



# County of Allegheny

## Office of the Controller

**Magisterial District Court 05-2-04  
Financial Analysis Report  
For the Period January 1, 2007  
Through December 31, 2009**

*(Non-Audit Service)*

May 7, 2010

**County of Allegheny  
Office of the Controller  
Mark Patrick Flaherty  
Controller**

**104 County Courthouse  
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Pittsburgh, PA 15219  
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**MARK PATRICK FLAHERTY**  
CONTROLLER

# COUNTY OF ALLEGHENY

## OFFICE OF THE CONTROLLER

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**GUY A. TUMOLO**  
DEPUTY CONTROLLER

May 7, 2010

Ms. Nancy Galvach  
Manager  
Magisterial District Courts  
340 Frick Building  
437 Grant Street  
Pittsburgh, PA 15219

Subject: Magisterial District Court 05-2-04  
Financial Analysis Report  
For the Period January 1, 2007 through December 31, 2009

Dear Ms. Galvach:

We performed certain procedures in order to reconcile the cash balance and summarize Allegheny County's receipts and disbursements for Magisterial District Court 05-2-04 for the period January 1, 2007 through December 31, 2009. The accompanying Reconciled Cash Balance Schedule and Schedule of Allegheny County Receipts and Disbursements are unaudited and are the responsibility of management. Our engagement was performed as a non-audit service and was therefore not performed in accordance with *Government Auditing Standards*.

The jurisdiction of Magisterial District Court 05-2-04 includes O'Hara Township, Indiana Township, McCandless Township, Aspinwall Borough, Blawnox Borough, Fox Chapel Borough, and Sharpsburg Borough. Elissa M. Lang served as the Judge at Magisterial District Court 05-2-04 from January 1, 2007 to December 31, 2009.

Ms. Nancy Galvach  
May 7, 2010

Our purpose was to determine whether all funds collected on behalf of Allegheny County have been properly assessed, reported and promptly remitted. Our procedures included documenting the processes and controls over cash, receipts and disbursements, confirming the cash balance and undisbursed funds balance, and testing receipts, disbursements, and docket transactions.

Very truly yours,



Lori A. Churilla  
Assistant Deputy Controller, Auditing



MARK PATRICK FLAHERTY  
Controller

cc: Honorable Rich Fitzgerald, President, County Council  
Honorable William Russell Robinson, County Council  
Honorable Dan Onorato, Chief Executive, Allegheny County  
Mr. James M. Flynn Jr., County Manager, Allegheny County  
Ms. Amy Griser, Budget Director, Allegheny County  
Mr. Joseph Catanese, Director of Constituent Services, County Council  
Ms. Jennifer Liptak, Budget Director, County Council  
Mr. Guy A. Tumolo, Deputy Controller, County Controller's Office  
Ms. Pamela Goldsmith, Communications Director, County Controller's Office

**Magisterial District Court 05-2-04**  
**Reconciled Cash Balance Schedule**  
**January 1, 2007 through December 31, 2009**  
**(Unaudited)**

|                                 | <u>2009</u>      | <u>2008</u>      | <u>2007</u>      |
|---------------------------------|------------------|------------------|------------------|
| <b>Beginning Cash Balance</b>   | \$ 46,394        | \$ 50,199        | \$ 79,028        |
| <b><u>Receipts</u></b>          |                  |                  |                  |
| State                           | 270,872          | 319,500          | 398,762          |
| County                          | 80,524           | 86,703           | 98,770           |
| Local                           | 82,045           | 79,824           | 77,977           |
| Collateral/Bail                 | 33,631           | 49,937           | 32,483           |
| Restitution                     | 18,724           | 29,022           | 19,039           |
| Constables                      | 11,890           | 15,337           | 14,497           |
| Interest                        | <u>411</u>       | <u>1,065</u>     | <u>1,652</u>     |
| <b>Total Receipts</b>           | 498,097          | 581,388          | 643,180          |
| <b><u>Disbursements</u></b>     |                  |                  |                  |
| State                           | 270,872          | 319,500          | 406,695          |
| County                          | 81,712           | 88,788           | 97,369           |
| County Escheats                 | 483              | 1,379            | 583              |
| Local                           | 83,071           | 81,581           | 76,464           |
| Collateral/Bail                 | 39,039           | 43,642           | 51,106           |
| Restitution                     | 18,152           | 28,600           | 18,926           |
| Constables                      | 11,535           | 15,337           | 12,915           |
| Criminal Division               | 7,911            | 5,301            | 6,299            |
| Interest                        | <u>411</u>       | <u>1,065</u>     | <u>1,652</u>     |
| <b>Total Disbursements</b>      | 513,186          | 585,193          | 672,009          |
| <b>Ending Cash Balance</b>      | <u>\$ 31,305</u> | <u>\$ 46,394</u> | <u>\$ 50,199</u> |
| <b><u>Undisbursed Funds</u></b> |                  |                  |                  |
| Collateral Held                 | \$ 17,120        | \$ 30,928        | \$ 31,287        |
| Due to Governments              | 10,180           | 12,393           | 16,236           |
| Due to Individuals              | 3,942            | 3,010            | 2,613            |
| Reconciled Adjustments*         | <u>63</u>        | <u>63</u>        | <u>63</u>        |
| <b>Total Undisbursed Funds</b>  | <u>\$ 31,305</u> | <u>\$ 46,394</u> | <u>\$ 50,199</u> |

\*This line item includes a reconciling adjustment for an error related to a restitution payment which dates back to 1991.

**Magisterial District Court 05-2-04**  
**Schedule of Allegheny County Receipts and Disbursements**  
**January 1, 2007 through December 31, 2009**  
**(Unaudited)**

|   | <u>2009</u>      | <u>2008</u>      | <u>2007</u>      |
|---|------------------|------------------|------------------|
| <b>Allegheny County Receipts</b>                                |                  |                  |                  |
| January   | \$ 9,540         | \$ 5,246         | \$ 5,812         |
| February  | 6,531            | 8,503            | 6,657            |
| March   | 7,369            | 7,205            | 7,860            |
| April   | 6,935            | 7,643            | 8,938            |
| May   | 4,317            | 7,721            | 8,094            |
| June  | 7,266            | 6,954            | 6,870            |
| July  | 6,969            | 8,627            | 8,832            |
| August  | 7,777            | 6,735            | 9,538            |
| September   | 7,403            | 8,116            | 9,525            |
| October   | 5,671            | 9,424            | 9,988            |
| November  | 5,184            | 3,781            | 7,822            |
| December  | <u>5,562</u>     | <u>6,750</u>     | <u>8,835</u>     |
| <b>Total County Receipts</b>                                    | <u>\$ 80,524</u> | <u>\$ 86,705</u> | <u>\$ 98,771</u> |
| <b>Allegheny County Disbursements (See Note Below)</b>          |                  |                  |                  |
| January   | \$ 6,750         | \$ 8,835         | \$ 7,435         |
| February  | 9,540            | 5,246            | 5,812            |
| March   | 6,531            | 8,503            | 6,657            |
| April   | 7,369            | 7,205            | 7,860            |
| May   | 6,935            | 7,643            | 8,938            |
| June  | 4,317            | 7,721            | 8,094            |
| July  | 7,266            | 6,954            | 6,870            |
| August  | 6,969            | 8,627            | 8,832            |
| September   | 7,777            | 6,735            | 9,538            |
| October   | 7,403            | 8,116            | 9,525            |
| November  | 5,671            | 9,424            | 9,988            |
| December  | <u>5,184</u>     | <u>3,781</u>     | <u>7,822</u>     |
|   | \$ 81,712        | \$ 88,790        | \$ 97,371        |
| Less: Prior year collections disbursed in the current year      | (6,750)          | (8,835)          | (7,435)          |
| Plus: Current year collections disbursed in the subsequent year | <u>5,562</u>     | <u>6,750</u>     | <u>8,835</u>     |
| <b>Total County Disbursements</b>                               | <u>\$ 80,524</u> | <u>\$ 86,705</u> | <u>\$ 98,771</u> |
| <b>Difference</b>   | <u>\$ 0</u>      | <u>\$ 0</u>      | <u>\$ 0</u>      |

Note: Funds received in a particular month are disbursed to Allegheny County by the 15<sup>th</sup> of the subsequent month.



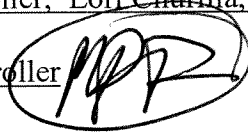
MARK PATRICK FLAHERTY  
CONTROLLER, COUNTY OF ALLEGHENY  
104 COURTHOUSE  
PITTSBURGH, PENNSYLVANIA 15219

**MEMORANDUM**

To: Nancy Galvach, Manager, Magisterial District Courts

cc: Guy Tumolo, Deputy Controller; Lori Churilla, Assistant Deputy Controller, Auditing

From: Mark Patrick Flaherty, Controller



Date: May 7, 2010

RE: Observations noted during fieldwork for Magisterial District Court 05-2-04

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**Observation #1: Outstanding / Reconciling Adjustments**

We observed that the Court's undisbursed funds report for 2009 includes a restitution payment of \$63 from September 19, 1991 which has not been paid out as of the date of this memorandum. The balance on the Undisbursed Funds reports as of December 2009 does not match the Court's checking account balance as of the same date.

**Recommendation:** We recommend that the Court investigate the restitution payment on the undisbursed funds reports and take the necessary step to pay it out so that the check account balance should equal the amount on the undisbursed funds report.

**Observation #2: Funds Held Overnight**

The Magisterial District Judge System (MDJS) Manual indicates that, "All money, including partial payments received by the Magisterial District Judge office must be deposited in the bank at the end of every business day. A bank night depository may be used by all (night) courts as well as by any court that cannot get to the bank during banking hours". The MDJS Manual then goes on to say that "Money should not be taken home, left in the office overnight or unattended".

During our engagement, we noted that the office closes its books daily at 3:00 p.m. in order to reconcile and deposit the funds that were collected. The office accepts payments after 3:00 but will not receipt and deposit the funds until the following day. The payments and corresponding case files funds are kept in a safe overnight. The following day the clerk will enter the payment into the system and then mail a copy of the receipt to the defendant.



**Recommendation:** Record all receipts when they are received and deposit all funds at the end of each day in order to comply with the AOPC manual.

**Observation #3: Supervision**

We noted the Voided Transaction Reports were not printed, signed, and dated by the District Judge. The procedural requirement to be completed for voided transactions indicates that, “The Magisterial District Judge is responsible for examining, signing, and dating the Voided Transaction Report monthly”.

**Recommendation:** Ensure that all Monthly Transaction Reports are printed, reviewed, signed and dated by the District Judge as required.

**Observation #4: Support for Constable Payments**

We sampled 24 constable payments to determine whether the payments were adequately supported. We noted three (3) instances in which constables did not complete and sign the appropriate section of bench warrants. The section of the bench warrants that the constables should have completed contains a check off box noting whether or not the constable was able to locate the defendant, and if so, what action the constable took. Completion of that section of the bench warrants serves as evidence that the constable performed the service for which he or she was paid.

**Recommendation:** The constables should be required to complete and sign the applicable section of the bench warrants so that the Court will have adequate documentary evidence of the services provided.