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Performance Audit Report

**CRIMINAL DIVISION
AGENCY FUND**

As of October 31, 2020

**Office of the Controller
County of Northampton
Pennsylvania**



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June 28, 2021

Members of the Northampton County Council
Lamont G. McClure, Jr., County Executive
County of Northampton, Pennsylvania

We have completed an audit of the Criminal Division Agency Fund as of October 31, 2020.

The Executive Summary on page 1 summarizes the audit results, while the Audit Results section provides a detailed explanation.

We acknowledge the cooperation and assistance we received from the Clerk of Courts, Criminal Division. Her help was essential to the performance of this audit.

Our report was discussed with management at the conclusion of testing. An exit conference was not held. There is no Management Response included in the Audit Results section as there were no reportable findings.

Very truly yours,

Tony E. Bassil
County Controller

Kathleen A. Kuzma, MBA, CPA, CGMA
Lead Auditor

Table of Contents

	<u>PAGE</u>
EXECUTIVE SUMMARY	1
INTRODUCTION	2
PURPOSE AND SCOPE.....	3
METHODOLOGY	4
AUDIT RESULTS	5

EXECUTIVE SUMMARY

The Criminal Division is tasked with maintaining records for the disposition of court cases, and collecting fines, fees, costs, and restitution, including cases involving juveniles. They have a fiduciary responsibility after collection to then disburse these amounts to the proper individuals. They perform their duties by adhering to written policies and procedures, maintaining adequate internal controls and through effective supervisory oversight.

Our audit of the Criminal Division Agency Fund revealed that internal controls over cash, receipt processing and disbursements are functioning as intended. Receipts are in compliance with court assessments and fee schedules, and are being processed and deposited timely. Disbursements of collected amounts are made timely to the proper payees. Proper reporting to the IRS is being done for certain cash transactions.

INTRODUCTION

The Criminal Division is part of the Department of Court Services, which is currently under the direct supervision of the Director of Court Services. The office is responsible for the docketing, retrieval and maintenance of documents pertaining to criminal and miscellaneous court matters.

The office records the disposition of cases, and collects fines, fees, costs, and restitution, including cases involving juveniles. The office then disburses these amounts collected to the proper recipient. The collection of fines, fees and costs helps defray the cost of operating the office and criminal justice system. Bail, set by the Court, is posted to this Division as well.

The operations of the Criminal Division are accounted for in the County's General Fund and the money collected is accounted for in an Agency Fund, meaning that the Criminal Division has the responsibility to collect and hold the money until it is paid out to third parties.

The office currently consists of the following staff:

- Clerk of Courts
- Lead Deputy
- Deputy
- Clerical Technicians – 6 cashiers
- Clerical Technicians – 2 non-cashiers
- Clerical Technicians – 2 file clerks

The computer system that manages the cases and financial information is the Court of Common Pleas Case Management System (CPCMS), implemented on October 17, 2005. It is a statewide system developed by the Administrative Office of Pennsylvania Courts (AOPC) that allows counties to share data and allows State agencies to monitor the data.

PURPOSE AND SCOPE

This audit is one in a series of periodic audits of all agency funds performed for the purpose of supplementing the year-end work prescribed by the County's external auditor. The focus of the audit was on the receipt and disbursement functions and on compliance with laws and regulations for the various fees.

The purpose of the audit was to:

- Determine the adequacy of internal controls.
- Determine compliance with policies and procedures, laws and regulations.

The following components of internal control were considered significant to the audit objectives, and were therefore assessed, and as appropriate based on risk, tested:

- That the monthly cash reconciliations are completed accurately and timely and agree to the general ledger.
- That fees collected are accurate, and receipts are processed and deposited timely and properly posted to the general ledger.
- That controls over manual and voided receipts are functioning as intended.
- That disbursements are supported by adequate documentation and are properly paid.
- That certain cash transactions are being properly reported to the IRS.
- That duties are properly segregated to reduce the risk of misappropriation of funds.

Our testing was conducted on transactions occurring during the period January 1, 2020 through October 31, 2020.

Our tests did not include an examination of the CPCMS computer system. The system belongs to AOPC. We accepted all reports used in this audit as accurate.

METHODOLOGY

Our methodology included:

- Interviewing the Clerk of Courts.
- Identifying applicable policies, procedures, laws and regulations.
- Documenting current procedures and analyzing internal controls.
- Performing tests of transactions and account balances.
- Reviewing CPCMS for reports that might be useful to the audit and the office.

Our review included an assessment of internal controls in the audited areas. Any significant findings related to internal controls are included in the Audit Results section of the report.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

AUDIT RESULTS

No material or significant findings were discovered during the testing of transactions of the Criminal Division Agency Fund. Internal controls over receipts, disbursements and cash are functioning as intended and duties are properly segregated. The Criminal Division is adhering to documented policies and procedures that have been established for their office. There were no instances of noncompliance that came to our attention during testing.