

COMPLIANCE AUDIT

District Court 15-1-01
Chester County, Pennsylvania
For the Period
January 1, 2018 to December 31, 2021

April 2023



Commonwealth of Pennsylvania
Department of the Auditor General
Timothy L. DeFoor • Auditor General



**Commonwealth of Pennsylvania
Department of the Auditor General
Harrisburg, PA 17120-0018
Facebook: Pennsylvania Auditor General
Twitter: @PAAuditorGen
www.PaAuditor.gov**

**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

Pat Browne
Acting Secretary
Pennsylvania Department of Revenue
Harrisburg, PA 17128

We have conducted a compliance audit of the District Court 15-1-01, Chester County, Pennsylvania (District Court), for the period January 1, 2018 to December 31, 2021, pursuant to the requirements of Section 401(c) of *The Fiscal Code*, 72 P.S. § 401(c).

The objective of the audit was to determine whether all moneys collected on behalf of the Commonwealth have been correctly assessed, reported, and promptly remitted and to provide a report to the Department of Revenue to allow the Department of Revenue to state and settle the District Court's account. Our audit was limited to areas related to the objective identified above and was not conducted, nor was it required to be, in accordance with Government Auditing Standards issued by the Comptroller General of the United States.

The District Court is responsible for establishing and maintaining effective internal controls to provide reasonable assurance of compliance with state laws and regulations applicable to the collection of moneys on behalf of the Commonwealth, including whether they have been correctly assessed, reported, and promptly remitted. The District Court is also responsible for complying with those laws and regulations. It is our responsibility to perform procedures to obtain sufficient, appropriate evidence to the extent necessary to satisfy the audit objective. We believe that our audit provides a reasonable basis for our conclusions.

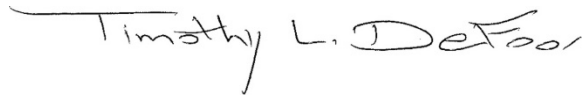
Based on our audit procedures, we conclude that, for the period January 1, 2018 to December 31, 2021, the District Court, in all significant respects, complied with state laws and regulations applicable to the collection of moneys on behalf of the Commonwealth, including whether they have been correctly assessed, reported, and promptly remitted, except as noted in the finding listed below and discussed later in this report:

- Inadequate Arrest Warrant Procedures - Recurring.

This report includes a summary of the District Court's receipts and disbursements of funds collected on behalf of the Commonwealth (summary). We obtained data representing the District Court's receipts and disbursements from the Pennsylvania Department of Revenue, which obtains data from each of the Commonwealth's district courts, and used the data to create the summary in the format required by the Department of Revenue. We also evaluated the accuracy of the data as part of our audit to conclude on the District Court's compliance with certain state laws and regulations as described in the previous paragraph. Any adjustments that we considered necessary based on our audit work are disclosed in the *Audit Adjustments* line of the summary; however, the scope of our audit does not include the issuance of an opinion on the accuracy of the amounts reported in the summary.

The purpose of this report is to determine whether all moneys collected on behalf of the Commonwealth have been correctly assessed, reported and promptly remitted. This report is not suitable for any other purposes.

The contents of this report were discussed with the management of the District Court and, where appropriate, their response has been included in the report. We appreciate the courtesy extended by the District Court 15-1-01, Chester County, to us during the course of our audit. If you have any questions, please feel free to contact the Bureau of County Audits at 717-787-1363.

A handwritten signature in black ink that reads "Timothy L. DeFoor". The signature is written in a cursive style with a long horizontal line extending to the left of the first letter.

Timothy L. DeFoor
Auditor General
March 8, 2023

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DISTRICT COURT 15-1-01
CHESTER COUNTY
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

The Department of Auditor General is mandated by Article IV, Section 401(c) of *The Fiscal Code* (Act of April 9, 1929, P.L.343, No. 176), 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.

District Court 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.

Total disbursements during the audit period are comprised as follows:

District Court checks issued to:

Department of Revenue	<u>\$ 1,357,818</u>
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This balance reflects the summary of monthly transmittal reports as settled by the Department of Revenue.

Brett Binder served at District Court 15-1-01 for the period January 1, 2018 to December 31, 2019.

Senior Judge Daniel Maisano served at District Court 15-1-01 for the period January 1, 2020 to December 12, 2020.

Senior Judge William Kraut served at District Court 15-1-01 for the period January 1, 2021 to December 31, 2021.

The summary of receipts and disbursements on the following page 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 summary 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.

DISTRICT COURT 15-1-01
CHESTER COUNTY
SUMMARY OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

Receipts:

Department of Transportation	
Title 75 Fines	\$ 166,793
Motor Carrier Road Tax Fines	300
Overweight Fines	2,769
Commercial Driver Fines	1,000
Child Restraint Fines	531
Department of Revenue Court Costs	354,623
Crime Victims' Compensation Bureau Costs	30,700
Crime Commission Costs/Victim Witness Services Costs	21,928
Domestic Violence Costs	8,382
Department of Agriculture Fines	2,445
Emergency Medical Service Fines	48,010
CAT/MCARE Fund Surcharges	126,751
Judicial Computer System Fees	156,201
Access to Justice Fees	81,470
Criminal Justice Enhancement Account Fees	6,273
Judicial Computer Project Surcharges	215,826
Constable Service Surcharges	8,093
Miscellaneous State Fines and Costs	<u>125,723</u>
 Total receipts	 1,357,818
 Disbursements to Commonwealth	 <u>(1,357,818)</u>
 Balance due Commonwealth (District Court) per settled reports	 -
 Audit adjustments	 <u>-</u>
 Adjusted balance due Commonwealth (District Court) for the period January 1, 2018 to December 31, 2021	 <u><u>\$ -</u></u>

DISTRICT COURT 15-1-01
CHESTER COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

Finding - Inadequate Arrest Warrant Procedures - Recurring

We cited the issue of inadequate arrest warrant procedures in the prior audit for the period January 1, 2014 to December 31, 2017. Our current audit 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.

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 ensure that warrants were returned when required. We tested 60 instances in which a warrant was required to be returned or recalled. Our testing disclosed that six were not returned or recalled, and 33 were not returned timely. The time of issuance to the time of return ranged from 184 days to 929 days.

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

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 120 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.

These conditions existed because the district court failed to review the warrant control reports as recommended in the prior audit. The district court stated that they use the police department to issue warrants and they are not good at bringing them back.

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.

DISTRICT COURT 15-1-01
CHESTER COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

Finding - Inadequate Arrest Warrant Procedures - Recurring (Continued)

Recommendation

We strongly recommend that the district court review warrant control reports and notify police or other officials to return warrants that are unserved for 120 days for summary traffic and non-traffic cases as recommended by the Manual.

Management's Response

The Magisterial District Judge responded as follows:

During the 2018-2021 Audit period, the warrants were issued to West Chester Borough Police Department, and they had the general responsibility for warrant assignments and maintenance. The Court had alerted them of any recalls by faxing a list of served warrants at the end of the day. Any reissues/reassignments were not completed in the system, but through a manual process where a label would be placed on the warrant with a different constable's name. Moving forward, the local ordinance warrants are being issued to specific constables who are contracted out of West Chester Borough, rather than the police department. Warrants nearing the 120 day-mark will be recalled weekly and will be 000s upon return.

Auditors Conclusion

We appreciate the district court's effort to correct this issue. This is a recurring finding. It is imperative that the district court take all corrective actions necessary to comply with our recommendation. The risk of uncollected fines and unpunished offenders continues to exist as long as this deficiency continues. During our next audit, we will determine if the district court complied with our recommendation.

DISTRICT COURT 15-1-01
CHESTER COUNTY
SUMMARY OF PRIOR AUDIT RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

Summary Of Prior Audit Recommendation

During our prior audit, we recommended that the court:

- Review warrant control reports and notify police or other officials to return warrants that are unserved for 60 days (120 days as of December 2016) for summary traffic and non-traffic cases as recommended by the Manual.

During our current audit, we noted that the district court did not comply with our recommendation. Please see the current year finding for additional information.

DISTRICT COURT 15-1-01
CHESTER COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

This report was initially distributed to:

Pat Browne
Acting Secretary
Pennsylvania Department of Revenue

The Honorable H. Geoffrey Moulton, Jr.
Court Administrator of Pennsylvania
Supreme Court of Pennsylvania
Administrative Office of Pennsylvania Courts

The Honorable Marc J. Lieberman
Magisterial District Judge

The Honorable Marian D Moskowitz
Chairperson of the Board of Commissioners

The Honorable Margaret M. Reif
Controller

Ms. Patricia L. Norwood-Foden
District Court Administrator

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.