

Village of Head of the Harbor

Justice Court Operations

APRIL 2021



OFFICE OF THE NEW YORK STATE COMPTROLLER
Thomas P. DiNapoli, State Comptroller

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Report Highlights

Village of Head of the Harbor

Audit Objective

Determine whether the Village of Head of the Harbor (Village) Justices provided adequate oversight to ensure receipts were collected, deposited, recorded and remitted in an accurate and timely manner.

Key Findings

The Justices did not provide adequate oversight of cash receipts, deposits and accounting records during the tenure of the former court clerk (clerk). The elected Justice (Justice) did not:

- Segregate the duties of the clerk or provide adequate oversight of Village Justice Court (Court) operations.
- Take corrective actions to address the external audit findings regarding Court records. Therefore, we found court records were not properly maintained. Deposit slips, credit card settlement reports, copies of checks and money orders and bank statements were missing.
- Ensure 330 receipts totaling \$55,551 were deposited timely.
- Complete or review all bank reconciliations.

Key Recommendations

The Justices should:

- Ensure financial and Court records are properly maintained and segregate the clerk's duties or provide oversight.
- Ensure deposits are made timely and intact and bank reconciliations are prepared monthly.

Village officials agreed with our recommendations and indicated corrective action.

Background

The Village is located in the Town of Smithtown in Suffolk County.

The elected Board of Trustees (Board) is composed of a Village Mayor, Deputy Mayor and three Trustees who are responsible for the general oversight of Village operations and finances.

The Village has one Justice and one appointed Justice. Court is generally held once a month and the Justices are responsible for the supervision and oversight of the clerks.

Two part time clerks were responsible for maintaining Court records during the audit period. The former clerk resigned at the end of November 2017. The current clerk began working at the Village in August 2017.

Quick Facts

Fines and Fees Reported	Collections	
	Total Per Period	Average Per Month
March 2016 – February 2017	\$104,456	\$8,705
March 2017 – February 2018	\$174,759	\$14,563
March 2018 – August 2018	\$103,376	\$17,229

Audit Period

March 1, 2016 – August 31, 2018

The findings in this report have been referred to law enforcement and are under review.

Justice Court Operations

The Court has jurisdiction over vehicle and traffic law (VTL) violations, certain civil and criminal cases, and village ordinance (VO) and building code violations. The Village's police department issues VTL and VO violations. The justice is required to report financial activities monthly to the Office of the State Comptroller's Justice Court Fund (JCF) and remit all money collected to the village treasurer. During our audit period, the Justice sat for 26 of 28¹ court nights and accounted for 99 percent of reported receipts. The former clerk was responsible for maintaining the financial records and reports for 21 months, March 1, 2016 through November 30, 2017, and the current clerk was responsible for nine months, December 1, 2017 through August 31, 2018.

How Should Justices Oversee Justice Court Operations?

Justices are responsible for adjudicating cases brought before their courts and accounting for and reporting court-related financial activities. The board may set general personnel and administrative policies for court employees, but court operations are the responsibility of the justice to supervise. When a court employs a clerk, it is essential that the justice provide adequate oversight of clerk functions and court operations.

Adequate policies and procedures provide guidance for clerks to ensure incompatible financial duties are segregated and proper documentation is maintained. Judges must ensure case information is properly and accurately reported to the JCF and the New York State Department of Motor Vehicles (DMV). The status of each case in individual case files should agree with the system. The best practice is that no one person is responsible for an entire transaction from the start of the case to the end. To the extent possible, duties such as collecting, depositing, recording, disbursing and reconciling should be separated between court staff. Where it is not practical to segregate duties, the justices should provide additional oversight as a compensating control.

The justice is responsible for setting the clerk's office hours. Hours should be sufficient for public business and the administrative and financial business of the court. The board, in consultation with the justices, should adopt policies and procedures for the preparation and review of time sheets. Effective oversight and monitoring of attendance are necessary to ensure accountability over hours worked and proper conduct of administrative and financial business.

Justices must maintain complete and accurate accounting records, including deposit slips, credit card settlement reports, bank reconciliations, bank statements, and cashbook reports. For each case, justices must maintain

¹ Court was not held during two months of the audit period.

separate case files that include all relevant information including documentation of the justice's decisions. Justices should also retain court calendars and sign in sheets.

The Justice Did Not Segregate the Duties of the Clerk or Provide Adequate Oversight

With the exception of three months,² one part-time clerk performed all financial duties and maintained case files. The clerk was responsible for collecting fines and fees, issuing pre-numbered manual receipts, recording payments in the computerized accounting system, preparing and making deposits, preparing the monthly JCF report, uploading VTL dispositions (dispositions) to DMV, receiving bank statements and performing bank reconciliations.

The clerk was also responsible for maintaining all case related documents. The Justice received the JCF report, prepared and signed the check and submitted the report electronically. The clerk submitted the payment to the Village Treasurer. The Justice did not directly receive or review bank statements or accounting records, and did not require the clerk to prepare bank reconciliations or accountabilities. The Justice's review generally entailed scanning the prepared monthly reports before submitting them.³

The former clerk worked full-time for a neighboring village court and part-time for two additional village courts. Board minutes from March 2012 stated the clerk was to work plus or minus 12 hours a week. The Justice did not set the clerk's hours; instead, she was permitted to set her own hours. In addition, the Board, in consultation with the Justices, did not adopt policies and procedures for the preparation and review of time sheets. As a result, the clerk was not required to submit time records and was paid regardless of hours actually worked. Other than the monthly Court session, Village officials could not confirm the hours she worked. The Justice acknowledged the clerk was not putting the time in that was required. She was paid \$32,889 for 21 months in the audit period without documentation of hours worked. A lack of appropriate time and attendance records increases the likelihood that the clerk could be paid for time not worked or for unauthorized absences.

We reviewed available documents for evidence of dates that the clerk worked at Village Hall. For the clerk to process credit card transactions or upload dispositions to DMV, the clerk must be present at Village Hall. Between February 28, 2017 and October 13, 2017, the clerk did not upload any dispositions. During

The Justice did not directly receive or review bank statements or accounting records, and did not require the clerk to prepare bank reconciliations or accountabilities.

² Between September 2017 and November 2017, the current clerk's duties were limited.

³ See related discussion under "The Justice Did Not Complete or Review Bank Reconciliations and Did Not Perform Accountabilities" and "Justice Court Fund Reports and Payments to the Village Treasurer Were Not Always Timely."

this period, 521 dispositions with fines and fees totaling \$84,887 were reported to JCF, and should have been uploaded to DMV. During this time, the only dates that credit card transactions occurred were the six⁴ court dates. Because we noted months in which the clerk did not report dispositions, we compared tickets issued in November and December 2016⁵ to tickets reported as disposed of to JCF and DMV. We found 49 tickets disposed of in JCF records that remained open in DMV records. Two additional tickets were open in DMV records, but not entered in the court program. When dispositions are not reported to DMV they remain open on the defendant's driving record.

Because the Justice did not provide adequate oversight, or set regular work hours for the clerk, the clerk did not work sufficient hours to properly conduct the administrative and financial business of the court. In addition, defendants were not provided regular business hours to address and resolve ticket concerns. Further, the lack of segregation of duties and oversight lead to errors and irregularities going undetected and uncorrected.

The Justice Did Not Ensure the Former Clerk Maintained Adequate Records

During the 21 months of our audit period that the former clerk was responsible for maintaining records, there were no deposit slips, credit card settlement reports, or bank reconciliations retained. In addition, there were months when bank statements and cashbook reports were missing. Furthermore, case files did not always contain sufficient documentation of the Justice's decisions.

Prior to court night the clerk prepares a calendar that contains the individuals scheduled to appear that night and the details of the violations. A sign in sheet is prepared to document individuals that appear in Court. However, calendars and sign in sheets were missing from March 2016 through November 2017.

The Court allowed defendants to plead by mail or in person. The current clerk told us that if a defendant pleads guilty by mail she prints out the defendant's relevant information and emails it to the Justice. When the Justice replies with her decision, the current clerk notifies the defendant, and keeps a copy of the Justice's email in the case file as documentation.

The Justice stated that tickets for seat belt and uninspected vehicle violations had a set fine and surcharge. If defendants plead guilty by mail for these violations, the clerk notified the defendants of the applicable fine. The fines and fees for all other violations were determined on an individual basis by the Justice.

During the 21 months of our audit period that the former clerk was responsible for maintaining records, there were no deposit slips, credit card settlement reports, or bank reconciliations retained.

4 Court was not held in September 2017 and there were no credit card transactions or DMV uploads that month.

5 Three hundred and seventeen tickets were issued during November and December. Tickets issued just prior to the seven months with no DMV uploads, would generally be disposed by or during the period in question.

We reviewed case files for 240 tickets with fines and fees totaling \$35,342 reported to the JCF in November and December 2016. In 40 cases, the defendant pled guilty to no seat belt or uninspected vehicle, while the remaining 200 tickets were issued for violations requiring a decision by the Justice. Of the 200 tickets, 49 (25 percent) did not have any support for the Court's decision. Twenty-five of the 49 were reported as dismissed, including five in which the defendant had signed the ticket to plead guilty.

The Justice failed to provide oversight and did not ensure there were policies or procedures to document court actions. Consequently, there is no assurance that tickets were presented to the Justice for determination or that fines and fees were accurately recorded and deposited during the former clerk's tenure. We found the current clerk maintains adequate records.

What Are Essential Court Software Controls?

Once information is entered into the software, its integrity should be maintained through controls that limit access and changes to data to ensure transactions are not deleted or altered. The software should provide a means to determine the individuals who access the software and their activity. Audit logs maintain a record of activity that includes the identity of each person who has accessed the software, the time and date of access and what activity occurred. The Justices should review these logs on a routine basis to monitor the clerks' software activity. Usernames and passwords provide user authentication to prevent unauthorized use or modification of, and user accountability for, computer activity, and should be unique to each user and kept confidential.

Court Software Did Not Have Essential Controls

The Court utilizes computer software to record and report fines and fees collected and case determinations. The clerk issued manual receipts and then entered the manual receipt numbers into the court program. We found the court was using an older version of the court program that allowed users to change receipt numbers, and delete or change previously recorded entries. The software did not have an audit log function or the ability to generate deletion or change reports. In addition, the Justice and clerk were using the same user name and password.

We compared manual receipts to the entries in the court program and found receipts were not entered correctly into the program. During the period, there were 668⁶ instances where manual receipt dates did not match the paid date in the program; 27 receipt numbers did not appear in the program and 51 receipt amounts did not match. In addition, regardless of payment type all payments were entered as cash.

⁶ Nine hundred and seventy three of 1,967 receipt dates did not match; however, we accepted the date if it was up to two days after court night.

Because the software was not up-to-date, the former clerk could add, delete or modify entries without an audit log or evidence of changes. There was no audit log to determine the date transactions were entered in the software, if transactions were deleted or not entered and if recording irregularities were caused by changes to data.

Although the former clerk was aware of the secure version of the court software, it was not installed until we informed the current clerk and Justice at the beginning of the audit. Because adequate controls were not implemented, the Board and Justice do not have a complete and accurate record of the Court's financial activity.

How Should Justices Account for Court Money?

Justices should ensure court personnel issue receipts in sequence to acknowledge the collection of all funds, record each receipt in the accounting records and deposit all funds intact as soon as possible, no later than 72 hours from the date of collection, exclusive of Sundays and State holidays. Depositing intact means that money is deposited in the same amount and form (e.g., cash, coin, check) in which it is received, and not split between days.

Justices should ensure receipts are pre-numbered, issued consecutively and indicate the form of payment, and if paid by check or money order the number should be on the receipt. Proper receipts are evidence of individual collections and help ensure accounting records are complete and accurate. The Justice should periodically review receipts and any gaps or missing receipts should be investigated. Deposit slips should contain enough detail so that the deposit can be traced back through an audit. Cash and checks should be physically secured until deposited in the bank. In addition, justices must provide adequate oversight of work performed to ensure the accuracy and timeliness of records and reports. Justices should also ensure online payments are approved for deposit timely, deposited and accurately recorded.

Justices should perform a reconciliation between the bank balance and the accounting records for each bank account on a monthly basis. Justices should also conduct an accountability of funds by preparing a list of court liabilities and comparing it to reconciled bank balances and money on hand. If the reconciliations and accountabilities are prepared by a clerk, the justice should review them along with supporting documentation to verify their accuracy. Justices should investigate and promptly resolve discrepancies disclosed by the bank reconciliation or the accountability report and remit any unidentified funds to JCF.

Because the software was not up-to-date, the former clerk could add, delete or modify entries without an audit log or evidence of changes.

Also, justices should ensure that the monthly reports to JCF and payments to the village are submitted within the first 10 days of the ensuing month, as required. The board and justices are also responsible for addressing and correcting issues identified by external auditors in a timely manner.

The Justice Did Not Ensure Receipts Were Accurately Recorded or Deposits Were Timely and Intact

The clerks issued manual receipts and entered payment information into the court program using manual receipt numbers. During the period, 1,967 manual receipts totaling \$384,058 were written; 1,310⁷ totaling \$243,859 were written during the former clerk's tenure. During the former clerk's tenure, we found sequences of receipts left blank or voided.⁸ We compared manual receipts to bank records and monthly reports. Because the clerk did not keep copies of deposit slips, we obtained records directly from the bank.

We found the former clerk did not always prepare deposit slips,⁹ and when deposit slips were used, the slips did not always contain enough detail to trace or reconcile to deposits; 591 receipts totaling \$104,289 were written for cash, checks and money orders; 442 of the 591 receipts totaling \$75,497 were written during the former clerk's tenure. Of these, 330 totaling \$55,551 (75 percent) were deposited between four and 200 days after receipt. For example, three money orders totaling \$479 were receipted November 17, 2016 and deposited June 7, 2017, 200 days later. Cash was deposited late 88 percent of the time. For example, 22 receipts, dated July 20, 2017, containing \$3,151 in cash were not deposited until 20 days later, on August 11. When cash is not deposited timely, officials have no assurance that the cash deposited is the same cash as was collected.

Deposits were not timely, deposit slips, when used, were not detailed, and receipts did not contain sufficient information.¹⁰ As a result, there is not sufficient documentation to determine whether receipts were deposited intact during the former clerk's tenure and we could not verify that all collections were accounted for and deposited. In some instances, receipts from several dates were combined in a single deposit. In other instances, a single date's receipts were split between deposits. For example, 30 receipts totaling \$4,224 were dated October 20, 2016. Six money orders totaling \$822 were deposited on October 26 and cash totaling \$3,402 was deposited on November 1.

As a result, there is not sufficient documentation to determine whether receipts were deposited intact during the former clerk's tenure and we could not verify that all collections were accounted for and deposited.

7 This includes receipts written by the current clerk in October and November 2017.

8 Twenty-three were left blank, 20 were voided.

9 There were 18 instances when cash and checks were deposited without deposit slips.

10 Check and money order numbers were not recorded on receipts and money orders did not always identify the defendant's name or case number.

Further, when the appointed Justice sat for two court dates (April 21, 2016 and February 16, 2017) all receipts were deposited late and one deposit was not intact. On April 21, 2016, five cash receipts totaling \$580 were issued, but deposited 15 days later on May 6, 2016. On February 16, 2017, 23 receipts totaling \$2,597 were issued consisting of one money order for \$143, one check for \$100 and 21 cash receipts totaling \$2,354. Cash matching the total of \$2,354 was deposited 12 days later on February 28, 2017. Another cash deposit of \$243 was made on March 29, 2017. The money order and check were deposited into the other Justice's account on April 4, 2017.

Online Payments - Defendants were able to make payments online beginning in December 2016. Online payments require the clerk's approval before the money is electronically deposited into the Justices bank account. There were 637 online payments totaling \$128,207 during the audit period; 318 totaling \$58,192 approved by the former clerk and 319 totaling \$70,015 approved by the current clerk. The former clerk approved 237 (75 percent) totaling \$43,671 between four and 76 days late. For example, an online payment was made on July 3, 2017, but was not approved by the clerk until September 18, 2017, 76 days after the payment was made. As a result, the payments were not deposited in the Justice's bank account timely.

We compared online payments to manual receipts, deposits and JCF reports. We identified 49 online transactions totaling \$9,753 that were not accurately recorded during the former clerk's tenure including:

- 30 transactions totaling \$6,654 that were deposited and recorded in different months. For example, five payments totaling \$980 were deposited on February 21, 2017, but receipted and recorded October 14, 2017.
- 14 transactions totaling \$2,327 that were approved and deposited, but not receipted or reported. Nine of these transactions totaling \$1,510 were corrected at a later date by the current clerk.
- 4 transactions totaling \$629 that were not approved and therefore not deposited. These transactions were approved by the current clerk at a later date.
- 1 transaction for \$143 that was receipted and reported twice.

Because collections were not deposited timely and intact, and were not accurately recorded, errors occurred that were not detected or corrected in a timely manner. In addition, the delay in deposits, and inaccurate and incomplete recording of receipts could allow for checks and credit card payments to be substituted for cash in other receipts. Except for minor discrepancies, the current clerk accurately recorded and reported receipts, and made deposits timely and intact.

We also noted a significant increase in reported collections since the current clerk started making deposits. We talked with the Justice to see if there was an increase in fine amounts or number of cases that would account for this change. The Justice told us that she believed it was due to an increase in tickets issued during the time period. However, we reviewed the police ticket log for 2016, 2017, 2018¹¹ and did not find an increase in tickets issued that would support the increase in collections.

The Justice Did Not Complete or Review Bank Reconciliations and Did Not Perform Accountabilities

Neither the former clerk, nor the Justice prepared monthly bank reconciliations or accountabilities. We prepared accountabilities for the audit period. Based on the available court records, the Justice’s account had a cash shortage of \$2,323. However, because the former clerk did not maintain complete and accurate records the actual variance may be greater.

Figure 1: Court Accountabilities

	Court Assets		
	March 31, 2016	November 30, 2017	August 31, 2018
Adjusted Bank Balance	\$5,219	\$25,973	\$19,677
	Court Liabilities		
	March 31, 2016	November 30, 2017	August 31, 2018
Current Fines and Fees Due	\$3,633	\$22,034	\$16,597
Unreported Fines and Fees	0	4,842	3,817
Unidentified Funds in Beginning Balance	1,586	1,586	1,586
Total Known Liabilities	\$5,219	\$28,462	\$22,000
Shortage	\$0	\$2,489	\$2,323

The failure to perform bank reconciliations and accountabilities hinders the Justices’ ability to detect errors in accounting records, uncover missing funds and identify fraud. Failing to perform reconciliations or review receipt information can lead to the inability to identify fraud or misuse of funds collected. The current clerk prepares bank reconciliations and accountabilities timely.

¹¹ Total tickets issued per police log for calendar year 2016, 2017, January to August 2018 were 1057, 1007, and 467, respectively.

Justice Court Fund Reports and Payments to the Village Treasurer Were Not Always Timely

We reviewed JCF reports and payments to the Village Treasurer from March 1, 2016 through August 31, 2018. We reviewed 30 JCF report filings for each Justice, and found the Justice filed seven reports between one and 50 days late,¹² and the appointed Justice filed eight reports between one and seven days late. Furthermore, the Justice remitted 16 of 30 payments to the Village Treasurer between one and 57 days late.

Delinquent monthly reporting to the JCF and late payments to the Village Treasurer increase the risk that amounts reported are incomplete, Court records are not up-to-date and current collections are used to cover past collections. The current clerk files monthly reports and remits payments to the Village Treasurer timely.

The Justice Did Not Address External Audit Findings

The Court was audited by external auditors each fiscal year. Auditors identified that Court records were not adequate to permit the application of adequate auditing procedures to indicate whether all receipts were recorded. As a result, qualified opinions were issued for fiscal years 2016-17 and 2017-18, resulting from auditor's concerns about the maintenance of accounting records and the lack of segregation of duties and oversight. Furthermore, no corrective action was taken to correct the concerns identified by the auditors.

Without addressing and correcting the issues identified by the external auditors, the Justices' ability to monitor the Court's financial operations in an effective and timely manner was significantly diminished. Because the Board failed to verify that the Justices took corrective action, the lack of accountability continued even after it was pointed out by the auditors.

What Do We Recommend?

The Board and Justice should:

1. Adopt policies and procedures for the preparation and review of time sheets.
2. Ensure that issues identified by external auditors are addressed and corrected in a timely manner.

¹² The Justice notified JCF in advance that five report filings would be filed late.

The Justices should:

3. Prepare and monitor compliance with the Court policies and procedures manual.
4. Segregate the clerk's duties or provide oversight of Court operations to ensure all financial and Court records and case files are properly maintained.
5. Set the clerk's hours and review time records.
6. Ensure the clerk uploads dispositions to DMV in a timely manner.
7. Review audit logs on a routine basis to monitor the clerk's software activity.
8. Ensure unique usernames and passwords are used for accessing the Court's software applications.
9. Ensure receipts are issued in sequence, and review receipts for gaps in sequence.
10. Ensure bank deposits reconcile to receipts and that money is deposited timely and intact.
11. Ensure credit card and online payments are approved for deposit timely, deposited and accurately recorded.
12. Ensure bank reconciliations and accountabilities are prepared monthly. Review reconciliations, accountabilities and supporting documentation.
13. Investigate the discrepancies identified in this report and review records to determine the source of unidentified funds. Remit any unidentified funds to the JFC.
14. Ensure collections are reported to the JCF and payments are made to the Village Treasurer in a timely manner.
15. Address and correct issues identified by external auditors in a timely manner.

Appendix A: Response From Village Officials

Village of Head-of-the-Harbor



DOUGLAS A. DAHLGARD
Mayor

TRUSTEES

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Village Attorney

MARGARET O'KEEFE
Village Administrator/Clerk

PATRICIA A. MULDERIG
Village Treasurer

CHARLES M. LOHMANN
Police Chief

December 23, 2020

Mr. Ira C. McCracken, Chief Examiner
NYS Office Building Room 3A10
250 Veterans Memorial Highway
Hauppauge, NY 11788-5533

RE: Village of Head of the Harbor
Response to NYS examination report of Justice Court Operations covering 2016-2018

Dear Mr. McCracken:

The Board of Trustees and the Village Justice would again like to express thanks to the Office of the State Comptroller for its examination of the Justice Court Operations.

As a result of the examination findings of the Office of the State Comptroller we submit the following Corrective Action Plan. For each recommendation included in the audit report, the following Corrective Action Plans have been taken.

Village Police Department: Mobile data terminals in police cars were updated by installing [REDACTED] software by Suffolk County. The new system provides for digital communication of a traffic summons and the documentation from the patrolman directly to the Department of Motor Vehicles.

Village Treasurer: All Justice Court bank accounts and reconciliations are timely reviewed and signed-off by the Village Treasurer on a monthly basis.

New Village Justice Clerk: Starting in August 2017 the Village hired a new court clerk as a replacement. At the same time the Village hired an experienced clerk from another village to train the new court clerk and to assist in reconciling records and documentation that were left in an improper condition by the prior clerk. Old credit card information, that was no longer needed, has been deleted from the files and the disposition of citations that were never reported to the DMV have now been reported. Hours worked by the new clerk were recorded by a time clock and timely reviewed and approved by the Village Justice. The new justice clerk created a manual of policies and procedures for the Justice Court, as recommended by the NYS auditors.

The village is currently (December 2020) searching for a new court clerk and will provide training as was previously done in 2017-2018.

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Response to NYS examination
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External Auditor Comments: Prior comments by the independent auditor have been addressed and the audit for the current year is expected to be issued without comments.

Village Court:

Court computer software was updated and made secure with audit controls in place.

A spreadsheet to keep track of individual payments by defendants was created to ensure that all monies were recorded and deposited in the bank account.

A computer and printer were made available to be used inside the courtroom during each court session allowing immediate communication with the Department of Motor Vehicles as well as the printing of numbered receipts and the entering of dispositions identified by traffic ticket.

Respectfully Submitted by:

Douglas A. Dahlgard
Village Mayor

dated / /

Ellen D. Fishkin
Village Justice

dated / /

Cc: [REDACTED], NYS Office of the State Comptroller
[REDACTED] NYS Office of the State Comptroller

Appendix B: Audit Methodology and Standards

We conducted this audit pursuant to Article V, Section 1 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the New York State General Municipal Law. To achieve the audit objective and obtain valid audit evidence, our audit procedures included the following:

- We interviewed Village officials, employees and police officers, and reviewed Court records and reports to gain an understanding of Court operations.
- We determined when the clerk uploaded dispositions to DMV and compared tickets issued in November and December 2016 to tickets reported as disposed of to JCF and DMV.
- We gained an understanding of the Court's financial and reporting software.
- We reviewed case files for 240 tickets with fines and fees totaling \$35,342 reported to the JCF in November and December 2016 to determine whether proper documentation was maintained to support the disposition reported and fines and fees collected.
- We reviewed all records of cash, money orders and credit card payments collected including manual receipts and entries in the accounting program to determine whether collections were properly receipted and deposited.
- We transcribed all manual pre-numbered receipts and compared them to cashbook transactions, online payment reports, JCF reports, bank statements and bank copies of deposit slips from March 1, 2016 through August 31, 2018.
- We reviewed all cash and money orders receipts to determine whether they were deposited within 72 hours of collection, exclusive of Sundays and holidays.
- We reviewed all online credit card receipts to determine whether they were approved for deposit timely by the clerk, deposited and accurately recorded.
- We prepared bank reconciliations and accountability analyses for the Justices' bank accounts from March 1, 2016 through August 31, 2018, to determine whether cash on hand agreed with known liabilities.
- We obtained the filing dates for all JCF reports to determine whether they were filed timely. We also determined whether the corresponding payments to the Village Treasurer were timely.
- We reviewed the Court's external audit reports related to the audit period and determined whether the issues were addressed and corrected.

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). 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 objective.

We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Unless otherwise indicated in this report, samples for testing were selected based on professional judgment, as it was not the intent to project the results onto the entire population. Where applicable, information is presented concerning the value and/or size of the relevant population and the sample selected for examination.

The Board has the responsibility to initiate corrective action. A written corrective action plan (CAP) that addresses the findings and recommendations in this report should be prepared and provided to our office within 90 days, pursuant to Section 35 of General Municipal Law. For more information on preparing and filing your CAP, please refer to our brochure, *Responding to an OSC Audit Report*, which you received with the draft audit report. We encourage the Board to make the CAP available for public review in the Village Clerk's office.

Appendix C: Resources and Services

Regional Office Directory

www.osc.state.ny.us/sites/default/files/local-government/documents/pdf/2018-12/regional_directory.pdf

Cost-Saving Ideas – Resources, advice and assistance on cost-saving ideas

www.osc.state.ny.us/local-government/publications?title=&body_value=&field_topics_target_id=263196&issued=All

Fiscal Stress Monitoring – Resources for local government officials experiencing fiscal problems

www.osc.state.ny.us/local-government/fiscal-monitoring

Local Government Management Guides – Series of publications that include technical information and suggested practices for local government management

www.osc.state.ny.us/local-government/publications?title=&body_value=&field_topics_target_id=263206&issued=All

Planning and Budgeting Guides – Resources for developing multiyear financial, capital, strategic and other plans

www.osc.state.ny.us/local-government/resources/planning-resources

Protecting Sensitive Data and Other Local Government Assets – A non-technical cybersecurity guide for local government leaders

www.osc.state.ny.us/sites/default/files/local-government/documents/pdf/2020-05/cyber-security-guide.pdf

Required Reporting – Information and resources for reports and forms that are filed with the Office of the State Comptroller

www.osc.state.ny.us/local-government/required-reporting

Research Reports/Publications – Reports on major policy issues facing local governments and State policy-makers

www.osc.state.ny.us/local-government/publications?title=&body_value=&field_topics_target_id=263211&issued=All

Training – Resources for local government officials on in-person and online training opportunities on a wide range of topics

www.osc.state.ny.us/local-government/academy

Contact

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