

COMPLIANCE AUDIT

Clerk of the Court of
Common Pleas and the Department of
Probation Services - Juvenile Office
York County, Pennsylvania
For the Period
January 1, 2017 to December 31, 2020

March 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 and the Department of Probation Services - Juvenile Office, York 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' accounts. 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 - Department of Probation Services - Juvenile Office.

This report includes a summary of the County Officers' receipts and disbursements of funds collected on behalf of the Commonwealth (summary). We obtained data representing the County Officers' 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 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 response has been included in the report. We appreciate the courtesy extended to us by the Clerk of the Court of Common Pleas and Probation Services - Juvenile Probation, York 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 name.

Auditor General
January 25, 2022

CONTENTS

	<u>Page</u>
Background.....	1
Summary Of Receipts And Disbursements	3
Finding And Recommendation:	
Finding - Inadequate Internal Control Over Manual Receipts - Department of Probation Services - Juvenile Office.....	4
Report Distribution	9

CLERK OF THE COURT OF COMMON PLEAS AND THE DEPARTMENT OF
PROBATION SERVICES – JUVENILE OFFICE
YORK 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 and Department of Probation Services 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.

Total disbursements during the audit period are comprised as follows:

Clerk of the Court checks issued to:

Department of Revenue	\$ 12,409,738
Office of Attorney General	28
State Police	536
Department of Treasury	50
Board of Probation and Parole	43
Department of Environmental Protection	8
Department of Human Services	50
Department of Transportation	861
Department of Public Welfare	792
Liquor Control Board	267
Office of Inspector General	3,186
Total	\$ 12,415,559

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.

CLERK OF THE COURT OF COMMON PLEAS AND THE DEPARTMENT OF
PROBATION SERVICES – JUVENILE OFFICE
YORK COUNTY
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2020

Donald R. O'Shell served as the Clerk of the Court of Common Pleas for the period January 1, 2017 to March 2, 2019.

Georgine M. Keiser was appointed as the Clerk of the Court of Common Pleas for the period March 3, 2019 to January 6, 2020.

Dan Byrnes served as the Clerk of the Court of Common Pleas for the period January 6, 2020 to December 31, 2020.

April J. Billet served as the Chief Probation Officer of the Department of Probation Services - Juvenile Office 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.

CLERK OF THE COURT OF COMMON PLEAS AND THE DEPARTMENT OF
PROBATION SERVICES – JUVENILE OFFICE
YORK COUNTY
SUMMARY OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2020

Receipts:

Department of Transportation		
Title 75 Fines	\$	1,200,073
Overweight Fines		300
Department of Revenue Court Costs		427,066
Crime Victims' Compensation Costs		1,211,855
Crime Commission Costs/Victim Witness Services Costs		1,289,186
Domestic Violence Costs		102,364
Emergency Medical Services Fines		86,986
DUI - ARD/EMS Fees		65,051
CAT/MCARE Fund Surcharges		245,357
Judicial Computer System/Access to Justice Fees		936,077
Offender Supervision Fees		3,040,971
Constable Service Surcharges		38,579
Criminal Laboratory Users' Fees		310,037
Probation and Parole Officers' Firearm Education Costs		83,290
Substance Abuse Education Costs		646,757
Office of Victims' Services Costs		178,342
Miscellaneous State Fines and Costs		<u>2,553,268</u>
 Total receipts		 12,415,559
 Disbursements to Commonwealth		 <u>(12,415,559)</u>
 Balance due Commonwealth (County) per settled reports		 -
 Audit adjustments		 <u>-</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 AND THE DEPARTMENT OF
PROBATION SERVICES – JUVENILE OFFICE
YORK COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2020

Finding - Inadequate Internal Control Over Manual Receipts - Department of Probation Services - Juvenile Office

The York County Department of Probation Services - Juvenile Office collects costs, fines and restitution payments on behalf of the Clerk of the Court of Common Pleas Office. The Juvenile Office accepts payments directly from individuals and from probation officers who collect funds in the field and provide manual receipts to the individuals. The probation officers submit the field collections and the copies of the corresponding manual receipts to the Juvenile Office's Restitution Officer. The Restitution Officer enters the payment information into the computer system, which will generate a corresponding computer receipt for each manual receipt issued. All monies and computer receipts collected by the Juvenile Office are delivered to the Clerk of the Court of Common Pleas Office for deposit on a weekly basis.

Our audit disclosed the following deficiencies in the internal controls over manual receipts.

Of 25 receipts tested, we noted the following:

- There were 23 instances in which the computer receipt was not generated timely after the issuance of the corresponding manual receipt. The time lapse from the date of the manual receipt to the corresponding computer receipt ranged from two to 16 days.
- There were 24 instances in which the manual receipt number was entered into the "Comments" field on the computer generated receipt instead of the "Manual Receipt Number" field.
- There were two instances in which the method of payment was not recorded on the manual receipt.
- A manual receipt log was not maintained.

Additionally, we found that there were 26 manual receipts which could not be located and were not available for audit.

CLERK OF THE COURT OF COMMON PLEAS AND THE DEPARTMENT OF
PROBATION SERVICES – JUVENILE OFFICE
YORK COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2020

Finding - Inadequate Internal Control Over Manual Receipts - Department of Probation Services - Juvenile Office (Continued)

Good internal accounting controls ensure that:

- Computer receipts are generated timely after the issuance of the corresponding manual receipt.
- Manual receipt numbers are entered in the manual receipt number field on the computer when the corresponding computer receipts are generated.
- All required information is recorded on the manual receipt, including method of payment.
- A manual receipt 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 manual receipts are accounted for and maintained.

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.

Juvenile Office staff stated that they were trained to enter the manual receipt number into the “Comments” field of the computer generated receipts. They also stated that that computer receipts were not generated timely because they were instructed to enter all manual receipts into the computer system on a weekly basis. Furthermore, office staff stated that they did not maintain a manual receipt log because the office felt it was sufficient to maintain a record of manual receipt booklets issued to probation officers only. Lastly, the office staff disclosed that missing and incomplete manual receipts were the result of simple filing errors.

CLERK OF THE COURT OF COMMON PLEAS AND THE DEPARTMENT OF
PROBATION SERVICES – JUVENILE OFFICE
YORK COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2020

Finding - Inadequate Internal Control Over Manual Receipts - Department of Probation Services - Juvenile Office (Continued)

Recommendation

We recommend that the Department of Probation Services - Juvenile Office establish and implement an adequate system of internal controls over manual receipts as noted above.

Management's Response

The Chief Probation Officer of the Department of Probation Services - Juvenile Office responded as follows:

The basis of the audit and subsequent findings are rooted in the Common Pleas Case Management System (CPCMS)-guided procedure for manual receipts, where manual receipts are only used during times of CPCMS outage. The actual usage of manual receipts in Juvenile Probation is not aligned with this definition of manual receipts; therefore, comparison and many findings are incompatible and are a result of “apples to oranges”. Juvenile Probation uses Field Receipts at the time of collection, as clients/parents are given opportunity to make payments at many times/places/visits. As juvenile clients often have limited transportation, requirement to make payments only at the Judicial Center, directly into CPCMS, placed an unreasonable burden upon them and their families. Field Receipt usage is implemented to provide oversight and liability coverage for both the clients and staff for payments made in the field.

In addition, as this is the first extensive audit of Juvenile Probation as relating to CPCMS collections, many of the findings are based upon expectations of which Juvenile Probation was unaware. Most concerns can be easily addressed by Juvenile Probation in accordance with the knowledge moving forward.

CLERK OF THE COURT OF COMMON PLEAS AND THE DEPARTMENT OF
PROBATION SERVICES – JUVENILE OFFICE
YORK COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2020

**Finding - Inadequate Internal Control Over Manual Receipts - Department of Probation
Services - Juvenile Office (Continued)**

Management's Response (Continued)

During the switch-over to CPCMS rather than the old ledger system, Juvenile Probation was instructed to enter the Field Receipt numbers in the Comment box, rather than the Manual Receipt box, as this was a field created specifically for the CPCMS Manual Receipts (used in times of outage); as such, Juvenile Probation followed the directive which is now in focus. However, as the transition to CPCMS is, for the most part, completed, review and improvement of procedures is important; this issue can be easily corrected, with Juvenile Probation changing process to enter the Field Receipt number in the Manual Receipt box, rather than in the Comment box. To distinguish between CPCMS-generated Manual Receipts and Juvenile Probation Field Receipts, the information will be entered in the following manner: example--JPO1234, with JPO as a prefix.

As Field Receipts are generated in many different instances, and staff are widely varied in times/locations of work, there often is an inherent delay in turning in payments to the Restitution Officer. Having limited staff who handles financials (one person), and the minimal amount of payments collected/turned in on a daily basis, daily CPCMS entries and deposits would be tedious and inefficient. Accordingly, CPCMS entries/deposits are done on a weekly, rather than daily, basis.

As in many instances where numerous people complete similar tasks, mistakes and errors occur. It is general practice that staff are instructed to note the method of payment on the Field Receipt. This has been re-emphasized in recent reminders to staff.

As noted above, transition to CPCMS for accounting was a process of learning by doing, as CPCMS was a new system to Juvenile Probation. While most items were adaptable, a manual receipt log was never noted as a necessary item, therefore, Juvenile Probation was not aware of its need. Since discussion during the Audit process, a Field Receipt Log has been developed and can easily be implemented to alleviate this concern.

CLERK OF THE COURT OF COMMON PLEAS AND THE DEPARTMENT OF
PROBATION SERVICES – JUVENILE OFFICE
YORK COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2017 TO DECEMBER 31, 2020

Finding - Inadequate Internal Control Over Manual Receipts - Department of Probation Services - Juvenile Office (Continued)

During the time period reviewed for audit (2017-2020), there were several instances of missing Field Receipts which could not otherwise be accounted for. For the most part, all missing items could be explained as mistake, loss, or otherwise legitimate reasons. Additionally, the Receipt Book log was felt to be sufficient for internal review and accountability. Since the audit process, the Receipt Book log has been updated to include further accountability measures, as was the process for collection of payments, and documentation of field receipts.

Enhanced documentation and review procedures have been implemented as a result of lessons learned during the audit process; these updated processes are felt to improve the security of the collections process for Juvenile Probation.

Auditor's Conclusion

We appreciate the officeholder's efforts to correct these issues. As cited above good internal accounting controls ensure that computer receipts are generated timely after the issuance of the corresponding manual receipt, manual receipt numbers are entered in the manual receipt number field on the corresponding computer generated receipts, all required information is recorded on the manual receipt, including method of payment, a manual receipt log is maintained and that all manual receipts are maintained and accounted for. This will provide an audit trail on the issuance of manual receipts. During our next audit, we will determine if the Juvenile Office complied with our recommendation.

CLERK OF THE COURT OF COMMON PLEAS AND THE DEPARTMENT OF
PROBATION SERVICES – JUVENILE OFFICE
YORK 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 Dan Byrnes
Clerk of the Court of Common Pleas

Ms. April Billet
Director
Department of Probation Services - Juvenile Office

The Honorable Gregory F. Bower
Controller

The Honorable Julie L. Wheeler
President 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.