

COMPLIANCE AUDIT

District Court 32-2-53
Delaware County, Pennsylvania
For the Period
January 1, 2019 to December 31, 2023

April 2025



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

The Honorable Pat Browne
Secretary
Pennsylvania Department of Revenue
Harrisburg, PA 17128

We have conducted a compliance audit of the District Court 32-2-53, Delaware County, Pennsylvania (District Court), for the period January 1, 2019 to December 31, 2023, pursuant to the requirements of Section 401(c) of *The Fiscal Code*, 72 P.S. § 401(c).

The objective of the audit was to determine whether the district court complied with state laws, regulations, and Administrative Office of Pennsylvania Courts (AOPC) policies and administrative procedures related to the collection of moneys on behalf of the Commonwealth, including whether moneys collected on behalf of the Commonwealth have been correctly assessed, reported, and promptly remitted.

The procedures we performed are summarized below.

- Obtained data from the AOPC and the Pennsylvania Department of Revenue and determined whether:
 - Amounts provided by the AOPC match amounts received by the Department of Revenue.
 - The district court's distributions to the state agree with the data provided by the Department of Revenue.
- Compared collections by category of fines, fees, and surcharges for each year in the audit period to prior year collections and determined the reason(s) for any large or unusual variances.
- Evaluated data related to cases without collections or adjustments to fines, fees, or surcharges and, if considered necessary, evaluated selected cases to determine whether such cases were handled appropriately.
- Obtained an understanding of internal controls related to the audit objective.
- Determined the adequacy of the design and operating effectiveness of internal controls we considered significant to the audit objective.
- Evaluated deposits of collections for accuracy and timeliness.
- Determined whether disbursements were accurate.
- Determined whether manual receipts were accurate and properly recorded.
Determined whether voided receipts were necessary and proper.

- Reviewed selected cases to determine if the district court properly assessed, collected, and recorded all applicable fines, costs, fees, and surcharges.
- Determined whether the court complied with laws, regulations, and AOPC procedures related to the issuance and returns of warrants, collections related to warrants, and accounting for collections in the AOPC computer system.

Our audit was limited to the areas 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.

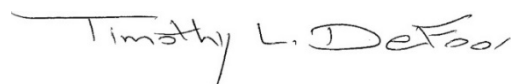
The district court is responsible for establishing and maintaining effective internal controls to provide reasonable assurance of compliance with state laws and regulations applicable to the collection of moneys on behalf of the Commonwealth, including whether they have been correctly assessed, reported, and promptly remitted. The district court 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, 2019 to December 31, 2023, the district court, in all significant respects, complied with state laws, regulations, and AOPC policies and administrative procedures related to the collection of moneys on behalf of the Commonwealth, except as noted in the findings listed below and discussed later in this report.

- Inadequate Internal Controls Over Manual Receipts.
- Inadequate Arrest Warrant Procedures.

This report includes a summary of the district court's receipts and disbursements of funds collected on behalf of the Commonwealth (summary), which the Department of Revenue may use to state and settle the district court's account. We obtained data representing the district court's receipts and disbursements from the Pennsylvania Department of Revenue, which obtains data from each of the Commonwealth's district courts 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 district court's compliance with certain state laws and regulations as described in the previous paragraph. Other than any adjustments that we considered necessary based on our audit work as disclosed in the *Proposed Audit Adjustments* line of the summary, nothing came to our attention to indicate inaccuracies in the amounts included in the summary.

The contents of this report were discussed with the District Court's management. We appreciate the courtesy extended to us by the Delaware County District Court 32-2-53 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.



Timothy L. DeFoor
Auditor General
March 25, 2025

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DISTRICT COURT 32-2-53
DELAWARE COUNTY
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2023

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

District Court 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.

Total disbursements during the audit period are as follows:

District Court checks issued to:

Department of Revenue	\$ 517,850
Department of Labor & Industry	<u>500</u>
Total	<u><u>\$ 518,350</u></u>

This balance reflects the summary of monthly transmittal reports as provided by the Department of Revenue. The balance also reflects a summary of any receipts disbursed directly to other state agencies.

Elisa C. Laccianca, Esquire, served at District Court 32-2-53 for the period January 1, 2019 to December 31, 2021.

Elysia J. Mancini Duerr, Esquire, served at District Court 32-2-53 for the period January 1, 2022 to December 31, 2023.

The summary of receipts and disbursements on the following page 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.

DISTRICT COURT 32-2-53
 DELAWARE COUNTY
 SUMMARY OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2019 TO DECEMBER 31, 2023

Receipts:

Department of Transportation		
Title 75 Fines	\$	77,971
Child Restraint Fines		266
Department of Revenue Court Costs		108,166
Crime Victims' Compensation Bureau Costs		3,155
Crime Commission Costs/Victim Witness Services Costs		3,657
Domestic Violence Costs		1,051
Emergency Medical Service Fines		43,976
CAT/MCARE Fund Surcharges		112,559
Judicial Computer System Fees		36,000
Access to Justice Fees		20,029
Criminal Justice Enhancement Account Fees		2,636
Judicial Computer Project Surcharges		53,678
Constable Service Surcharges		5,646
Miscellaneous State Fines and Costs		<u>49,560</u>
 Total receipts		 518,350
 Disbursements to Commonwealth		 <u>(518,350)</u>
 Balance due Commonwealth (District Court) per Department of Revenue data		 -
 Proposed Audit Adjustments		 <u>-</u>
 Adjusted balance due Commonwealth (District Court) for the period January 1, 2019 to December 31, 2023	 \$	 <u><u>-</u></u>

DISTRICT COURT 32-2-53
DELAWARE COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2023

Finding No. 1 - Inadequate Internal Controls Over Manual Receipts

Our audit of the district court disclosed that internal control procedures required by the Administrative Office of Pennsylvania Courts (AOPC) for safeguarding funds collected by district court staff were not consistently followed. During the audit period, 35 manual receipts were available for use by the district court staff. Based on our test work we noted the following:

- 13 manual receipts could not be located and were not available for testing.
- One log to account for the 13 manual receipts was not available for testing.

The AOPC's procedures require official manual receipts be used for receipt of funds in the event of a computer system shutdown, like a temporary power loss or system update. The list of available manual receipts, referred to as the log, and the manual receipts in duplicate should be secured and available for staff in the event funds are received by staff during computer system downtime.

Manual receipts are to be used in numerical order to enhance reconciliation and accountability. The log should be completed each time a manual receipt is issued to a remitter. One copy of the receipt should be given to the remitter, and the second copy of the receipt should be retained by the court. The staff member receiving the funds and recording the transaction should properly complete the log and place the log, the retained copy of the manual receipt, and funds in the appropriate secure locations.

When the computer system is running again, the retained copy of the manual receipt should be used to enter the information into the system to generate a system-generated receipt. The manual receipt, the computer-generated receipt, and the log should all agree in amount of funds received. The staff are to enter the manual receipt number on the computer system receipt and list the date entered into the system on the manual receipts' log. This provides an audit trail to account for the funds from manual receipt to computer-generated receipt.

DISTRICT COURT 32-2-53
DELAWARE COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2023

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

Adequate internal controls include, but are not limited to, ensuring all required information is recorded on the manual receipt, log, and promptly added to the computer system. Information needed for ensuring the funds are accounted for properly, includes, but is not limited to, date issued, date entered into the system, the computer generated receipt number, manual receipt amount, check number (if applicable), initials of the person receiving the payment, remitter name, docket number, payment source, and payment method.

The district court staff stated that this condition occurred because staff was unaware of the proper procedures regarding manual receipts resulting in the misplacement of the manual receipts and the log.

The failure to implement the AOPC's procedures regarding manual receipts negates the accountability of the funds collected and provides opportunities for potential misappropriation of funds.

Recommendation

We recommend that the district court follow the AOPC's established procedures to ensure an adequate system of internal controls exists for its manual receipts.

Management's Response

The Magisterial District Judge responded as follows:

The court staff have been instructed to maintain all manual receipts and associated log in the District Court's safe where they will remain. The Court Coordinator and the MDJ Administrative Office staff have reviewed the policies on maintaining manual receipts and keeping them safely secured.

I would like to point out that this court has undergone major staffing changes during this audit period.

Auditor's Conclusion

During our next audit, we will determine if the district court complied with our recommendation.

DISTRICT COURT 32-2-53
DELAWARE COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2023

Finding No. 2 - Inadequate Arrest Warrant Procedures

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 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.

We tested 45 instances in which a warrant was required to be returned or recalled. Our testing disclosed that one was not returned or recalled and 29 were not returned timely. The time of issuance to the time of return ranged from 201 days to 1,298 days.

Warrant Return Procedures: 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 district court staff stated that this condition occurred because of the high volume of warrants, warrants not being returned from constables timely, and the court's closure during the pandemic.

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.

Recommendations

We 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.

DISTRICT COURT 32-2-53
DELAWARE COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2023

Finding No. 2 - Inadequate Arrest Warrant Return Procedures (Continued)

Management's Response

The Magisterial District Judge responded as follows:

This finding has been addressed with the constables and staff. Warrant procedures have been improved to ensure that the correct paperwork has been returned. The Court Coordinator and General Clerks have a system in place to track any warrants waiting for return from the constables. They will review the warrant recall slips frequently to ensure the warrants are returned to the court in a timely manner. The Delaware County Administrative Office for Magisterial District Judges will assist the court staff in monitoring these warrant requirements.

I would like to point out that this court has undergone major staffing changes during this audit period.

Auditor's Conclusion

During our next audit, we will determine if the district court complied with our recommendation.

DISTRICT COURT 32-2-53
DELAWARE COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2023

This report was initially distributed to:

The Honorable Pat Browne
Secretary
Pennsylvania Department of Revenue

The Honorable Andrea Tuominen
Court Administrator of Pennsylvania
Supreme Court of Pennsylvania
Administrative Office of Pennsylvania Courts

Elysia J. Mancini Duerr, Esquire
Magisterial District Judge

Dr. Monica Taylor
Chairperson of the Board of Commissioners

Joanne Phillips, Esquire
Controller

Gerald C. Montella, Esquire
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.