

ATTESTATION ENGAGEMENT

Clerk of the Court of Common Pleas and Probation Services: Collections and Disbursement Unit

Lebanon County, Pennsylvania
For the Period
January 1, 2011 to December 31, 2014

November 2017



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 C. Daniel Hassell
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 Director of Probation Services - Collections and Disbursement Unit, Lebanon County, Pennsylvania (County Officers), for the period January 1, 2011 to December 31, 2014, pursuant to the requirements of Sections 401(b) and 401(d) of *The Fiscal Code*, 72 P.S. § 401(b) and § 401(d). The county officers' 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 Sections 401(b) and 401(d) of *The Fiscal Code* to audit the accounts of each county officers 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 Sections 401(b) and 401(d) 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 January 1, 2011 to December 31, 2014, 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.

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 County Officers' 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 County Officers 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 Clerk of the Court of Common Pleas and Probation Services: Collections and Disbursement Unit, Lebanon 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.



Eugene A. DePasquale
Auditor General

September 26, 2017

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CLERK OF THE COURT OF COMMON PLEAS AND PROBATION SERVICES -
COLLECTIONS AND DISBURSEMENT UNIT
LEBANON COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2011 TO DECEMBER 31, 2014

Receipts:

Department of Transportation	
Title 75 Fines	\$ 482,963
Overweight Fines	238
Department of Revenue Court Costs	189,220
Crime Victims' Compensation Costs	254,407
Crime Commission Costs/Victim Witness Services Costs	167,851
Domestic Violence Costs	46,416
Emergency Medical Services Fines	51,073
DUI - ARD/EMS Fees	15,775
CAT/MCARE Fund Surcharges	227,547
Judicial Computer System/Access to Justice Fees	132,120
Offender Supervision Fees	1,438,985
Constable Service Surcharges	282
Criminal Laboratory Users' Fees	156,449
Probation and Parole Officers' Firearm Education Costs	26,984
Substance Abuse Education Costs	168,279
Office of Victims' Services Costs	80,314
Miscellaneous State Fines and Costs	<u>515,474</u>
 Total receipts (Note 2)	 3,954,377
 Disbursements to Commonwealth (Note 3)	 <u>(3,954,377)</u>
 Balance due Commonwealth (County) per settled reports (Note 4)	 -
 Examination adjustments	 <u>-</u>
 Adjusted balance due Commonwealth (County) for the period January 1, 2011 to December 31, 2014	 <u><u>\$ -</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 SERVICES -
 COLLECTIONS AND DISBURSEMENT UNIT
 LEBANON COUNTY
 NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2011 TO DECEMBER 31, 2014

1. Criteria

The Statement of Receipts and Disbursements provide a summary of receipts and disbursements by category. The categories and the amounts of fines, costs, fees, taxes, 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

Clerk Of The Court Of Common Pleas and Probation Services - Collection and Disbursement Unit

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

Clerk Of The Court Of Common Pleas and Probation Services - Collections and Disbursement Unit

Total disbursements are comprised as follows:

Clerk of the Court checks issued to:		
Department of Revenue	\$	3,954,340
State Police		<u>37</u>
 Total		 <u><u>3,954,377</u></u>

4. Balance Due Commonwealth (County) For The Period January 1, 2011 To December 31, 2014

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.

CLERK OF THE COURT OF COMMON PLEAS AND PROBATION SERVICES -
COLLECTIONS AND DISBURSEMENT UNIT
LEBANON COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2011 TO DECEMBER 31, 2014

5. County Officers Serving During Examination Period

Lisa Arnold served as Clerk of Court of Common Pleas during the period January 1, 2011 to August 21, 2014.

The Clerk of Court of Common Pleas position was vacant during the period August 22, 2014 to October 9, 2014.

Barbara Smith served as Clerk of Court of Common Pleas during the period October 10, 2014 to December 31, 2014.

Sally Barry served as Director of Probation Services - Collections and Disbursement Unit during the period January 1, 2011 to December 31, 2014.

CLERK OF THE COURT OF COMMON PLEAS AND PROBATION SERVICES -
COLLECTIONS AND DISBURSEMENT UNIT
LEBANON COUNTY
SUMMARY OF PRIOR EXAMINATION RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2011 TO DECEMBER 31, 2014

Summary of Prior Examination Recommendation

During our prior examination, we recommended that the office:

- Establish and implement an adequate system of internal controls over manual receipts.

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

CLERK OF THE COURT OF COMMON PLEAS AND PROBATION SERVICES -
COLLECTIONS AND DISBURSEMENT UNIT
LEBANON COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2011 TO DECEMBER 31, 2014

This report was initially distributed to:

The Honorable C. Daniel Hassell
Secretary
Pennsylvania Department of Revenue

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

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

The Honorable Barbara Smith
Clerk of the Court of Common Pleas

Ms. Sally Barry
Director
Probation Services

The Honorable Robert M. Mettley
Controller

The Honorable Robert J. Phillips
Chairperson of the Board of Commissioners

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.