

TRAFFIC COURT 06-0-02

ERIE COUNTY

EXAMINATION REPORT

FOR THE PERIOD

JANUARY 1, 2006 TO JULY 3, 2006

CONTENTS

	<u>Page</u>
Independent Auditor's Report.....	1
Financial Section:	
Statement Of Receipts And Disbursements.....	3
Notes To The Statement Of Receipts And Disbursements.....	4
Comment.....	5
Report Distribution	7

Independent Auditor's Report

The Honorable Thomas W. Wolf
Secretary
Department of Revenue
Harrisburg, PA 17128

We have examined the accompanying statement of receipts and disbursements (Statement) of Traffic Court 06-0-02, Erie County, Pennsylvania (Traffic Court), for the period January 1, 2006 to July 3, 2006, pursuant to the requirements of Section 401(c) of *The Fiscal Code*. This Statement is the responsibility of the Traffic 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 reported and promptly transmitted. *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 Traffic Court as it pertains to receipts made on behalf of the Department of Revenue and other state agencies for the period ended July 3, 2006, in conformity with the criteria set forth in Note 1.

In accordance with *Government Auditing Standards*, we are required to report findings of 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 the Statement or on compliance and other matters; accordingly, we express no such opinions. The results of our examination disclosed no 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 Traffic Court and is not intended to be and should not be used by anyone other than these specified parties.

March 2, 2007

JACK WAGNER
Auditor General

TRAFFIC COURT 06-0-02
 ERIE COUNTY
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2006 TO JULY 3, 2006

Receipts:

Department of Transportation		
Title 75 Fines	\$	171,237
Overweight Fines		150
Littering Law Fines		307
Child Restraint Fines		339
Department of Revenue Court Costs		49,875
Emergency Medical Service Fines		28,494
CAT/MCARE Fund Surcharges		86,692
Judicial Computer System Fees		31,252
Access to Justice Fees		6,596
Constable Service Surcharges		547
		<hr/>
Total receipts (Note 2)	\$	375,489
Disbursements to Department of Revenue (Note 3)		<hr/> (375,489)
Balance due Department of Revenue (District Court) per settled reports (Note 4)		-
Examination adjustments		<hr/> -
Adjusted balance due Department of Revenue (District Court) for the period January 1, 2006 to July 3, 2006	\$	<hr/> <hr/> -

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

TRAFFIC COURT 06-0-02
ERIE COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2006 TO JULY 3, 2006

1. Criteria

The Statement of Receipts and Disbursements (Statement) has been prepared in accordance with Title 72 P.S. Section 401 (c) of *The Fiscal Code*, which requires the Department of the Auditor General to determine whether all money collected on behalf of the Commonwealth has been remitted promptly and to provide the Department of Revenue with a report to enable them to settle an account covering any delinquency.

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 Department of Revenue and other state agencies. These fines, costs, fees, and surcharges represent collections made on traffic, non-traffic, civil, and criminal cases filed with the Traffic Court.

3. Disbursements

Total disbursements are comprised as follows:

Checks issued to the Department of Revenue	<u>\$ 375,489</u>
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4. Balance Due Department Of Revenue (Traffic Court) For The Period January 1, 2006 To July 3, 2006

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

5. Magisterial District Judges Serving During Examination Period

Various Magisterial District Judges from within the City of Erie served at Traffic Court 06-0-02 for the period January 1, 2006 to July 3, 2006.

6. Final Examination

This is the final examination of Traffic Court 06-0-02. On July 3, 2006, the City of Erie Traffic Court 06-0-02 permanently closed. The court's open cases were distributed among the district courts in the City of Erie.

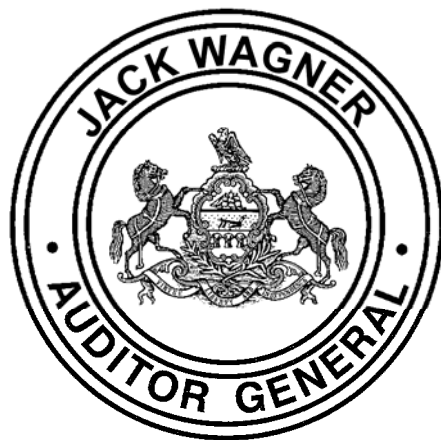
TRAFFIC COURT 06-0-02
ERIE COUNTY
COMMENT
FOR THE PERIOD
JANUARY 1, 2006 TO JULY 3, 2006

Comment - Prior Audit Findings

During our prior audit, for the period January 1, 2002 to December 31, 2005, there were five findings:

- Misappropriated Funds Of At Least \$272,207.53.
- Inadequate Segregation Of Duties.
- Required Computer Downtime Manual Receipt Procedures Were Not Always Followed.
- Inadequate Arrest Warrant And DL-38 Procedures.
- Certification Of Disposition Section On Certain Traffic Citations Was Not Always Completed.

Because this examination was for only a six month period, at which time Traffic Court 06-0-02 closed, our testing was limited to certain areas to determine if the statement of receipts and disbursements was properly presented. We did not test to determine if the traffic court complied with our recommendations to correct the internal control deficiencies cited in the last four bullets above from our last audit because the County of Erie closed the traffic court on July 3, 2006, and distributed the open case files to various district courts around the City of Erie.



TRAFFIC COURT 06-0-02
ERIE COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2006 TO JULY 3, 2006

This report was initially distributed to:

The Honorable Thomas W. Wolf
Secretary
Department of Revenue

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

Traffic Court 06-0-02
Erie County
City Hall
626 State Street
Erie, PA 16501

The Honorable Joseph E. Sinnott

Mayor

The Honorable Sue Weber

Controller

Mr. Thomas C. Aaron

Traffic Court Administrator

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.