

ATTESTATION ENGAGEMENT

District Court 52-3-04
Lebanon County, Pennsylvania
For the Period
January 1, 2015 to December 31, 2018

January 2020



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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EUGENE A. DePASQUALE
AUDITOR GENERAL

Independent Auditor's Report

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

We have examined the accompanying statement of receipts and disbursements (Statement) of District Court 52-3-04, Lebanon County, Pennsylvania (District Court), for the period January 1, 2015 to December 31, 2018, pursuant to the requirements of Section 401(c) of *The Fiscal Code*, 72 P.S. § 401(c). The District Court's management is responsible for presenting this Statement in accordance with the criteria set forth in Note 1. 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Statement is presented in accordance with the criteria described above, in all material respects. An examination involves performing procedures to obtain evidence about the statement of receipts and disbursements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material misstatement of the Statement, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide 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)

As discussed in Finding No. 1, there were case files that were missing and unavailable for examination. As a result, we could not perform our standard examination procedures. As such, the scope of our examination of the District Court's Statement was limited, and we were unable to satisfy ourselves by other examination procedures.

In our opinion, except for the effects, if any, of the preceding paragraph, the Statement referred to above, for the period January 1, 2015 to December 31, 2018, is presented in accordance with the criteria set forth in Note 1, in all material respects.

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the Statement; and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the Statement. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. 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 internal control over reporting on the Statement or on compliance and other matters; accordingly, we express no such opinions.

Our consideration of internal control over reporting on the Statement was for the limited purpose of expressing an opinion on whether the Statement is presented in accordance with the criteria described above and was not designed to identify all deficiencies in internal control over reporting on the Statement that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described below, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Statement will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies listed below to be material weaknesses:

- Missing Case Files - Recurring.
- Inadequate Internal Controls Over Manual Receipts - Recurring.

Independent Auditor's Report (Continued)

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies listed below to be significant deficiencies:

- Inadequate Arrest Warrant Procedures - Recurring.
- Evidence Authorizing the Disposition of Citations Was Not Available.

As part of obtaining reasonable assurance about whether the Statement is free from material misstatement, we performed tests of the District Court's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of Statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our engagement, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The first three examination findings contained in this report cite conditions that existed in the operation of the District Court during the previous engagement period and were not corrected during the current examination period. The District Court should strive to implement the recommendations and corrective actions noted in this report.

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.

We appreciate the courtesy extended by the District Court 52-3-04, Lebanon County, to us during the course of our examination. If you have any questions, please feel free to contact the Bureau of County Audits at 717-787-1363.



Eugene A. DePasquale
Auditor General

December 4, 2019

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DISTRICT COURT 52-3-04
LEBANON COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Receipts:

Department of Transportation		
Title 75 Fines	\$	378,175
Motor Carrier Road Tax Fines		1,175
Overweight Fines		700
Commercial Driver Fines		1,631
Littering Law Fines		2,218
Child Restraint Fines		3,702
Department of Revenue Court Costs		216,749
Crime Victims' Compensation Bureau Costs		17,026
Crime Commission Costs/Victim Witness Services Costs		12,161
Domestic Violence Costs		4,224
Department of Agriculture Fines		9,424
Emergency Medical Service Fines		126,157
CAT/MCARE Fund Surcharges		363,422
Judicial Computer System Fees		120,862
Access to Justice Fees		41,887
Criminal Justice Enhancement Account Fees		5,323
Judicial Computer Project Surcharges		79,335
Constable Service Surcharges		11,056
Miscellaneous State Fines and Costs		594,558
		<hr/>
Total receipts (Note 2)		1,989,785
Disbursements to Commonwealth (Note 3)		<hr/> (1,989,785)
Balance due Commonwealth (District Court) per settled reports (Note 4)		-
Examination adjustments		<hr/> -
Adjusted balance due Commonwealth (District Court) for the period January 1, 2015 to December 31, 2018	\$	<hr/> <hr/> -

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

DISTRICT COURT 52-3-04
LEBANON COUNTY
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

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	<u>\$ 1,989,785</u>
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4. Balance Due Commonwealth (District Court) For The Period January 1, 2015 To December 31, 2018

This balance reflects the summary of monthly transmittal reports as settled by the Department of Revenue.

5. Magisterial District Judges Serving During Examination Period

Michael D. Smith served at District Court 52-3-04 for the period January 1, 2015 to December 31, 2015.

John W. Ditzler served at District Court 52-3-04 for the period January 1, 2016 to December 31, 2018.

DISTRICT COURT 52-3-04
LEBANON COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Finding No. 1 - Missing Case Files - Recurring

We cited the issue of missing case files in the prior examination for the period January 1, 2010 to December 31, 2014. Our current examination found that the district court did not correct this issue.

Our examination of the district court required that certain case files be examined. We encountered considerable difficulty in finding a number of case files. There were 35 out of 115 case files needed for testing that were destroyed prior to being audited.

Of the 35 destroyed case files, there were five instances in which the docket information was removed from the Magisterial District Justice System, thereby eliminating an audit trail. Additionally, there was one instance in which the case file docket information was removed from the system but the case file had not yet been destroyed.

This condition existed because the district court failed to initiate procedures to ensure that all cases are properly filed and contain appropriate documents as recommended in the prior examination report.

In order for an entity to have an efficient record-keeping system, each court document must be filed timely and properly. Additionally, case files should be kept in accordance to the minimum retention periods listed in the *Supreme Court of Pennsylvania, Administrative Office of Pennsylvania Courts, Record Retention and Disposition Schedule with Guidelines*.

The failure to follow these guidelines could result in case file documents being lost, misfiled, or intentionally destroyed. Additionally, collections associated with missing case files and documents could be misappropriated.

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 case files.

Recommendations

We strongly recommend that the district court initiate procedures to ensure that all cases are properly filed and contain appropriate documents as outlined in the *Supreme Court of Pennsylvania, Administrative Office of Pennsylvania Courts, Record Retention and Disposition Schedule with Guidelines*.

We further recommend that the district court not destroy citations until after they have been subject to examination by the Department of the Auditor General.

DISTRICT COURT 52-3-04
LEBANON COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Finding No. 1 - Missing Case Files - Recurring (Continued)

Management's Response

The Magisterial District Judge responded as follows:

Your audit determined that case files requested during the audit could not be located. It should be noted that ALL of the case files that could not be located were from 2015, prior to me taking office. All files requested from 2016 through 2018 were located. As I explained, when I took office in 2015, there was no meaningful filing system in the office. Files were not filed alphabetically by year as they are now. In fact, hundreds of files were scattered about the office in no particular order. Furthermore, flooding in the basement of the Cleona Borough Building in 2018 destroyed a large number of 2015 files. The Court obtained permission from Lebanon County Court Administration and the Administrative Office of Pennsylvania Courts to destroy those water damaged files.

The Court accepts responsibility for the premature destruction of 2015 files that were incorrectly destroyed in accordance with the AOPC three year retention schedule but prior to audit. Even had those files not been destroyed, it is unlikely that many of them could have been located given the abysmal filing system in place prior to 2016.

Lastly, the audit report references cases where docket information was "purged" from the MDJS system. The Court does not "purge" any information from the system nor does it have the capability to remove information from the system. Rather, recent changes in the law implemented by the Administrative Office of Pennsylvania Courts has caused information to be removed from the MDJS system independent of any action on the part of the Court.

DISTRICT COURT 52-3-04
LEBANON COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Finding No. 1 - Missing Case Files - Recurring (Continued)

Auditor's Conclusion

As cited above, good internal controls ensure that a case files are maintained case files should be kept in accordance to the minimum retention periods listed in the *Supreme Court of Pennsylvania, Administrative Office of Pennsylvania Courts, Record Retention and Disposition Schedule with Guidelines* and until audited by the Department of the Auditor General.

Regarding the statement of not having the capability to remove information from the system (MDJS), the Administrative Office of Pennsylvania Courts (AOPC) developed a procedure in 2012 that granted **courts** the capability of excluding cases not yet audited from the Eligible for Physical Case File Destruction list. For six years, the courts have been in charge of destroying cases in the MDJS and should not have been destroying cases that were not yet audited. In 2017 the AOPC developed an audit date function to allow courts to exclude cases that were not yet audited from displaying on the Eligible for Case File Destruction – Summary list.

This is a recurring finding. We strongly recommend that the office comply with our recommendation. During our next examination, we will determine if the district court complied with our recommendations.

DISTRICT COURT 52-3-04
LEBANON COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Finding No. 2 - Inadequate Internal Controls Over Manual Receipts - Recurring

We cited the issue of inadequate internal controls over manual receipts in the two prior examination reports with the most recent for the period January 1, 2010 to December 31, 2014. Our current examination found that the district court did not correct this issue.

The Administrative Office of Pennsylvania Courts' (AOPC) policies require computer downtime manual receipts to be issued in the event of a temporary power loss to the district court's computer system. When the computer system is operating again, the computer downtime manual receipt is replaced by an official computer-generated receipt and included in the daily receipts. When the AOPC's policies are not followed, the possibility that funds received by the District Court could be lost or misappropriated increases significantly.

Our examination disclosed that there were 60 unissued computer downtime manual receipts that the court printed for use. All 60 receipts could not be located and were not available for our examination.

This condition existed because the district court failed to establish and implement an adequate system of internal controls over computer downtime manual receipts as recommended in the two prior examination reports.

The *Magisterial District Judge Automated Office Clerical Procedures Manual* (Manual) establishes the uniform written internal control policies and procedures for all district courts. The Manual requires that downtime manual receipts be issued in the event of a temporary power loss to the computer system. When the computer system is not operational, the receipt and log sheet should be filled out for each receipt number and the initials of the employee receiving the payment should be documented on the log sheet. The receipts should be used in numerical order; the log sheet should be filled out using the appropriate receipt number; a copy of that receipt should be given to the remitter; and the second copy of the receipt should be kept, along with the associated log, in a secure location. When the computer system is running again, the second copy of the receipt should be attached to the new system-generated receipt and placed in the case file and the date the payment was entered into the system should be documented on the log sheet. Additionally, the Manual requires that when a manual receipt number is issued, the manual receipt number should be entered in the manual receipt number field when creating the computer receipt. This will link the manual receipt to the computer receipt.

Good internal accounting controls ensure that all computer downtime manual receipts are accounted for and maintained.

Adherence to good internal accounting controls and the uniform internal control policies and procedures, as set forth in the Manual, would have ensured that there were adequate internal controls over collections.

DISTRICT COURT 52-3-04
LEBANON COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Finding No. 2 - Inadequate Internal Controls Over Manual Receipts - Recurring (Continued)

Recommendation

We strongly recommend that the district court establish and implement an adequate system of internal controls over computer downtime manual receipts as noted above.

Management's Response

The Magisterial District Judge responded as follows:

One of the contemplated audit findings relates to computer downtime manual receipts. According to your findings, 60 computer downtime manual receipts could not be located and were not available for examination. As we discussed, your finding was based on a manual receipt log which was printed from the MDJS system prior to my tenure as Judge. It was located in a file folder in one of the drawers of the office. It predated my tenure as Judge. As I explained, I have directed staff not to utilize manual receipts for any reason. If the MDJS system is down, payments will not be taken. Consequently, no manual receipt or manual receipt log has been generated at any point since I took office in January 2016. Any finding relating to manual receipts is therefore unwarranted as they are not utilized by this office.

Auditor's Conclusion

We acknowledge the officeholder's statement that no manual receipts have been printed or issued since taking office in 2016. However, without proper accounting of all manual receipts available to be issued, including those of the previous officeholder, there was an increased risk of lost or misappropriated funds.

This is a recurring finding. We strongly recommend that the office comply with our recommendation. During our next examination, we will determine if the office complied with our recommendation.

DISTRICT COURT 52-3-04
LEBANON COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Finding No. 3 - Inadequate Arrest Warrant Procedures - Recurring

We cited the issue of inadequate arrest warrant procedures in the two prior examination reports with the most recent being for the period January 1, 2010 to December 31, 2014. Our current examination found that the district court did not fully correct this issue. We found that the district court corrected the previously reported issue regarding the issuance of warrants. However, the district court did not correct the previously reported issue related to the return and recall of warrants.

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 ensure that warrants were returned when required. Of 51 warrants required to be returned or recalled, eight were not returned or recalled, and nine were not returned timely. The time of issuance to the time of return ranged from 182 days to 860 days.

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

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.

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.

This condition existed because the district court failed 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 in the two prior examination reports. 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.

DISTRICT COURT 52-3-04
LEBANON COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Finding No. 3 - Inadequate Arrest Warrant Procedures - Recurring (Continued)

Recommendation

We strongly recommend that the district 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

The Magisterial District Judge responded as follows:

As I explained, I am most dissatisfied with the contemplated warrant finding relating to inadequate warrant procedures. The following contemplated draft language is particularly objectionable:

We cited the issue of inadequate arrest warrant procedures in the two priorexamination reports with the most recent for the period January 1, 2010 to December 31, 2014. Our current examination found that the district court did not correct this issue.

This is inaccurate and misleading. Prior audits found that the District Court was not timely *issuing* warrants or DL-38 warnings in accordance with established rules and protocol. This means that the Court was not issuing warnings or warrant for offenders who did not timely respond to citations or for those who did not make timely payment.

Your most recent audit found no issue with the timely issuance of warrants or DL-38 forms. When I took office in 2016, the MDJS system listed hundreds of warrants that had not been properly issued. Since that time, warrants and DL-38s have always been timely issued. For this reason, the draft audit language above is misleading as the issue from prior audits has in fact been corrected.

Your current audit findings relate only to warrants not being timely returned. As we discussed, this issue is primarily related to those warrants that are issued to a citing police department where a warrant is not suitable for service by a constable. The best example of this is an out-of-state driver who does not respond to a citation. The Court has determined that it is a waste of taxpayer dollars for the county to pay a constable to send a letter to an out-of-state defendant notifying them that a warrant has been issued for their arrest. Most never respond and the county pays for any warrant fees incurred with the unsuccessful constable efforts.

DISTRICT COURT 52-3-04
LEBANON COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Finding No. 3 - Inadequate Arrest Warrant Procedures - Recurring (Continued)

Management's Response (Continued)

Instead, in appropriate cases the Court issues a warrant to the citing police department and sends a letter to the defendant notifying them of the warrant. If the defendant does not respond, the warrant remains active in the name of the citing law enforcement agency. The warrant is not returned unserved as the audit findings would contemplate. Instead, it remains in issue status with the citing police department until such time as the defendant responds or the case is dismissed following the three-year limitations period set forth at 42 Pa. C.S.A 5553(e). Returning these warrants unserved exalts form over substance and serves no purpose other than to satisfy the auditor. Keep in mind, the presence of multiple interstate highways and Fort Indiantown Gap within this Court's jurisdiction results in a large number of out-of-state and out-of-county drivers who are cited but do not timely respond. There is simply no adequate warrant procedure for such cases.

Auditor's Conclusion

Although the draft version of the report provided to the district court stated in the Summary of Prior Examination Findings section (page 14) that some of the previously reported issues were corrected during the current examination period, we revised the finding to add the following after the quotation that the district court considered to be objectionable:

We found that the district court corrected the previously reported issue regarding the issuance of warrants. However, the district court did not correct the previously reported issue related to the return and recall of warrants.

It is imperative that warrants are returned or recalled timely to enforce the collection of monies and to reduce the risk of misappropriation by those in control of the warrant. Magisterial District Judges have the power to choose the independent contractors who will perform services on behalf of the court. They also have the authority to dictate minimum standards of satisfactory performance, so long as said standards are not inconsistent with pertinent statutes and Rules of Court. Such standards should include the requirement that constables or other third parties return warrants when requested.

This is a recurring finding. We strongly recommend that the office comply with our recommendation. During our next examination, we will determine if the office complied with our recommendation.

DISTRICT COURT 52-3-04
LEBANON COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Finding No. 4 - Evidence Authorizing the Disposition of Citations Was Not Available

During our examination of the district court's case files, we tested 56 cases with dispositions of not guilty, dismissed, discharged, or withdrawn, or that had a guilty plea disposition without an accompanying full payment. There was no evidence in 28 cases that the disposition was authorized by the Magisterial District Judge. Of the 28 cases:

- Twelve cases had no evidence in the case file that the disposition was authorized by the Magisterial District Judge.
- We were unable to determine if the disposition was authorized by the Magisterial District Judge for 16 cases due to the case file being destroyed prior to being audited. Please see Finding No.1 for further information.

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.

Adherence to good internal controls would have ensured that there were adequate internal controls over citations.

This condition existed because the office failed to establish and implement an adequate system of internal controls over documenting that disposition was authorized by the Magisterial District Judge.

Recommendation

We recommend that the district court maintain documentation that the Magisterial District Judge authorize the disposition of these cases and it is available for examination.

DISTRICT COURT 52-3-04
LEBANON COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Finding No. 4 - Evidence Authorizing the Disposition of Citations Was Not Available
(Continued)

Management's Response

The Magisterial District Judge responded as follows:

Lastly, one of the contemplated audit findings relates to the disposition of cases which have not been authorized by the Court. This presumably means that I, as the Judge, did not "sign off" on certain dispositions. This finding is misleading insofar as I am unaware of any definition or protocol defining or identifying what constitutes "authorized disposition". My practice is to initial all cases when they are closed prior to filing. Your audit findings contemplate cases that have not yet been closed because they are awaiting final payment. Some of the cases remain open with active warrants.

In 2018, over 3,500 traffic citations were filed in this office. Some cases are concluded entirely online by paying the full amount of the citation without ever submitting a formal plea. This disposition cannot possibly be authorized prior to the file being closed. In many cases, defendants enter guilty pleas and are put on payment plans, all of which are authorized by me. These files remain open until final payment is made. It is common for me as the Judge to have absolutely no contact with such files until final payment is made. Despite this, the audit contemplates identifying such cases as improperly administered because the "disposition was not authorized." This is also true for cases with open warrants. The idea that the Court has authorized the warrant but not the final disposition of the case which has not yet been completed is nonsensical in the absence of established protocols regarding what actually constitutes an authorized disposition.

DISTRICT COURT 52-3-04
LEBANON COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Finding No. 4 - Evidence Authorizing the Disposition of Citations Was Not Available
(Continued)

Auditor's Conclusion

Regarding the statement that some of the 3,500 traffic citations filed were concluded online by paying the full amount of the citation, the handling of those cases are not addressed by this finding. As stated above, this finding only relates to cases with dispositions of not guilty, dismissed, discharged, or withdrawn, or that had a guilty plea disposition without an accompanying full payment. Although we recognize the district court's concern over when to sign the certification of disposition, it is imperative that certification of dispositions are signed/authorized at the time of disposition. A timely signature/authorization is a good internal control that ensures that dispositions are authorized by the Magisterial District Judge. Evidence of authorization of dispositions in 28 cases by the Magisterial District Judge was not evident in the documentation provided to the auditor. Without signed/authorized certification of dispositions, the risk of funds to be lost or misappropriated increases. Therefore, the finding remains as stated. During our next examination, we will determine if the office has complied with our recommendation.

DISTRICT COURT 52-3-04
LEBANON COUNTY
SUMMARY OF PRIOR EXAMINATION RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Summary Of Prior Examination Recommendations

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

- Initiate procedures to ensure that all case files are properly filed and contain appropriate documents as outlined in the Manual.
- Review the undisbursed funds report on a monthly basis and take appropriate action and disburse funds to whom they are due.
- Establish and implement an adequate system of internal controls over computer downtime manual receipts.
- Review the tickler reports for warrants and DL-38s 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 60 days for summary traffic and non-traffic cases as recommended by the Manual.

During our current examination, we noted that the district court complied with our second bulleted recommendation and the issuance of warrants and DL-38s in the fourth bulleted recommendation. However, the office did not comply with our first and third bulleted recommendations and the return of warrants in the fourth bulleted recommendation. Please see the current year Finding No.1, Finding No. 2, and Finding No. 3. for additional information.

DISTRICT COURT 52-3-04
LEBANON COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

This report was initially distributed to:

The Honorable C. Daniel Hassell
Secretary
Pennsylvania Department of Revenue

The Honorable Thomas B. Darr
Court Administrator of Pennsylvania
Supreme Court of Pennsylvania
Administrative Office of Pennsylvania Courts

The Honorable John W. Ditzler
Magisterial District Judge

The Honorable Robert J. Phillips
Chairperson of the Board of Commissioners

The Honorable Robert M. Mettley
Controller

Stephanie A. Axarlis, Esq.
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.