-
June	-	-	-
July	-	-	-
August	-	-	-
September	-	-	-
October	-	-	-
November	-	-	-
December	-	-	-
Balance due Commonwealth (County) per settled reports			(259)
Examination adjustments			-
Adjusted balance due Commonwealth (County) January 1, 2005 to December 31, 2008			\$ (259)

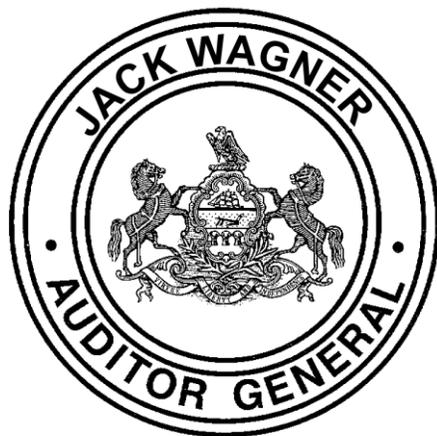
CLERK OF THE COURT OF COMMON PLEAS/ADULT PROBATION AND PAROLE
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CUMBERLAND COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2005 TO DECEMBER 31, 2008

6. County Officers Serving During Examination Period

Dennis Lebo served as the Clerk of the Court of Common Pleas for the period January 1, 2005 to December 31, 2008.

John H. Roller served as the Chief Probation Officer of the Adult Probation and Parole Department for the period January 1, 2005 to December 31, 2008.

Samuel E. Miller, Jr. served as the Chief Probation Officer of the Juvenile Probation Department for the period January 1, 2005 to December 31, 2008.



ADULT PROBATION AND PAROLE DEPARTMENT
CUMBERLAND COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2005 TO DECEMBER 31, 2008

Finding No. 1 - Inadequate Internal Controls Over Manual Receipts - Adult Probation And Parole Department

Our examination disclosed that required manual receipt procedures were not always followed. Of 20 receipts tested, we noted that the manual receipts were not pre-numbered. Manual receipt numbers were being hand written on the receipts.

We further noted that a manual receipts log was not maintained to record the issuance of manual receipts. Consequently, a population of manual receipts could not be determined.

Good internal accounting controls ensure that:

- Manual receipts are pre-numbered.
- A manual receipt log is maintained to document information that is recorded on the manual receipt, including date issued, date filed, case number, signature of the person receiving the payment, remitter name, payment source, and payment method. This will provide an audit trail on the issuance of the manual receipt.

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

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

Recommendation

We recommend that this office establish and implement an adequate system of internal controls over manual receipts as mentioned above.

Management's Response

The Chief Probation Officer responded as follows:

We will come into compliance with finding.

Auditor's Conclusion

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

JUVENILE PROBATION DEPARTMENT
CUMBERLAND COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2005 TO DECEMBER 31, 2008

Finding No. 2 - Inadequate Internal Controls Over Manual Receipts - Juvenile Probation Department

The Juvenile Probation Department makes collections when meeting with their clients out in the field. They issue manual receipts and then remit these collections, along with the manual receipts, to the Clerk of the Court of Common Pleas' office to have an official computer-generated receipt processed. Our examination disclosed that required manual receipt procedures were not always followed.

We noted the following weaknesses:

- The Juvenile Probation Department did not timely remit manual receipt to the Clerk of the Court of Common Pleas' office. Of 45 manual receipts tested, we noted that there were 10 instances in which computer generated receipts were not prepared on a timely basis. The time lapse from the date of the manual receipt to the corresponding computer receipt ranged from 3 days to 63 days.
- A manual receipts log was not maintained to record the issuance of manual receipts. Consequently, a population of manual receipts could not be determined.
- There were 50 manual receipts (2 booklets) that could not be accounted for.

Good internal accounting controls ensure that:

- Computer receipts are generated timely after the issuance of the corresponding manual receipts. Manual receipts should be remitted to the Clerk of the Court of Common Pleas in a timely manner.
- A manual receipt log is maintained to document information that is recorded on the manual receipt, including date issued, date filed, case number, signature of the person receiving the payment, remitter name, payment source, and payment method. This will provide an audit trail on the issuance of the manual receipt.
- All manual receipts are accounted for and maintained.

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

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

JUVENILE PROBATION DEPARTMENT
CUMBERLAND COUNTY
FINDINGS AND RECOMMENDATIONS
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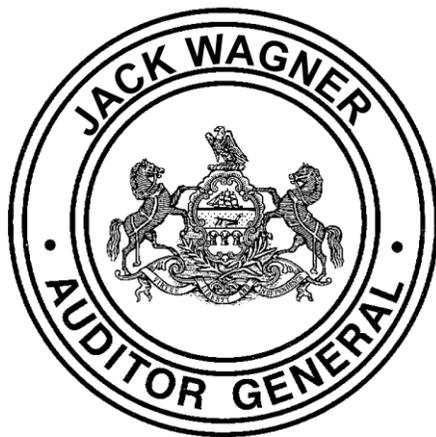
Finding No. 2 - Inadequate Internal Controls Over Manual Receipts - Juvenile Probation
Department (Continued)

Recommendation

We recommend that this office further establish and implement an adequate system of internal controls over manual receipts as mentioned above.

Management's Response

No formal response was offered at this time.



CLERK OF THE COURT OF COMMON PLEAS/ADULT PROBATION AND PAROLE
DEPARTMENT/JUVENILE PROBATION DEPARTMENT
CUMBERLAND COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2005 TO DECEMBER 31, 2008

This report was initially distributed to:

Mr. C. Daniel Hassell
Acting Secretary
Pennsylvania Department of Revenue

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

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

The Honorable Dennis Lebo	Clerk of the Court of Common Pleas
The Honorable Alfred Whitcomb	Controller
The Honorable Gary Eichelberger	Chairman of the Board of Commissioners
The Honorable Edgar B. Bayley	President Judge
Mr. Lyle M. Herr	Chief Probation Officer, Adult Probation and Parole Department
Mr. Samuel E. Miller, Jr.	Chief Probation Officer, Juvenile Probation Department

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