

COMPLIANCE AUDIT

District Court 41-3-01
Juniata County, Pennsylvania
For the Period
January 1, 2019 to December 31, 2022

November 2023



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

The Honorable Pat Browne
Secretary
Pennsylvania Department of Revenue
Harrisburg, PA 17128

We have conducted a compliance audit of the District Court 41-3-01, Juniata County, Pennsylvania (District Court), for the period January 1, 2019 to December 31, 2022, 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, 2019 to December 31, 2022, 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 findings listed below and discussed later in this report:

- Inadequate Arrest Warrant Procedures - Recurring.
- Evidence Authorizing The Disposition Of Citations Was Not Available.

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 41-3-01, Juniata 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

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DISTRICT COURT 41-3-01
JUNIATA COUNTY
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

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>\$ 1,122,773</u>
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This balance reflects the summary of monthly transmittal reports as settled by the Department of Revenue.

Barbara M. Lyter served at District Court 41-3-01 for the period January 1, 2019 to January 3, 2020.

Tracey L. Powell served at District Court 41-3-01 for the period January, 6 2020 to December 31, 2022.

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 41-3-01
 JUNIATA COUNTY
 SUMMARY OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2019 TO DECMEBER 31, 2022

Receipts:

Department of Transportation		
Title 75 Fines	\$	296,718
Motor Carrier Road Tax Fines		625
Overweight Fines		675
Commercial Driver Fines		1,000
Littering Law Fines		3,476
Child Restraint Fines		909
Department of Revenue Court Costs		156,003
Crime Victims' Compensation Bureau Costs		13,270
Crime Commission Costs/Victim Witness Services Costs		9,800
Domestic Violence Costs		2,885
Department of Agriculture Fines		9,600
Emergency Medical Service Fines		79,802
CAT/MCARE Fund Surcharges		219,005
Judicial Computer System Fees		69,230
Access to Justice Fees		39,874
Criminal Justice Enhancement Account Fees		6,611
Judicial Computer Project Surcharges		114,517
Constable Service Surcharges		1,224
Miscellaneous State Fines and Costs		<u>97,549</u>
 Total receipts		 1,122,773
 Disbursements to Commonwealth		 <u>(1,122,773)</u>
 Balance due Commonwealth (District Court) per settled reports		 -
 Audit adjustments		 <u>-</u>
 Adjusted balance due Commonwealth (District Court) for the period January 1, 2019 to December 31, 2022	 <u>\$</u>	 <u>-</u>

DISTRICT COURT 41-3-01
JUNIATA COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

Finding No. 1 - Inadequate Arrest Warrant Procedures - Recurring

We cited the issue of inadequate arrest warrant procedures in the two prior audits; the most recent was for the period January 1, 2015 to December 31, 2018. 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 issue warrants when required.

We tested 24 instances in which a warrant was required to be issued under Pa.R.Crim.P. 430(b)(1). Our testing disclosed that nine were not issued timely and one was not issued at all. The time of issuance ranged from 61 days to 417 days.

We also tested 14 instances in which a warrant may be issued under Pa.R.Crim.P. 430(b)(3). Our testing disclosed that seven were not issued timely and four were not issued at all. The time of issuance ranged from 84 days to 878 days. These results do not include instances in which the Magisterial District Judge recently ordered a payment determination hearing, sentenced the defendant to jail time in lieu of payment, or sentenced the defendant to perform community service.

In addition, of 30 warrants required to be returned or recalled, seven were not returned or recalled, and seven were not returned timely. The time of issuance to the time of return ranged from 244 days to 599 days.

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

Warrant Issuance Procedures: The Manual states that on October 1, 1998, new warrant procedures took effect for summary cases. Amendments were made to Pa.R.Crim.P. 430, 431, 454, 455, 456, 460, 461, and 462. To comply with the new changes, the Notice of Impending Warrant (AOPC A418) was created with the purpose of informing the defendant that failure to pay the amount due or to appear for a Payment Determination Hearing will result in the issuance of an arrest warrant. The defendant is also informed that his/her response must be made within ten days of the date of the notice.

DISTRICT COURT 41-3-01
JUNIATA COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

Finding No. 1 - Inadequate Arrest Warrant Procedures - Recurring (Continued)

According to Pa.R.Crim.P. 430(b)(1), a warrant SHALL be issued in a summary case for any of the following reasons (a Notice of Impending Warrant is not necessary for the following):

- The defendant has failed to respond to a citation or summons that was served either personally or by certified mail, return receipt requested.
- The citation or summons is returned undeliverable.
- The Magisterial District Judge has reasonable grounds to believe that the defendant will not obey a summons.

According to Pa.R.Crim.P. 430 (b)(3), a Notice of Impending Warrant may be issued in a post-disposition summary case for any of the following reasons:

- A guilty disposition is recorded, and no payment is made, or a time payment schedule is not created.
- A guilty disposition is recorded and a previously deposited collateral payment, when applied, does not pay the case balance in full.
- A guilty disposition is recorded and the defendant defaults on a time payment schedule.

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.

DISTRICT COURT 41-3-01
JUNIATA COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

Finding No. 1 - Inadequate Arrest Warrant Procedures - Recurring (Continued)

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. Therefore, it is considered best business practice to issue warrants that fall under Pa.R.Crim.P. 430(b)(3) when other actions are not taken by the Magisterial District Judge to compel compliance by the defendant, such as ordering a payment determination hearing, sentencing to jail time in lieu of payment, or sentencing to perform community service.

Court personnel stated that the court has not able to review all warrants/DL-38s to determine status and follow-up due to being short staffed and very busy and has also had issues finding adequate constables to serve warrants in the area. 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.

Recommendations

We recommend that the district court review the tickler reports for warrants daily and take appropriate action as required by the Manual. We further recommend that the 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

No formal response was offered at this time.

Auditor Conclusion

This is a recurring finding. It is imperative that the District Court ensure that warrants are properly issued and returned. Failure to implement the recommended procedures could result in uncollected fines, unpunished offenders, and increases the potential for funds to be lost or misappropriated. During our next audit, we will determine if the District Court complied with our recommendations.

DISTRICT COURT 41-3-01
JUNIATA COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

Finding No. 2 - Evidence Authorizing the Disposition Of Citations Was Not Available

During our audit of the district court's case files, we tested 62 files with either dispositions of not guilty, dismissed, discharged, or withdrawn or cases that had a guilty plea disposition without an accompanying full payment. There was no evidence in 22 cases that the disposition was authorized by the Magisterial District Judge.

Good internal accounting controls ensure that there is evidence that the disposition on these cases was authorized by the Magisterial District Judge. The failure to follow this procedure increases the risk for funds to be lost or misappropriated.

The current Magisterial District Judge stated that she did not always ensure evidence authorizing the disposition was included in all required case files. Adherence to good internal controls would have ensured that there were adequate internal controls over citations.

Recommendation

We recommend that there is evidence that the Magisterial District Judge authorize the disposition of these cases and it is available for the audit.

Management Response

The Magisterial District Judge responded as follows:

I know every MDC [Magisterial District Court] is audited around the same time every four years, but I don't understand why I am being written up for some of the auditing issues that happened before my time. Six of the authorizations of case dispositions were done before my time in office unless I'm missing something. I do, however, understand it's an audit of the office as a whole, and maybe even subtracting the six would have still warranted a write-up.

One of my staff and I have individually and together gone through every case cited and have some questions regarding the withdrawn citations by Pennsylvania State Police (PSP) Troopers and several that I dismissed, drew an "X" across the citations and initialed and dated. I never remember being told exactly how this procedure is to be carried out properly in any of my trainings: The Minor Judiciary Certification Class, New Magisterial District Judge (MDJ) School, and any other subsequent continuing-education trainings.

DISTRICT COURT 41-3-01
JUNIATA COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

**Finding No. 2 - Evidence Authorizing the Disposition Of Citations Was Not Available
(Continued)**

Management Response (Continued)

The [staff member] has been in this office for 27 years and claims they've never been written up for this and wasn't aware of any other way to do some of the dispositions. The [staff member] also claims guilty pleas were never signed in the past. Three of the cases cited went to warrants and at least one case the disposition was found guilty on all cites in my note and the [defendant] is on a payment plan. Although, I did not sign my own note.

Auditor Conclusion

We acknowledge the current officeholder's concerns regarding this issue. As stated above, the evidence of authorization of the dispositions by the Magisterial District Judge in 22 cases was not evident in the documentation provided. In addition, the 22 cases in which the discrepancy was noted occurred throughout the entire audit period. Without a signed/authorized certification of disposition, the risk of funds to be lost or misappropriated increases. Please note that the Administrative Office of Pennsylvania Courts can provide guidance regarding the certification of disposition requirements on Non-Traffic and Traffic Citations. During our next audit, we will determine if the district court complied with our recommendation.

DISTRICT COURT 41-3-01
JUNIATA COUNTY
SUMMARY OF PRIOR AUDIT RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

Summary of Prior Audit Recommendations

During our prior audit, we recommended that the district court:

- Review the tickler reports for warrants daily and take appropriate action as required by the Manual. We further recommended that the 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.

During our current audit, we noted that the district court did not comply with our recommendations. Please see the current year Finding No. 1 for additional information.

DISTRICT COURT 41-3-01
JUNIATA COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2019 TO DECMEBER 31, 2022

This report was initially distributed to:

The Honorable Pat Browne
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 Tracey L. Powell
Magisterial District Judge

The Honorable Alice J. Gray
Chairperson of the Board of Commissioners

Ms. Christina L. Zook
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.