

Town of Randolph

Justice Court Operations

AUGUST 2021



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

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Report Highlights

Town of Randolph

Audit Objective

Determine whether the Town of Randolph (Town) Town Justice (Justice) accurately recorded, deposited, disbursed and reported all fines and fees in a timely manner.

Key Findings

The Justice accurately recorded, deposited, disbursed and reported fines and fees in a timely manner. However, the Justice did not ensure computerized case records were updated in an accurate and timely manner or that all disposed of (closed) cases were properly reported to appropriate State agencies.

Key Recommendations

- Periodically review pending cases reports and compare computerized case information to manual case file information.
- Ensure that the clerk reports all disposed cases to appropriate State agencies.
- Ensure that the clerk accurately updates action codes for all cases and enters disposition dates into the computerized system.

Town officials agreed with our recommendations and indicated they will take corrective action.

Background

The Town is located in Cattaraugus County and governed by an elected Town Board (Board), which includes a Town Supervisor (Supervisor) and four Board members. The Board is responsible for the general oversight of Town operations, including the Court's financial activities.

The Town has one elected Justice, whose term began in January 2008. The Justice is responsible for adjudicating local Court actions.

A clerk assists the Justice with recordkeeping responsibilities that include maintaining case files and recording and reporting the Court's financial transactions to various New York State agencies.

Quick Facts

Reported Fines and Fees

January – December 2019	\$155,178
January – October 2020	\$82,465

Audit Period

January 1, 2019 – April 5, 2021

We extended our audit period back to January 1, 2017 to review financial transactions and January 1, 2008 to review case histories.

Justice Court Operations

The Court has jurisdiction over vehicle and traffic, criminal, civil and small claims cases brought before it. The Justice adjudicates legal matters within the Court's jurisdiction and administers money collected from fines, surcharges, civil fees and bail.

The Court manages and tracks cases using computerized and manual records. The manual records typically include paper case files with copies of the related tickets, case history reports, handwritten case notes and duplicate receipts that are used mainly for bail funds. In the Court's computerized recordkeeping system, the clerk assigns each defendant a case number.

This case number is then assigned to all charges and/or tickets that the defendant receives, which can cause one case number to have multiple charges or tickets assigned to it. As each charge moves through the Court's system, the clerk assigns action codes to the charges' case number to update the charges' status in the Court's computerized system.

How Should a Justice Record, Deposit, Disburse and Report Court Collections?

A town justice is generally responsible and accountable for all town court activities and must ensure that an effective system of internal controls is in place so that cash and other resources are properly safeguarded and financial transactions are properly processed and recorded in a timely manner.

Justices are required to issue receipts to acknowledge fees and fines paid to their courts and record collections in the accounting records. Justices also are responsible for depositing all collections intact (i.e., in the same amount and form as received) as soon as possible, but no later than 72 hours (three days) from the date of collection, exclusive of Sundays and holidays.

Justices must report collections each month (excluding pending bail) to the Office of the State Comptroller's Justice Court Fund (JCF). They also must disburse, by check, the funds collected to the town supervisor by the 10th day of each month, or to a defendant as appropriate.

In addition to maintaining complete and accurate accounting records, justices 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 a court's computerized recordkeeping system must be current and accurate to ensure cases are reported to different agencies in a timely manner.

The Court's computerized system produces various reports that can assist the Justice in ensuring case information is current and accurate, such as a pending cases report. The pending cases report lists all outstanding cases with their arrest dates and currently assigned action codes and can provide the Justice with useful information to ensure case information is accurate and current.

The status of each case in a court's computerized recordkeeping system must be current and accurate...

Fines and Fees Were Accurately Recorded, Deposited, Disbursed and Reported in a Timely Manner

We reviewed collections totaling \$237,643 received from January 1, 2019 through October 31, 2020¹ and found that the Justice accurately recorded, reported and disbursed fines and fees to the Supervisor and JCF in a timely manner.

We also reviewed bank reconciliations, monthly accountabilities and other various records and reports² associated with collections, deposits, bail funds and disbursements. Though we identified minor discrepancies, which we discussed with Court officials, we generally found that the recorded transactions were accurate and performed in a timely manner. In addition, we found that the bank reconciliations, monthly accountabilities and other applicable reports were accurate and prepared on a timely basis.

Computerized Case Files Were Not Always Updated in an Accurate and Timely Manner

We found that the Justice did not always ensure that the clerk updated computerized case records in an accurate or timely manner. We used our professional judgment to review a sample of cases and perform a variety of tests³ to determine whether the status of individual cases in the computerized system was accurate and current. We identified numerous clerical or unintentional errors that the Justice did not detect because he did not periodically review the pending cases report or compare manual case files to the computerized case records.

Disposed Cases – When a case is disposed of, the clerk must enter the correct disposition action code and the disposition date in the computerized system. Otherwise, the case will not be automatically reported to the JCF as being disposed.

We compared DMV and JCF electronic data for the Court's cases that were active between January 1, 2017 and October 31, 2020 and found 60 charges that the Court reported to DMV but not to the JCF. We reviewed the manual case files associated with 17 of the 60 charges to determine whether they should have been reported to the JCF and found that 11 of the 17 were included as part of fully disposed cases that should have been reported to the JCF.⁴

...[T]he Justice accurately recorded, reported and disbursed fines and fees to the Supervisor and JCF in a timely manner.

1 At the time that we requested computer data from the Court (November 2020), the end of October 2020 reflected the most current, completed month of Court data reported to the JCF during our audit period.

2 Refer to Appendix B for further information on our sample selection and testing methodology.

3 Ibid.

4 There were no fines or fees associated with these unreported charges.

The clerk did not properly update the action code for 10 of the 17 charges and did not enter the disposition as dismissed for another charge. The remaining six cases had multiple charges, and each case had at least one charge still open, which accounted for the action code status showing them as not being disposed of. However, three of the six cases had incorrect action codes that did not reflect the current status of the cases.

Pending Charges – We obtained a pending cases report⁵ as of September 14, 2020 generated from the Court’s computerized system and found that the Court had 2,385 pending charges. Of this amount, we reviewed 31 pending charges⁶ and found that 10 had been fully disposed of (all charges and/or tickets had been disposed of in each case) but were not reported to the JCF.⁷

The clerk did not update the action code for seven of the 10 charges and did not enter the disposition date for the other three. The remaining 21 pending charges in our sample were correctly listed as pending, but 12 did not have the correct action code to reflect the current status of the case.

In addition, the pending cases report had approximately 175 charges listed as pending, but the action code for these charges indicated they had been disposed of. The clerk told us all these charges had been disposed of and had correct action codes. However, she did not enter the cases’ disposition dates into the system, which caused the cases to appear on the pending cases report.

The Justice and clerk were unaware that the computerized system could generate a pending cases report. Both indicated they planned to use this report to periodically review the accuracy of case files, and the clerk told us she had already begun updating case information.

The Justice told us that he and the clerk discussed nonroutine changes to case files, such as a change in how a defendant pleaded to a charge, before the clerk made the changes in the computerized system. However, because the Justice did not routinely compare the manual case files with the information entered into the computerized system, he was unaware of the recording errors and inconsistencies that we identified. Also, the Court has an increased risk that case data could be incorrectly altered and/or not updated in a timely manner.

The Justice and clerk were unaware that the computerized system could generate a pending cases report.

5 Although this report is called a “pending cases” report, it actually tracks all of the Court’s pending charges.

6 See supra, note 2.

7 See supra, note 4.

What Do We Recommend?

The Justice should:

1. Ensure that the clerk reports all disposed cases to the JCF and other agencies, as appropriate.
2. Ensure that the clerk accurately updates action codes for all cases and enters disposition dates into the computerized system.
3. Periodically review pending cases reports and compare computerized case information to manual case file information.
4. Ensure that the clerk reviews the pending cases reports and makes necessary updates to action codes and case status information when needed.

Appendix A: Response From Town Officials

Randolph Town Court
Municipal Building
72 Main Street
Randolph, New York 14772

Jeffery D. Greeley
Town Justice

Phone (716) 358-4515
Fax (716) 358-2338

August 5, 2021

To: Office of the New York State Controller
Division of Local Government & School Accountability
PSU – CAP Submission

The Randolph Town Court agrees with the findings of the Justice Court Operations Report 2021M-76. The Corrective Action Plan listed below will be initiated immediately per the recommendations of the report.

Corrective Action Plan

Daily:

The Town Justice will review and initial all daily activity reports for accuracy and compare the reports to the case file. Any discrepancies will be corrected immediately.

Monthly:

The Court Clerk will print the “Pending Case File Report” for the month.

The Justice and Clerk will review the manual case files, comparing them to the Pending Case File Report correcting any errors. Upon review determine the root cause of the error and update procedures if necessary.

On Going:

The Justice and Clerk will continue to update action codes in the “Pending Case File Report” starting with the oldest cases and working forward.

Sincerely,

Jeffery D. Greeley
Randolph Town Justice

Randolph Town Supervisor

Dale Senn

Randolph Town Board

Timothy Beach

Nate Root

Amber Frame

Bob Learn

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 Town and Court officials and reviewed records to gain an understanding of Court operations.
- We compared the Court's cashbook entries to its JCF monthly reports from January 1, 2019 through October 31, 2020 to determine whether all collections had been recorded and reported. At the time that we requested computer data from the Court (November 2020), the end of October 2020 reflected the most current, completed month of Court data during our audit period.
- We used our professional judgment to select two months (January 2019 and October 2020) and reviewed collections totaling \$15,338 (January 2019) and \$9,001 (October 2020) that the Court collected and deposited in these months. We traced each collection to Court documents and deposit records to determine whether they were recorded properly and deposited in the same order and form (cash, check or credit card) as they were received (intact). We chose January 2019 because it was the first month in our audit period. We chose October 2020 because at the time that we requested computerized data from the Court (November 2020), the end of October 2020 reflected the most current, completed Court data during our audit period.
- We reviewed all cash and money order receipts collected in January 2019 (\$6,278) and October 2020 (\$3,690) to determine whether they were deposited within three days of being collection, exclusive of Sundays and holidays.
- We reviewed computerized cash receipts records and duplicate receipt books for the period January 1, 2017 through October 31, 2020 to identify any gaps or missing receipts.
- We reviewed monthly accountability analyses and bank reconciliations for the Justice's bank accounts for January 2019 and October 2020 to determine whether cash on hand agreed with known liabilities.
- We reviewed all disbursements from the Justice's bank accounts made between January 1, 2019 and October 31, 2020 and traced them to JCF monthly reports and bail returns to determine whether they were for appropriate purposes and had adequate supporting documentation.
- We reviewed the dates when the Court submitted its JCF reports between January 1, 2019 and October 31, 2020 to determine whether the reports were filed in a timely manner. We also determined whether the Court submitted the corresponding payments to the Supervisor on a timely basis.

-
- We performed a computerized comparison of DMV and JCF data for the Court's cases that were active between January 1, 2017 and October 31, 2020 and found 60 charges that the Court reported to DMV but not to the JCF. We used our professional judgment to select 17 of the 60 charges and reviewed the manual case file information for each charge to determine whether the cases should have been reported to the JCF. We chose these 17 cases based on the action codes assigned to them in the Court's computerized system.
 - We obtained a pending cases report as of September 14, 2020 generated by the Court's computerized system and found 2,385 pending charges that were assigned to the Justice. We used our professional judgment to select 31 charges from the report and traced them to the manual case file information to determine whether the cases were correctly listed as pending and whether their assigned action codes were accurate. We chose these 31 charges based on the action codes assigned to them in the Court's computerized system.
 - From the pending cases report that was generated on September 14, 2020, we identified approximately 175 charges listed as pending, but the action code for these charges indicated they had been disposed of. We used our professional judgment to select 15 charges and traced them to the manual case file information to determine whether they had accurate action codes and whether they had been reported to the appropriate agencies. We chose these 15 to include only vehicle and traffic cases that were active between January 1, 2017 and October 31, 2020, and we selected them based on the action codes assigned to them in the Court's computerized system.

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 Town Clerk's office.

Appendix C: Resources and Services

Regional Office Directory

<https://www.osc.state.ny.us/files/local-government/pdf/regional-directory.pdf>

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

<https://www.osc.state.ny.us/local-government/publications>

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

<https://www.osc.state.ny.us/local-government/publications>

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

<https://www.osc.state.ny.us/files/local-government/publications/pdf/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

<https://www.osc.state.ny.us/local-government/publications>

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

Office of the New York State Comptroller
Division of Local Government and School Accountability
110 State Street, 12th Floor, Albany, New York 12236

Tel: (518) 474-4037 • Fax: (518) 486-6479 • Email: localgov@osc.ny.gov

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

Local Government and School Accountability Help Line: (866) 321-8503

BUFFALO REGIONAL OFFICE – Jeffrey D. Mazula, Chief Examiner

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