

# COMPLIANCE AUDIT

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## Department of Court Records - Criminal Division

Allegheny County, Pennsylvania  
For the Period  
January 1, 2017 to December 31, 2020

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August 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 Director of the Department of Court Records - Criminal Division, Allegheny County, Pennsylvania (County Officer), 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 Officer'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 County Officer 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 County Officer 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, 2017 to December 31, 2020, the County Officer, 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 Internal Controls Over The Bank Account - Recurring.
- Inadequate Assessment Of Costs And Fees - Recurring.

This report includes a summary of the County Officer's receipts and disbursements of funds collected on behalf of the Commonwealth (summary). We obtained data representing the County Officer's receipts and disbursements 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 Officer'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 County Officer and, where appropriate, their response has been included in the report. We appreciate the courtesy extended to us by the Department of Court Records - Criminal Division, Allegheny 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  
July 25, 2022

## CONTENTS

	<u>Page</u>
Background.....	1
Summary Of Receipts And Disbursements .....	3
Findings And Recommendations:	
Finding No. 1 - Inadequate Internal Controls Over The Bank Account - Recurring .....	4
Finding No. 2 - Inadequate Assessment Of Costs And Fees - Recurring .....	6
Summary Of Prior Audit Recommendations .....	9
Report Distribution .....	10

DEPARTMENT OF COURT RECORDS - CRIMINAL DIVISION  
 ALLEGHENY 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.

Department of Court Records - Criminal Division 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 Department of Court Records - Criminal Division Office.

Total disbursements during the audit period are comprised as follows:

Department of Court Records Criminal Division checks issued to:

Department of Revenue	\$ 14,547,317
Office of Attorney General	5,705
State Police	1,606
Treasury Department	28,523
Community & Economic Development	50
Department of General Services	333
Department of Human Services	2,553
Department of Corrections	2,432
Department of Transportation	190
Department of Veterans Affairs	35
Liquor Control Board	362
Office of Inspector General	4,683
 Total	 \$ 14,593,789

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 audit.

Michael McGeever served as the Director of the Department of Court Records - Criminal Division for the period January 1, 2017 to December 31, 2020.

DEPARTMENT OF COURT RECORDS - CRIMINAL DIVISION  
ALLEGHENY 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 audit adjustment of \$2,725 represents a credit due to the County from prior audit periods that was taken in January 2018.

DEPARTMENT OF COURT RECORDS - CRIMINAL DIVISION  
 ALLEGHENY COUNTY  
 SUMMARY OF RECEIPTS AND DISBURSEMENTS  
 FOR THE PERIOD  
 JANUARY 1, 2017 TO DECEMBER 31, 2020

Receipts:

Department of Transportation		
Title 75 Fines	\$	788,655
Overweight Fines		3,043
Department of Revenue Court Costs		448,649
Crime Victims' Compensation Costs		1,056,800
Crime Commission Costs/Victim Witness Services Costs		701,291
Domestic Violence Costs		59,793
Emergency Medical Services Fines		103,358
DUI - ARD/EMS Fees		175,132
CAT/MCARE Fund Surcharges		313,242
Judicial Computer System/Access to Justice Fees		1,012,481
Offender Supervision Fees		5,409,899
Constable Service Surcharges		1,379
Criminal Laboratory Users' Fees		22,631
Probation and Parole Officers' Firearm Education Costs		85,436
Substance Abuse Education Costs		870,848
Office of Victims' Services Costs		148,739
Miscellaneous State Fines and Costs		<u>3,389,688</u>
 Total receipts		 14,591,064
 Disbursements to Commonwealth		 <u>(14,593,789)</u>
 Balance due Commonwealth (County) per settled reports		  (2,725)
 Audit adjustments		  <u>2,725</u>
 Adjusted balance due Commonwealth (County) for the period January 1, 2017 to December 31, 2020	  \$	   <u><u>-</u></u>

DEPARTMENT OF COURT RECORDS - CRIMINAL DIVISION  
ALLEGHENY COUNTY  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2017 TO DECEMBER 31, 2020

**Finding No. 1 - Inadequate Internal Controls Over The Bank Account - Recurring**

We cited the issue of inadequate internal controls over the bank account in the prior three audits, with the most recent for the period January 1, 2013 to December 31, 2016. Our current audit found that the office did not correct the issue.

Our audit of the accounting records for the office disclosed the following deficiencies in the internal controls over the bank account:

- Bank account adjustments totaling \$368,524.82 entitled “unknown recipient” still existed at December 31, 2020.
- There was inadequate accountability over funds held in escrow. Recorded obligations exceeded funds on hand by \$89 as of December 31, 2020.

These conditions existed because the office failed to establish and implement an adequate system of internal controls over the bank account as recommended in the three prior audit reports.

A good system of internal controls ensures that:

- The ending adjusted bank balance is reconciled with liabilities on a monthly basis and any discrepancies are immediately investigated and resolved. Since the bank account of the office is essentially an escrow account on behalf of the Commonwealth, County, and other participating entities, all available funds on hand should equal unpaid obligations.
- All liabilities are identified and disbursed timely.

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

**Recommendations**

We strongly recommend that the office attempt to identify all existing liabilities associated with the office bank account and take appropriate action. Any unidentified funds should be accounted for under normal escheat procedures. Furthermore, we recommend that the office ensure that reconciled cash equals unpaid obligations monthly.



DEPARTMENT OF COURT RECORDS - CRIMINAL DIVISION  
ALLEGHENY COUNTY  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2017 TO DECEMBER 31, 2020

**Finding No. 1 - Inadequate Internal Controls Over The Bank Account - Recurring  
(Continued)**

Management's Response

The County Officer responded as follows:

The \$368,000 {Unknown Recipient} was part of the migration of computer systems back in 2006. Our staff has been in contact with the AOPC [Administrative Office of the Pennsylvania Courts] to attempt to get a financial accounting of how this figure was generated. We are trying to get a specific breakdown of how this total was assessed to our office. The balance going forward since this amount has appeared has not changed and our accounts have been balanced. We need to know from the AOPC if this money was collected and misapplied or if there were other issues involved. We cannot arbitrarily pay this amount without a financial accounting.

Auditor's Conclusion

We appreciate the officeholder's efforts to correct these issues. This is a recurring finding. It is imperative that the office take all steps necessary to comply with our recommendations. During our next audit, we will determine if the office complied with our recommendations.

DEPARTMENT OF COURT RECORDS - CRIMINAL DIVISION  
ALLEGHENY COUNTY  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2017 TO DECEMBER 31, 2020

**Finding No. 2 - Inadequate Assessment Of Costs And Fees - Recurring**

We cited the issue of inadequate assessments of costs and fees in our prior three audit reports, with the most recent for the period January 1, 2013 to December 31, 2016. Our current audit found that the office did not correct this issue.

Our audit disclosed that the office did not assess certain costs and fees as mandated by law. Of 76 cases tested, we noted the following discrepancies:

- There were 11 cases in which the DNA Cost was not assessed.
- There were three cases in which the Amber Alert System Cost was not assessed.
- There were four cases in which the Offender Supervision Fee was not assessed.
- There was one case in which the Criminal Justice Enhancement Account Fee was not assessed.
- There was one case in which the DV Cost was not assessed.
- There were two cases in which Limited Expungement Fees were not assessed.

This condition existed because the office failed to review the laws pertaining to the proper assessment of costs and fees as recommended in our prior three audit reports.

The following state statutes address the assessment of costs and fees that were inadequately assessed:

- Effective January 31, 2005, 44 P.S. § 2322, specifies that all felonies, regardless of the nature of the 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.
- 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.

DEPARTMENT OF COURT RECORDS - CRIMINAL DIVISION  
ALLEGHENY COUNTY  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2017 TO DECEMBER 31, 2020

**Finding No. 2 - Inadequate Assessment Of Costs And Fees - Recurring (Continued)**

- Title 18 P.S. § 11.1102 provides for the collection of the Offender Supervision Fee. The monthly supervisory fee of at least \$25 is assessed on any offender placed on probation, parole, accelerated rehabilitative disposition, probation without verdict, or intermediated punishment, unless the court finds that such fee should be reduced, waived, or deferred based on the offender's present ability to pay.
- Effective November 10, 2007, Title 42 Pa.C.S. § 3575 (b) provides for the collection of a \$50 Criminal Justice Enhancement Account (CJEA) Fee if a defendant accepts Accelerated Rehabilitative Disposition, is convicted of or enters a plea of guilt or nolo contendere for a felony, misdemeanor of the first degree or misdemeanor of the second degree as set forth in Title 18 PA.C.S. (relating to crimes and offenses), or is convicted of or enters a plea of guilt or nolo contendere for a violation of Title 35, Section 780-113(a)(16), known as The Controlled Substance, Drug, Device and Cosmetic Act.
- Title 71 P.A. § 611.13 (b) authorizes a \$10 Domestic Violence cost to be assessed against any person who pleads guilty or nolo contendere or who is convicted of a crime as defined in 71 P.S. § 611.13 €. It should be noted that these fees should not be assessed on Accelerated Rehabilitative Disposition (ARD) cases.
- Effective November 12, 2016 Title 42 Pa.C.S. § 1725.7 (a) provides for the collection of a Petition for expungement or order for limited access fee if a person who files a petition for expungement under 18 Pa.C.A. § 9122 (relating to expungement) or a petition for an order for limited access under 18 Pa.C.S. § 9122.1 (relating to order for limited access) shall pay a fee of \$132 to the clerk of courts at the time of filing.

The improper assessing of these costs and fees resulted in the defendants not being assessed the proper amounts associated with the violation, and a loss of revenue to the Commonwealth.

**Recommendation**

We strongly recommend that the office review the laws noted above to ensure that costs and fees are assessed as mandated by law.

DEPARTMENT OF COURT RECORDS - CRIMINAL DIVISION  
ALLEGHENY COUNTY  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2017 TO DECEMBER 31, 2020

**Finding No. 2 - Inadequate Assessment Of Costs And Fees - Recurring (Continued)**

Management's Response

The County Officer responded as follows:

Amber Alert Fee, this issue was addressed with our staff who are responsible for taxing these cases. They were provided with the appropriate laws which apply to these cases in which the Amber Alert fee needs to be assessed. This should not be an issue going forward.

In reference to the DNA Cost, the staff of our Criminal Division were unaware that the law called for each case to be assessed. They were incorrectly under the impression that once a defendant had been previously assessed they could not be re-assessed on a subsequent case. This matter has been addressed with the appropriate staff and we do not foresee this being an issue going forward.

Auditor's Conclusion

This is a recurring finding. It is imperative that the office take all corrective actions necessary to comply with our recommendations. During our next audit, we will determine if the office complied with our recommendation.

DEPARTMENT OF COURT RECORDS - CRIMINAL DIVISION  
ALLEGHENY 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 office:

- Establishes and implement an adequate system of internal controls over the bank account.
- Establishes and implement an adequate system of internal controls over receipts.
- Ensure that costs and fees are assessed as mandated by law.
- Reviews the laws to ensure that CJEA fees are assessed as mandated by law. Additionally, we recommended that the Department of Court Records - Criminal Division adjust their records for any incorrect assessment that has not been collected. Further, we recommended that the Department of Revenue determine what action is needed concerning the incorrect collection and remittance of the CJEA fees.

During our current audit, we noted that the office complied with our second and fourth bulleted recommendations. However, the office did not comply with our first and third bulleted recommendations. Please see the current year findings for additional information.

DEPARTMENT OF COURT RECORDS - CRIMINAL DIVISION  
ALLEGHENY 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

**The Honorable Stacy Garrity**  
Pennsylvania State Treasurer

**Mr. Thomas J. Dougherty**  
Director  
Division of Grants and Standards  
Pennsylvania Board of Probation and Parole

**The Honorable Michael McGeever**  
Clerk of the Court of Common Pleas

**The Honorable Corey O'Connor**  
Controller

**The Honorable Rich Fitzgerald**  
County Executive of the Board of Commissioners

**The Honorable Jeffrey A. Manning**  
President Judge

This report is a matter of public record and is available online at [www.PaAuditor.gov](http://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](mailto:news@PaAuditor.gov).