



**CLERK OF THE COURT OF COMMON PLEAS**

**BUCKS COUNTY**

**EXAMINATION REPORT**

**FOR THE PERIOD**

**JANUARY 1, 2006 TO DECEMBER 31, 2011**

**COMMONWEALTH OF PENNSYLVANIA**

**EUGENE A. DEPASQUALE - AUDITOR GENERAL**

**DEPARTMENT OF THE AUDITOR GENERAL**





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EUGENE A. DePASQUALE  
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 the Clerk of the Court of Common Pleas, Bucks County, Pennsylvania (County Officer), for the period January 1, 2006 to December 31, 2011, pursuant to the requirements of Section 401(b) of *The Fiscal Code*, 72 P.S. § 401(b). This Statement is the responsibility of the county office'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(b) of *The Fiscal Code* to audit the accounts of each county officer 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(b) 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 County Officer as it pertains to receipts made on behalf of the Commonwealth for the period January 1, 2006 to December 31, 2011, 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 County Officer'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 County Officer's Statement that is more than inconsequential will not be prevented or detected by the County Officer's internal control. We consider the deficiencies described in the findings below to be significant deficiencies in internal control over the reporting on the Statement:

- Inadequate Internal Controls Over Manual Receipts.
- Inadequate Assessment Of Fines, Costs, Fees, And Surcharges.

Independent Auditor's Report (Continued)

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 County Officer's internal control. Our consideration of the internal control over reporting on the Statement would not necessarily disclose all matters in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider the first bulleted deficiency to be a material weakness.

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 Officer and is not intended to be and should not be used by anyone other than these specified parties.



March 25, 2013

**EUGENE A. DEPASQUALE**

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CLERK OF THE COURT OF COMMON PLEAS  
BUCKS COUNTY  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2006 TO DECEMBER 31, 2011

Receipts:

Department of Transportation		
Title 75 Fines	\$	870,004
Overweight Fines		12,787
Department of Revenue Court Costs		609,843
Crime Victims' Compensation Costs		1,587,747
Crime Commission Costs/Victim Witness Services Costs		1,050,284
Domestic Violence Costs		78,084
Emergency Medical Services Fines		181,864
DUI - ARD/EMS Fees		211,879
CAT/MCARE Fund Surcharges		1,281,403
Judicial Computer System/Access to Justice Fees		459,138
Offender Supervision Fees		2,733,166
Constable Service Surcharges		18,438
Criminal Laboratory Users' Fees		73,195
Probation and Parole Officers' Firearm Education Costs		135,977
Substance Abuse Education Costs		1,668,879
Office of Victims' Services Costs		154,888
Miscellaneous State Fines and Costs		<u>1,807,736</u>
 Total receipts (Note 2)		 12,935,312
 Disbursements to Commonwealth (Note 3)		 <u>(12,935,312)</u>
 Balance due Commonwealth (County) per settled reports (Note 4)		 -
 Examination adjustments (Note 5)		 <u>950</u>
 Adjusted balance due Commonwealth (County) for the period January 1, 2006 to December 31, 2011	 \$	 <u><u>950</u></u>

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

CLERK OF THE COURT OF COMMON PLEAS  
BUCKS COUNTY  
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
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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 summary and criminal cases filed with the Clerk of the Court of Common Pleas' Office.

3. Disbursements

Total disbursements are comprised as follows:

Clerk of the Court checks issued to:

Department of Revenue	\$ 12,840,294
Department of Public Welfare	1,120
Office of Attorney General	50
State Police	5,036
Office of Inspector General	22,933
Bureau of Victims' Services	3,961
Department of Conservation & Natural Resources	2,903
Turnpike Commission	1,867
Department of Transportation	<u>57,148</u>
Total	<u>\$ 12,935,312</u>

CLERK OF THE COURT OF COMMON PLEAS  
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NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS  
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4. Balance Due Commonwealth (County) For The Period January 1, 2006 To December 31, 2011

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. It does not reflect adjustments disclosed by our examination. Refer to Note 5.

5. Examination Adjustment

We noted two bail forfeitures totaling \$950 due the Commonwealth on case numbers CP-09-CR-0003436-2007 and CP-09-CR-0004667-2007, which were incorrectly remitted to the County in October 2007 and July 2009, respectively.

6. County Officer Serving During Examination Period

Mary K. Smithson served as the Clerk of the Court of Common Pleas for the period January 1, 2006 to December 31, 2011.



CLERK OF THE COURT OF COMMON PLEAS  
BUCKS COUNTY  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
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Finding No. 1 - Inadequate Internal Controls Over Manual Receipts

Manual receipts are available to be issued in the event of a temporary power loss to the office's computer system. When the computer system is operating again, the manual receipt is replaced by an official computer-generated receipt and included in the daily receipts.

Our examination disclosed the following deficiencies in the internal controls over manual receipts:

Of 25 receipts tested, we noted the following:

- For examination years 2006 to 2010 a manual receipts log was not maintained to record the issuance of manual receipts. Consequently, a population of manual receipts could not be determined.
- There were 12 instances in which the manual receipt number was not entered into the computer system when the corresponding computer receipt was generated.

Good internal accounting controls ensure that:

- Manual receipts are accounted for and maintained.
- A manual receipts log is maintained to document information that is recorded on the manual receipt, including date issued, date filed, case number, signature of the person receiving the payment, remitter name, payment source, and payment method. This will provide an audit trail on the issuance of the manual receipt.
- Manual receipt numbers are entered in the manual receipt number field on the computer when the corresponding computer receipts are generated.
- Only official Common Pleas Case Management System (CPCMS) manual receipts and log, that are available through the computer system, are used.

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Finding No. 1 - Inadequate Internal Controls Over Manual Receipts (Continued)

Without a good system of internal controls over funds received by the office, the possibility of funds being lost or misappropriated increases significantly.

Adherence to good internal accounting controls would have ensured adequate internal controls over receipts.

These conditions existed because the office failed to establish and implement an adequate system of internal controls over manual receipts.

Recommendation

We recommend that the office establish and implement an adequate system of internal controls over manual receipts as noted above.

Management's Response

The County Officer responded as follows:

Pertaining to Finding 1 on manual receipts, we had numbered carbon manual receipts from our legacy system that we continued to use after migration to AOPC's CPCMS. If manual receipts had to be used, the yellow carbon copy was always put with the daily closeout paperwork. We looked for a log book unsuccessfully. In December 2010, CPCMS issued a user alert which contained information about generating manual receipts through their system. We immediately began to utilize the pre-numbered manual receipts available in CPCMS along with a corresponding log. We also are sure to enter the manual receipt number in CPCMS when receipting the payment.

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Finding No. 2 - Inadequate Assessment Of Fines, Costs, Fees, And Surcharges

Our examination disclosed that the office did not assess certain fines, costs, fees, and surcharges as mandated by law. Of 40 cases tested, we noted the following discrepancies:

- There were 12 cases in which the DNA Cost was not assessed.
- There were 11 cases in which the Amber Alert System Cost was not assessed.

The following state statutes address the assessment of fines, costs, fees, and surcharges that were not properly assessed:

- Effective January 31, 2005, Title 44 P.S. § 2322, specifies that all felonies, regardless of offense, and misdemeanors for § 2910 (relating to luring a child into a motor vehicle) and § 3126 (relating to indecent assault), authorizes the automatic assessment of a \$250 DNA cost when a DNA sample is taken.
- Title 35 P.S. § 7025.4 provides for the collection of the Amber Alert System Cost. Unless the court finds that undue hardship would result, in addition to any other cost imposed by law, a cost of \$25 shall automatically be assessed on each person convicted, adjudicated delinquent or granted accelerated rehabilitative disposition (ARD) of the offenses in 18 Pa.C.S. § 2901 -2910.

The improper assessing of these costs and fees resulted in the defendant not being assessed the proper amount of costs and fees associated with the violation; and/or a loss of revenue to the Commonwealth and County.

Recommendation

We recommend that the office establish and implement controls to ensure that fines, costs, fees, and surcharges are properly assessed on all cases as mandated by law.

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Finding No. 2 - Inadequate Assessment Of Fines, Costs, Fees, And Surcharges (Continued)

Management's Response

The County Officer responded as follows:

Pertaining to Finding 2, related to Amber Alert and DNA costs, we are aware of these assessments and added the assessment on all those that were found missed. We issued verbal and written reminders to staff about how to properly assess these fees. In addition, since Amber Alert has very specific offense related rules, a manager will be running a periodic report to check on the proper assessment of Amber Alert based on the offense statutes.

CLERK OF THE COURT OF COMMON PLEAS  
BUCKS COUNTY  
REPORT DISTRIBUTION  
FOR THE PERIOD  
JANUARY 1, 2006 TO DECEMBER 31, 2011

This report was initially distributed to:

The Honorable Daniel P. Meuser  
Secretary  
Pennsylvania Department of Revenue

The Honorable Zygmunt Pines  
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 Mary K. Smithson	Clerk of the Court of Common Pleas
The Honorable Raymond F. McHugh	Controller
The Honorable Robert G. Loughery	Chairman of the Board of Commissioners
The Honorable Susan Devil Scott	President Judge

This report is a matter of public record and is available online at <http://www.auditorgen.state.pa.us>. Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 231 Finance Building, Harrisburg, PA 17120; via email to: [news@auditorgen.state.pa.us](mailto:news@auditorgen.state.pa.us).