

COMPLIANCE AUDIT

Clerk of the Court of
Common Pleas/Juvenile Probation
Cambria County, Pennsylvania
For the Period
January 1, 2017 to December 31, 2020

November 2022



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

The Honorable C. Daniel Hassell
Secretary
Pennsylvania Department of Revenue
Harrisburg, PA 17128

We have conducted a compliance audit of the Clerk of the Court of Common Pleas/Juvenile Probation, Cambria County, Pennsylvania (County Officers), for the period January 1, 2017 to December 31, 2020, pursuant to the requirements of Section 401(b) of *The Fiscal Code*, 72 P.S. § 401(b).

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 County Officers' 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 County Officers are 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 County Officers are 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.

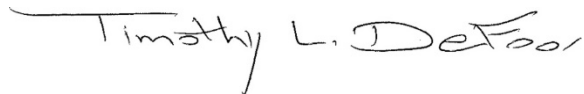
Based on our audit procedures, we conclude that, for the period January 1, 2017 to December 31, 2020, the County Officers, in all significant respects, complied with state laws and regulations applicable to the collection of moneys on behalf of the Commonwealth, including whether they have been correctly assessed, reported, and promptly remitted, except as noted in the finding listed below and discussed later in this report:

- Inadequate Internal Control Over Manual Receipts Procedures.

This report includes a summary of the County Officers' receipts and disbursement of funds collected on behalf of the Commonwealth (summary). We obtained data representing the County Officers' receipts and disbursement from the Pennsylvania Department of Revenue, which obtains data from each of the Commonwealth's clerk of court of common pleas offices 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 County Officers' 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 County Officers and, where appropriate, their responses have been included in the report. We appreciate the courtesy extended to us by the Clerk of the Court of Common Pleas/Juvenile Probation, Cambria County, 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
September 27, 2022

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CLERK OF THE COURT OF COMMON PLEAS/JUVENILE PROBATION
 CAMBRIA COUNTY
 BACKGROUND
 FOR THE PERIOD
 JANUARY 1, 2017 TO DECEMBER 31, 2020

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

Clerk of Court of Common Pleas/Juvenile Probation 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' and Juvenile Probation Offices.

Total disbursements during the audit period are comprised as follows:

Clerk of the Court checks issued to:

Department of Revenue	\$ 2,947,118
Office of Attorney General	7,485
State Police	134
Department of Labor and Industry	213
Department of Human Services	1,970
Board of Probation and Parole	67
Total	\$ 2,956,987

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 and an adjustment disclosed by our audit.

Susan M. Kuhar served as the Clerk of the Court of Common Pleas for the period January 1, 2018 to December 31, 2019.

Max R. Pavlovich served as the Clerk of the Court of Common Pleas for the period January 1, 2020 to December 31, 2020.

Cynthia A. Wess served as the Chief Probation Officer for the period January 1, 2017 to July 28, 2017.

Mark Ledford served as the Chief Probation Officer for the period August 31, 2017 to December 31, 2020.

CLERK OF THE COURT OF COMMON PLEAS/JUVENILE PROBATION
CAMBRIA COUNTY
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2020

The summary 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 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.

Audit Adjustment

The \$216 audit adjustment represents additional costs due to the Department of Revenue that were not properly included on the November 2020 and December 2020 monthly reports.

CLERK OF THE COURT OF COMMON PLEAS/JUVENILE PROBATION
 CAMBRIA COUNTY
 SUMMARY OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2017 TO DECEMBER 31, 2020

Receipts:

Department of Transportation		
Title 75 Fines	\$	168,405
Overweight Fines		13,830
Department of Revenue Court Costs		104,400
Crime Victims' Compensation Costs		205,938
Crime Commission Costs/Victim Witness Services Costs		134,341
Domestic Violence Costs		28,281
Emergency Medical Services Fines		9,546
DUI - ARD/EMS Fees		27,802
CAT/MCARE Fund Surcharges		32,961
Judicial Computer System/Access to Justice Fees		209,628
Offender Supervision Fees		1,031,185
Constable Service Surcharges		2,376
Criminal Laboratory Users' Fees		62,112
Probation and Parole Officers' Firearm Education Costs		20,049
Substance Abuse Education Costs		146,787
Office of Victims' Services Costs		62,669
Miscellaneous State Fines and Costs		<u>696,461</u>
 Total receipts		 2,956,771
 Disbursements to Commonwealth		 <u>(2,956,987)</u>
 Balance due Commonwealth (County) per settled reports		 (216)
 Audit adjustments		 <u>216</u>
 Adjusted balance due Commonwealth (County) for the period January 1, 2017 to December 31, 2020	 \$	 <u><u>-</u></u>

CLERK OF THE COURT OF COMMON PLEAS/JUVENILE PROBATION
CAMBRIA COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2020

Finding - Inadequate Internal Control Over Manual Receipts Procedures

Manual receipts generated through the Common Pleas Case Management System (CPCMS) are available to be issued in the event of a temporary power loss to the office's computer system and were utilized by the Clerk of Courts and two separate Juvenile Probation satellite offices.

We identified deficiencies in internal controls over manual receipts for both the Clerk of Courts and Juvenile Probation.

The Juvenile Probation offices did not use the CPCMS Manual receipts until March of 2018. The office used duplicate receipt books purchased from an office supply store that were not sequentially numbered between the batched books of 20 receipts. The receipts did not contain adequate information such as the docket number, case numbers, remitter names, or addresses. Additionally, these manual receipt books were not inventoried to document the series of manual receipts purchased and a log of receipts was not maintained. Thus, we are unable to establish a population of these manual receipts.

Of 664 CPCMS manual receipts available during our audit period, we noted the following deficiencies in internal controls:

- Manual receipt numbers were not always entered when generating corresponding computer receipts for both the Clerk of Courts and Juvenile Probation.
- Manual receipts logs were not always properly completed for both the Clerk of Courts and Juvenile Probation.
- Manual receipts were not always properly completed for both the Clerk of Courts and Juvenile Probation.
- Manual receipts were not always issued in numerical sequence for Juvenile Probation.
- There were 15 manual receipts which were renumbered resulting in a duplication of manual receipts 2521 to 2535 for the Clerk of Courts.

CLERK OF THE COURT OF COMMON PLEAS/JUVENILE PROBATION
CAMBRIA COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
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Finding - Inadequate Internal Control Over Manual Receipts Procedures (Continued)

Good internal accounting controls ensure that:

- Only Official Common Plea Case Management System (CPCMS) manual receipts and log that are available through the computer system are used.
- Manual receipt numbers are entered in the manual receipt number field on the computer when the corresponding computer receipts are generated.
- 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.
- All required information is recorded on the manual receipt, including date issued, date filed, signature of the person receiving the payment, remitter name, docket number, payment source, and payment method.
- Manual receipts are issued in numerical sequence.
- Manual receipts are pre-numbered.

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

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

These conditions existed because the offices failed to establish and implement an adequate system of internal controls over manual receipts. Additionally, the Juvenile Probation office indicated that they were not aware of the availability of CPCMS manual receipts until March of 2018 and did not realize the implications of continuing to use the duplicate manual receipt books.

CLERK OF THE COURT OF COMMON PLEAS/JUVENILE PROBATION
CAMBRIA COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2020

Finding - Inadequate Internal Control Over Manual Receipts Procedures (Continued)

Recommendation

We recommend that the Cambria Clerk of Court and Juvenile Probation Office establish and implement an adequate system of internal controls over manual receipts as noted above.

Management's Response-

The Clerk of Court of Common Pleas responded as follows:

The Cambria County Clerk of Courts Office recognizes that this finding occurred during a day long outage.

The Cambria County Clerk of Courts Office is obligated to accept payments and documents to be filed. Both have deadlines predicated by statute or order. Documents to be filed or payments that do not satisfy these deadlines could result in denial or penalty for the filer/payer. Following procedure, my office had manual receipts on hand, however they were exhausted throughout the day's outage. The outage rendered my office unable to generate additional manual receipts. Rather than deny payments/filings, my staff created additional manual receipt numbers that became duplicated in error. This was an isolated incident, and all money was accounted for. My office has reached out for AOPC guidance on this issue. Protocols will be added to ensure a finding of this nature will be avoided moving forward.

The Chief Juvenile Probation Officer responded as follows:

We have changed our policy in regard to the use of manual receipts and are no longer utilizing them.

Auditor's Conclusion

We appreciate the office holders' efforts to correct these issues. During or next audit, we will determine if the offices complied with our recommendations.

CLERK OF THE COURT OF COMMON PLEAS/JUVENILE PROBATION
CAMBRIA COUNTY
SUMMARY OF PRIOR AUDIT RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2020

Summary Of Prior Audit Recommendations

During our prior audit, we recommended that:

- The Cambria County Clerk of the Courts of Common Pleas revise their community service procedures to ensure that they do not contradict the requirements of the applicable state statutes.
- The office properly document the justification when using community service adjustments in lieu of payment for fines, costs, fees, and surcharges to ensure that the decision was in accordance with applicable statutes.
- The office maintain adequate documentation in the case files to support the completion of community service in lieu of payment of fines, costs, fees, and surcharges.

During our current audit, we noted that the office complied with our recommendations.

CLERK OF THE COURT OF COMMON PLEAS/JUVENILE PROBATION
CAMBRIA COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2020

This report was initially distributed to:

The Honorable C. Daniel Hassell
Secretary
Pennsylvania Department of Revenue

The Honorable H. Geoffrey Moulton, Jr.
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 Max R. Pavlovich
Clerk of the Court of Common Pleas

Mr. Mark Ledford
Chief Probation Officer
Administrative Office of Juvenile Court - Probation

The Honorable Norman A. Krumenacker, III
President Judge

The Honorable Ed Cernic, Jr.
Controller

The Honorable Thomas C. Chernisky
Chairperson of the Board of Commissioners

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.