



DISTRICT COURT 51-3-03

ADAMS COUNTY

EXAMINATION REPORT

FOR THE PERIOD

JANUARY 1, 2006 TO DECEMBER 31, 2008

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**Department of the Auditor General  
Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania 17120-0018**

**JACK WAGNER  
AUDITOR GENERAL**

Independent Auditor's Report

The Honorable Daniel P. Meuser  
Secretary  
Pennsylvania Department of Revenue  
Harrisburg, PA 17128

We have examined the accompanying statement of receipts and disbursements (Statement) of District Court 51-3-03, Adams County, Pennsylvania (District Court), for the period January 1, 2006 to December 31, 2008, pursuant to the requirements of Section 401(c) of *The Fiscal Code*, 72 P.S. § 401(c). This Statement is the responsibility of the District 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 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(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 District Court as it pertains to receipts made on behalf of the Commonwealth for the period ended December 31, 2008, 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 District Court's 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 District Court's Statement that is more than inconsequential will not be prevented or detected by the District Court's internal control.

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 District Court's internal control.

Our consideration of internal control over reporting on the Statement was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any significant deficiencies or material weaknesses, as defined above, in internal control over reporting on the Statement.

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*. However, we did note an other matter that, while not required to be included in this report by *Government Auditing Standards*, has been included in the finding below:

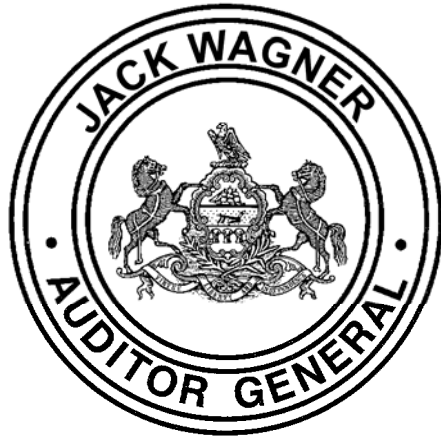
- Local Ordinance Code Improperly Utilized In Lieu Of Related State Statute.

We are concerned in light of the District Court's failure to correct a previously reported examination finding regarding the inadequate use of local ordinances in lieu of state statutes. The District Court should strive to implement the recommendation and corrective actions noted in this examination report. The incorrect use of local ordinances in lieu of state statutes resulted in the defendant not being assessed the proper amounts associated with the violation; and a loss of revenue to the Commonwealth.

This report is intended solely for the information and use of the Pennsylvania Department of Revenue, the Administrative Office of Pennsylvania Courts, and the District Court and is not intended to be and should not be used by anyone other than these specified parties.

April 11, 2011

JACK WAGNER  
Auditor General



DISTRICT COURT 51-3-03  
ADAMS COUNTY  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2006 TO DECEMBER 31, 2008

Receipts:

Department of Transportation			
Title 75 Fines	\$	266,702	
Motor Carrier Road Tax Fines		150	
Overweight Fines		900	
Littering Law Fines		1,100	
Child Restraint Fines		620	
Department of Revenue Court Costs		174,806	
Crime Victims' Compensation Bureau Costs		41,861	
Crime Commission Costs/Victim Witness Services Costs		30,267	
Domestic Violence Costs		10,495	
Department of Agriculture Fines		2,605	
Emergency Medical Service Fines		72,053	
CAT/MCARE Fund Surcharges		235,067	
Judicial Computer System Fees		83,991	
Access to Justice Fees		20,773	
Constable Service Surcharges		9,335	
Miscellaneous State Fines		22,900	
Total receipts (Note 2)	\$	973,625	
Disbursements to Commonwealth (Note 3)		<u>(973,625)</u>	
Balance due Commonwealth (District Court) per settled reports (Note 4)		-	
Examination adjustments (Exhibit 1)		<u>516</u>	
Adjusted balance due Commonwealth (District Court) for the period January 1, 2006 to December 31, 2008	\$	<u><u>516</u></u>	

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

DISTRICT COURT 51-3-03  
ADAMS COUNTY  
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2006 TO DECEMBER 31, 2008

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 traffic, non-traffic, civil, and criminal cases filed with the District Court.

3. Disbursements

Total disbursements are comprised as follows:

District Court checks issued to:

Department of Revenue	\$ 973,625
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4. Balance Due Commonwealth (District Court) For The Period January 1, 2006 To December 31, 2008

This balance reflects the summary of monthly transmittal reports as settled by the Department of Revenue. It does not reflect adjustments disclosed by our examination. Refer to Exhibit 1.

5. Magisterial District Judge Serving During Examination Period

John C. Zepp served at District Court 51-3-03 for the period January 1, 2006 to December 31, 2008.



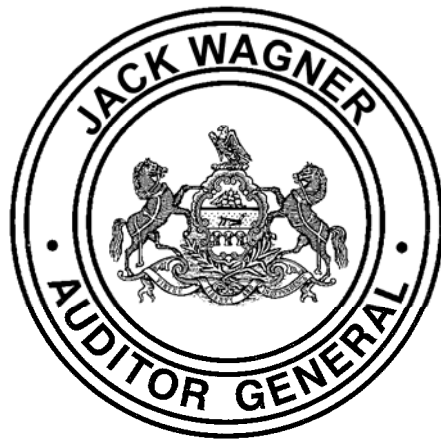
DISTRICT COURT 51-3-03  
ADAMS COUNTY  
EXHIBIT 1  
FOR THE PERIOD  
JANUARY 1, 2006 TO DECEMBER 31, 2008

Exhibit 1 - Schedule Of Reporting Errors And Examination Adjustments

	<u>Docket Number</u>	<u>Receipt Date</u>	<u>State or Local Arrest</u>	<u>Ordinance Cited per Arresting Officer</u> **		<u>Section Violated per State Statute</u>	<u>Total Balance Due</u>
Reading Township	NT-0273-06	04/27/06	L	101	1.4	1543	\$ 13
	NT-0274-06	05/04/06 *	L	101	1.4	1543	80
	NT-0746-08	07/28/08	L	101	1.4	3362	34
							<u>127</u>
York Spring Borough	NT-0406-06	06/20/06	L	1977	1.4	3362	25
	NT-0475-96	07/02/08	L	1977	5A	3714	25
							<u>50</u>
Berwick Township	NT-0152-07	04/12/07 *	L	32	101	3714	14
	NT-0287-07	03/23/07	L	32	101	3714	100
	NT-2596-07	02/27/06	L	32	101	3362	30
							<u>144</u>
East Berlin Borough	NT-0276-06	05/02/06	L	26	1	3714	25
	NT-0390-06	06/15/06	L	26	1	3714	25
	NT-0523-07	05/25/07	L	26	1	3714	25
	NT-0894-07	11/29/07	L	26	1	3714	38
	NT-1230-99	10/23/06 *	L	26	1	3714	19
							<u>132</u>
Latimore Township	NT-0748-08	07/29/08	L	90-1	2A	3362	38
	NT-2039-91	12/13/07	L	90-1	A	3362	25
							<u>63</u>
	<b>Total</b>						<u><u>\$ 516</u></u>

\* - Multiple payments were made on this case. Only the last payment date is reflected.

\*\* - The local ordinance was cited by the arresting officer. However, this violation is part of Title 75 of the *Vehicle Code*, which cannot be superseded.



DISTRICT COURT 51-3-03  
ADAMS COUNTY  
FINDING AND RECOMMENDATION  
FOR THE PERIOD  
JANUARY 1, 2006 TO DECEMBER 31, 2008

Finding - Local Ordinance Code Improperly Utilized In Lieu Of Related State Statute

We noted that the local police from five municipalities were issuing citations for traffic violations using local ordinance codes in lieu of the applicable state statute. Our examination disclosed a total of 15 cases in which a local ordinance superseded the state statute. Information pertaining to the 15 traffic violations is summarized below.

Municipality	Number of Cases Filed By Police	Number of Cases In Which Payment Was Made	Balance Due The Dept. of Revenue
Reading Township	3	3	\$ 127
York Springs Township	2	2	50
Berwick Township	3	3	144
East Berlin Township	5	5	132
Latimore Township	2	2	63
Total	<u>15</u>	<u>15</u>	<u>\$ 516</u>

Because traffic citations were issued under local ordinances and not under state statute, all fines that were assessed and collected were remitted to the local municipality whose police issued the citation. If these traffic citations were issued under the state statute, the Commonwealth would have been entitled to 50 percent of the fines assessed and collected as indicated by Title 75 of the *Vehicle Code*. Additionally, the amount of the fines assessed in accordance with the local ordinance, differs from the amount dictated by Title 75 of the *Vehicle Code*. It should be noted that the balance due the Department of Revenue represents one half of the total amount collected on the local ordinance, as opposed to the fine that would have been charged if the proper motor vehicle code section would have been cited. See Exhibit 1 of this report for a complete listing of the balance due cases. Also, since the Catastrophic Fund Surcharges and the Emergency Medical Services Fines are not assessed on local ordinances, there was an additional loss of revenue to the Commonwealth of approximately \$150 and \$450, respectively.

Local ordinances were cited in lieu of state statutes because the local police were following their respective Local Ordinance Code instead of Title 75 of the *Vehicle Code*.

Title 75 Pa. C.S. subsection 6301 states in part, “when the same conduct is proscribed under this title and a local ordinance, the charge shall be brought under this title and not under the local ordinance.”

DISTRICT COURT 51-3-03  
ADAMS COUNTY  
FINDING AND RECOMMENDATION  
FOR THE PERIOD  
JANUARY 1, 2006 TO DECEMBER 31, 2008

Finding - Local Ordinance Code Improperly Utilized In Lieu Of Related State Statute  
(Continued)

This finding was cited in our last two audit periods, the most recent ending December 31, 2005.

Recommendation

We again recommend that the Municipality Police issue all citations in accordance with the appropriate state statute.

Management's Response

The Magisterial District Judge responded as follows:

The cases during this audit period were residual cases from 1989, 1990, 1991 and 1992. The largest majority of the cases were ten years old.

Auditor's Conclusion

All payments were made during the examination period. As indicated in Exhibit 1 on page 7, out of the 15 cases cited, the cases associated with these payments were for one case filed in 1991, one case filed in 1996, one case filed in 1999, and the remaining 12 cases were filed during the examination period.

This is a recurring finding. We strongly recommend that the office comply with our recommendation.

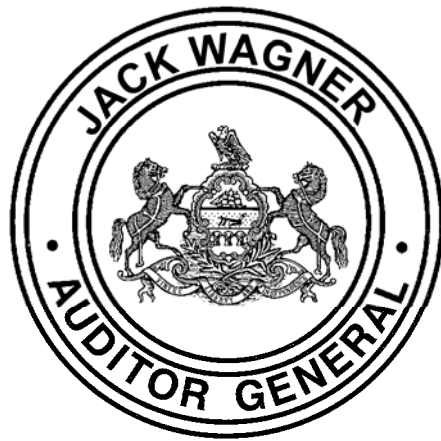
DISTRICT COURT 51-3-03  
ADAMS COUNTY  
COMMENT  
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Comment - Compliance With Prior Examination Recommendation

During our prior examination, we recommended:

- That the office initiate procedures to ensure that all cases are properly filed and contain appropriate documents as outlined in the *Magisterial District Judge Automated Office Clerical Procedures Manual*.

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



DISTRICT COURT 51-3-03  
ADAMS COUNTY  
REPORT DISTRIBUTION  
FOR THE PERIOD  
JANUARY 1, 2006 TO DECEMBER 31, 2008

This report was initially distributed to:

The Honorable Daniel P. Meuser  
Secretary  
Pennsylvania Department of Revenue

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

The Honorable John C. Zepp

Magisterial District Judge

Mr. Mark D. Grim, Jr.

District Court Administrator

The Honorable George A. Weikert

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](http://www.auditorgen.state.pa.us).