

CLERK OF THE COURT OF COMMON PLEAS AND
PROBATION OFFICE

BEDFORD COUNTY

EXAMINATION REPORT

FOR THE PERIOD

MARCH 1, 2004 TO DECEMBER 31, 2007

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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 and Probation Office, Bedford County, Pennsylvania (County Officers), for the period March 1, 2004 to December 31, 2007, 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 offices' 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(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*.

In our opinion, the Statement referred to above presents, in all material respects, the operations of the County Officers as it pertains to receipts made on behalf of the Commonwealth for the period ended December 31, 2007, in conformity with the criteria set forth in Note 1.

Independent Auditor's Report (Continued)

In our opinion, the Statement referred to above presents, in all material respects, the operations of the County Officers as it pertains to receipts made on behalf of the Commonwealth for the period ended December 31, 2007, 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 Officers' 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 Officers' Statement that is more than inconsequential will not be prevented or detected by the County Officers' internal control. We consider the deficiency described in the finding below to be a significant deficiency in internal control over reporting on the Statement:

- Inadequate Stale Check Procedures – Probation Office.

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 Officers' 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, we believe that the significant deficiency described above is not a material weakness.

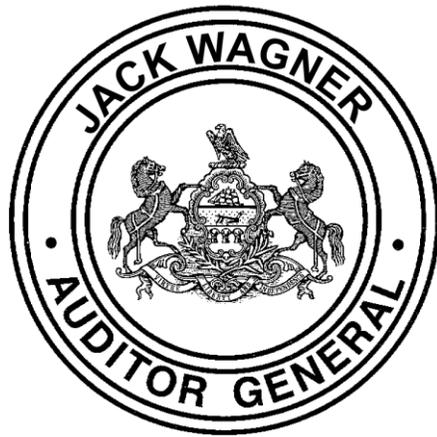
Independent Auditor's Report (Continued)

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.

November 19, 2009

JACK WAGNER
Auditor General



CLERK OF THE COURT OF COMMON PLEAS
AND PROBATION OFFICE
BEDFORD COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
MARCH 1, 2004 TO DECEMBER 31, 2007

Receipts:

Department of Transportation		
Title 75 Fines	\$	214,631
Overweight Fines		991
Department of Revenue Court Costs		29,722
Crime Victims' Compensation Costs		68,454
Crime Commission Costs/Victim Witness Services Costs		51,710
Department of Public Welfare		
Domestic Violence Costs		7,475
Costs		13,577
Emergency Medical Services Fines		8,071
DUI - ARD/EMS Fees		6,017
CAT/MCARE Fund Surcharges		53,618
Judicial Computer System/Access to Justice Fees		21,007
Offender Supervision Fees		314,066
Constable Service Surcharges		10
Criminal Laboratory Users' Fees		12,004
Probation and Parole Officers' Firearm Education Costs		7,685
Substance Abuse Education Costs		64,255
Office of Victims' Services Costs		2,540
Miscellaneous State Fines and Costs		46,151
Victims Compensation Program Costs		296
Commonwealth of Pennsylvania Costs		120
Game Commission Costs		390
State Police Costs		<u>17,301</u>
 Total receipts (Note 2)	 \$	 940,091
 Disbursements to Commonwealth (Note 3)		 <u>(941,888)</u>
 Balance due Commonwealth (County) per settled reports (Note 4)		 (1,797)
 Examination adjustments (Note 6)		 <u>713</u>
 Adjusted balance due Commonwealth (County) March 1, 2004 to December 31, 2007		 <u><u>\$ (1,084)</u></u>

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

CLERK OF THE COURT OF COMMON PLEAS
AND PROBATION OFFICE
BEDFORD COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
MARCH 1, 2004 TO DECEMBER 31, 2007

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:

Probation Office checks issued to:

Department of Revenue	\$ 910,324
Victim's Compensation Program	296
Department of Welfare	13,578
Game Commission	390
State Police	<u>17,300</u>
Total	<u><u>\$ 941,888</u></u>

4. Balance Due Commonwealth (County) For The Period March 1, 2004 To December 31, 2007

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. It does not reflect adjustments disclosed by our examination. Refer to Note 6.

CLERK OF THE COURT OF COMMON PLEAS
AND PROBATION OFFICE
BEDFORD COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
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5. Reconciliation Of Settled Reports

The following presents a reconciliation of monthly reports settled by the Department of Revenue for the period March 1, 2004 to December 31, 2007:

Date of Summary of Collections Report	Balance Due Settled Reports Commonwealth (County)	Adjustments	Adjusted Balance Due Commonwealth (County)
2004			
March	-	-	-
April	-	-	-
May	-	-	-
June	(185)	-	(185)
July	-	-	-
August	(185)	-	(185)
September	-	-	-
October	(19)	-	(19)
November	(1,284)	-	(1,284)
December	(25)	-	(25)
2005			
January	-	-	-
February	-	-	-
March	-	-	-
April	-	-	-
May	-	-	-
June	41	-	41
July	-	-	-
August	(97)	-	(97)
September	(66)	-	(66)
October	(50)	-	(50)
November	-	-	-
December	-	-	-

CLERK OF THE COURT OF COMMON PLEAS
AND PROBATION OFFICE
BEDFORD COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
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5. Reconciliation Of Settled Reports (Continued)

Date of Summary of Collections Report	Balance Due Settled Reports Commonwealth (County)	Adjustments	Adjusted Balance Due Commonwealth (County)
2006			
January	\$ 29	\$ -	\$ 29
February	4	-	4
March	-	-	-
April	-	-	-
May	-	-	-
June	-	-	-
July	-	-	-
August	-	-	-
September	-	-	-
October	-	-	-
November	-	-	-
December	40	-	40
2007			
January	-	-	-
February	-	-	-
March	-	-	-
April	-	-	-
May	-	-	-
June	-	-	-
July	-	-	-
August	-	-	-
September	-	-	-
October	-	-	-
November	-	-	-
December	-	-	-
Balance due Commonwealth (County) per settled reports			(1,797)
Examination adjustments (Note 6)			713
Adjusted balance due Commonwealth (County) March 1, 2004 to December 31, 2007			\$ (1,084)

CLERK OF THE COURT OF COMMON PLEAS
AND PROBATION OFFICE
BEDFORD COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
MARCH 1, 2004 TO DECEMBER 31, 2007

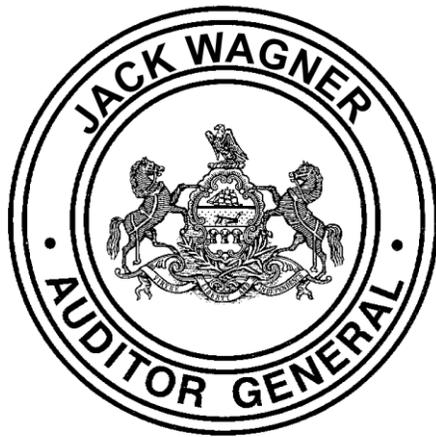
6. Examination Adjustments

The examination adjustment represents bail forfeitures due the Commonwealth on Case Nos. CR-296-2004 for \$475 and CR-12-2006 for \$238 that were erroneously remitted to Bedford County on February 23, 2004 and September 28, 2007, respectively.

7. County Officers Serving During Examination Period

Cathy J. Fetter served as the Clerk of the Court of Common Pleas for the period March 1, 2004 to December 31, 2007.

M. Keith Bowser served as the Director of Probation/Parole in the Probation Office for the period March 1, 2004 to December 31, 2007.



PROBATION OFFICE
BEDFORD COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
MARCH 1, 2004 TO DECEMBER 31, 2007

Finding - Inadequate Stale Check Procedures - Probation Office

Our examination of the office checking account disclosed that the office was carrying 213 outstanding checks totaling \$10,557, dated from April 2004 to June 2007, that were still outstanding as of December 31, 2007.

Good internal accounting controls require that the office follow-up on all outstanding checks. If a check is outstanding for a period over 90 days, efforts should be made to locate the payee. If efforts to locate the payee are unsuccessful, the amount of the check should be removed from the outstanding checklist, added back to the checkbook balance, and subsequently held in escrow for unclaimed escheatable funds.

This condition existed because the office failed to establish adequate internal controls over its outstanding check procedures.

The failure to follow these procedures results in a weakening of internal controls over the cash account and inefficiency caused by the needless record-keeping of outstanding checks.

Recommendation

We recommend that the office establish and implement a procedure whereby outstanding checks are reviewed monthly to determine if there are any long outstanding checks. If checks remain outstanding and attempts to contact payees after 90 days are unsuccessful, the office should reinstate the amount of outstanding checks to the checking account and subsequently hold these monies in escrow for unclaimed escheatable funds.

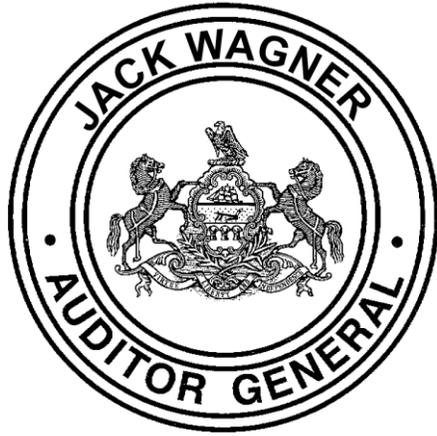
Management's Response

The Director of the Probation Office stated:

We will do better in the future at cleaning up stale dated checks.

Auditor's Conclusion

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



CLERK OF THE COURT OF COMMON PLEAS
AND PROBATION OFFICE
BEDFORD COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
MARCH 1, 2004 TO DECEMBER 31, 2007

This report was initially distributed to:

The Honorable Robert M. McCord
Pennsylvania State Treasurer

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 Cathy J. Fetter	Clerk of the Court of Common Pleas
The Honorable Daniel L. Howsare	President Judge
Mr. M. Keith Bowser	Director of Probation/Parole
The Honorable Michael J. Herline	Chairperson of the Board of Commissioners

This report is a matter of public record. Copies of this report may be obtained from the Pennsylvania Department of the Auditor General, Office of Communications, 318 Finance Building, Harrisburg, PA 17120. To view this report online or to contact the Department of the Auditor General, please access our web site at www.auditorgen.state.pa.us.