

Refunds & Adjustments

Presented by

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NYS COMPTROLLER
THOMAS P. DiNAPOLI

Today's Presentation

- Refunds
 - Court Orders
 - Local Court Order/Coram Nobis
 - Superior Court Order
- Refunds & Adjustments
 - Common Reporting Issues
 - Returned Items
 - Credit Card Items
 - Defendant Overpayment
 - A Case Reported in Error
 - A Case Reported Twice (or More)
 - A Case Reported Under Wrong Defendant
 - Foreign Exchange Reported Incorrectly



Refunds Requiring a Court Order

- Local or Superior Court Order Required
 - Vacation of judgment
 - Payment of restitution (surcharge may be refunded)
 - Reversal on appeal
- Superior Court Order Only
 - Remission of forfeited bail (see Criminal Procedure Law, §540.30)



Court Order Refund Required Documentation

- Requests by
 - Defendant
 - Court on Behalf of Defendant
- Certified copy or Original Court Order
- Refund Request Letter



Court Order for Refund Request

- Elements required by the Justice Court Fund
 - Defendant Name
 - Date of Arrest
 - Date of Conviction
 - Original conviction
 - Fine, fee, and surcharge
 - Substitute charge (if applicable)
 - New fine, fee, and surcharge
 - Language ordering State Comptroller's Office to refund a specified amount
 - Payee name, and address to send the refund
 - Signed by judge



Court Order Refund Required Documentation

Refund Request Letter

- Court on Behalf of Defendant

- Request letter signed by judge on court letterhead
 - No signature stamps
- Brief reason for request
- Name of original court and justice
- Month and Year of Report (AC1030) conveying the funds to OSC
- Name of payee
 - Address where to send refund if a Superior Court Order



Court Order

- Original or certified copy required
 - Recommend a certified copy
 - Faxed court order will not be accepted

NOTE:

If the court order is missing any of the OSC required elements or is not original/certified copy, it will cause a delay in processing the refund



Superior Court Order Required

- Restoration of forfeit bail
- Refund of forfeit bail

- Case overturned/disposed of on Appeal
 - Case not returned to Town or Village Court



Both Local and Superior Court Orders Required

- Superior Court overturns conviction and returns case to lower court – Local court then dismisses or reduces the charge.
- Superior Court overturns conviction, finds the defendant guilty of new charge but returns the case to town or village court for sentencing.



Court Order

Generally, we only refund the defendant or person who posted the bail unless we have an affidavit assigning the funds to someone else.



Don't Be Confused

- Not a refund or an adjustment
 - Change in conviction but no change in funds
 - Send the a certified copy of Coram Nobis to our office
 - Path of funds may have changed
 - No adjustment on the AC1030
 - Change in conviction but additional monies due
 - Same as above, except you need to report additional funds collected.



Refunds & Adjustments

Common Reporting Issues

- Returned Items
- Credit Card Items
- Defendant Overpayment
- A Case Reported in Error
- A Case Reported Twice (or More)
- A Case Reported under Wrong Defendant
- Foreign Exchange Reported Incorrectly



Refunds & Report Adjustments

- Differences:
 - Dollar Amount
 - Reporting issues totaling 250.00 and under can be placed on monthly report as an Adjustment.
 - Reporting issues of \$250.01 or more must be processed as a Refund.
 - Additional Supporting Documentation Required
 - Refunds only (at this time)
- Similarities:
 - Both Require Letter of Explanation



Refunds & Report Adjustments

Adjustments - Standard Letter Requirements

- Court letterhead
- Signed by the judge (no signature stamps)
- Reason for the request:
 - Identify how the issue occurred (detailed description) and
 - How the issue was ultimately identified by the court
- Defendant's name
- Statute & Section of Violation
- Docket Number
- A detailed monetary breakdown (fine, fee, and/or surcharge) for each adjustment
- Month and year of the report (AC1030) that originally reported the funds
- Month and year of the report (AC1030) the adjustment will be placed on



Refunds & Report Adjustments

Refunds - Standard Letter Requirements

- Court letterhead
- Signed by the Judge (no signature stamps)
- Reason for the request:
 - Identify how the issue occurred (detailed description) and
 - How the issue was ultimately identified by the court
- Defendant's name
- Statute & Section of Violation
- Docket Number
- A detailed monetary breakdown (fine, fee, and/or surcharge) for each refund
- Month and year of the report (AC1030) that originally reported the funds
- State to send refund to the court or directly to defendant; if defendant, state the address to send the refund.



Returned Items

Scenario:

Defendant owed \$175 (\$150 Fine, \$25 Surcharge).

Defendant paid \$175 by check. It was reported as \$175 on the January monthly report (AC1030). The court received a returned item notice from the bank in February.

How to handle returned checks/money orders:

- Occurred in different month:
 - Over \$250.00 – Refund request submitted to JCF
 - Less than or equal to \$250.00 – Adjustment on Report



Returned Items – Report Adjustment

Adjustment Request Letter Requirements:

- Standard Letter Requirements on Slide 14.



Returned Items - Refund Request

Refund Request Letter Requirements:

- Standard Letter Requirements on Slide 15
- Specific Requirements:
 - State to send refund to the court
 - Returned item refunds do not go directly to defendant



Returned Items - Refund Support

Refund Request Supporting Documentation Requirements:

- Copy of the returned item notice from the bank
- Copy of the original payment receipt



Avoiding a Returned Item Issue

How to avoid needing a refund or adjustment:

- Occurred in same month:
 - Update Records
 - Remove the defendant / payment from report
- Create a Court Policy that does not allow checks as payment (will not eliminate all returned item issues).



Credit Card Items

Scenario:

Defendant owed \$175 (\$150 Fine, \$25 Surcharge). Defendant paid \$175. It was reported as \$175 on the January monthly report (AC1030). The court received a chargeback notice from the credit card company in February.

How to handle a credit card chargeback:

- Occurred in different month:
 - Over \$250.00 – Refund request submitted to JCF
 - Less than or equal to \$250.00 – Adjustment on Report



Credit Card Items – Report Adjustment

Adjustment Request Letter Requirements:

- Standard Letter Requirements on Slide 14
- Specific Requirements:
 - State that the court is not going through arbitration.



Credit Card Items – Refund Request

Refund Request Letter Requirements:

- Standard Letter Requirements on Slide 15
- Specific Requirements:
 - State that the court is not going through arbitration.
 - State to send refund to the court
 - Refunds for credit card chargebacks go back to the court, not the defendant.



Credit Card Items – Refund Support

Refund Request Supporting Documentation Requirements:

- Copy of the chargeback notice from credit card company
- Copy of the invoice from credit card company



Avoiding Credit Card Item Issues

How to avoid needing a refund or adjustment:

- Received chargeback notice within the same month:
 - Update Records
 - Remove the defendant / payment from report
- Establish a Court Policy that only allows credit card transactions in person as payment (will not eliminate all chargebacks).



Credit Card Items – Other Tips

Other Credit Card Tips:

Duplicate Credit Card Transaction:

- If same day - caught prior to batching:
 - Cancel the duplicated transaction
- If processed:
 - Refund the payer by check for the amount court received
 - Contact credit card company to return service fee to payer

Note: OCA's Justice Court Manual, page 67 provides guidelines on best practices and procedures when accepting credit cards:

<http://www.nycourts.gov/courts/townandvillage/FinalJusticeCourtManualforUSCsite.pdf>



Defendant Overpayment

Scenario:

Defendant owed \$175 (\$150 Fine, \$25 Surcharge).
Defendant paid \$200. It was reported as \$200 on the January monthly report (AC1030) and not identified until the February.

How to handle a defendant overpayment:

- Occurred in different month:
 - Over \$250.00 – Refund request submitted to JCF
 - Less than or equal to \$250.00 – Adjustment on Report



Defendant Overpayment – Report Adjustment

Adjustment Request Letter Requirements:

- Standard Letter Requirements on Slide 14.



Defendant Overpayment – Refund Request

Refund Request Letter Requirements:

- Standard Letter Requirements on Slide 15.



Defendant Overpayment – Refund Support

Refund Request Supporting Documentation Requirements:

- Copy of original payment receipt
- Documentation of original fine, surcharge, or fee
- Other documentation may be required.
 - It will depend on court records and specifics of the request. Please call our office for assistance.



Avoiding Defendant Overpayment Issues

How to avoid needing a refund or adjustment:

- Verify what is actually owed by the defendant at the time of receipting the payment.
- If overpayment is identified in same month:
 - Update Records
 - Write check to defendant for overpaid amount
 - Do **NOT** include the overpayment on the monthly report (AC1030)



Defendant Overpayment – Other Tips

If overpayment is identified upon receipt:

- If payment occurs in person, ask for correct amount.
- If payment is received by mail or payment occurred in person but noticed later within same month:
 - Receipt Actual Payment
 - Record:
 - \$150 as fine
 - \$25 as surcharge
 - \$25 as other
 - Write a check to defendant for \$25

Note: If the overpayment amount is not recorded, finding the variance in your reconciliation may be difficult.



A Case Reported In Error

Scenario:

Defendant owed \$175 (\$82 Fine, \$93 Surcharge). Defendant did not pay. However, somehow it was included on the January monthly report (AC1030) as paid, and not identified until February.

How to handle a case reported in error:

- Occurred in different month:
 - Over \$250.00 – Refund request submitted to JCF
 - Less than or equal to \$250.00 – Adjustment on Report



A Case Reported in Error – Report Adjustment

Adjustment Request Letter Requirements:

- Standard Letter Requirements on Slide 14
 - Specific Requirements:
 - Current Disposition of Case Reported



A Case Reported in Error – Adjustment Letter Template

ABC Justice Court
123 Letter Street
Alphabet, NY 00000

March 1, 2016

I have placed an adjustment on the [Month YYYY] Monthly Report (AC1030) in the amount of [\$XXX].

[Defendant Name] was found guilty of [Statute & Section]and owed [\$XXX] (\$XXX Fine, \$XX Surcharge, \$XX Fee). The Docket number for his/her case is [XXXXXXXXXX]. The defendant did not pay; however, it was included on my [Month YYYY] monthly report (AC1030) as paid: \$XXX Fine & \$XX Surcharge. This occurred due to [details of how the error occurred]. [Current disposition of the case reported in error].

We discovered this error [details of how error was found].

Justice Signature
(no signature stamps)



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THOMAS P. DiNAPOLI

A Case Reported in Error – Sample Adjustment Letter

**ABC Justice Court
123 Letter Street
Alphabet, NY 00000**

March 1, 2016

I have placed an adjustment on the February 2016 Monthly Report (AC1030) in the amount of \$175.

Defendant Ben Speedin was found guilty of VTL 1180 and owed \$175 (\$82 Fine, \$93 Surcharge). The Docket number for his case is 123456789. The defendant did not pay; however, somehow the system included it as paid on the January 2016 monthly report (AC1030).

I did not discover this error until after I did my bank reconciliation on February 15th and noticed the adjusted bank account balance was \$175 short. I investigated the cashbook and receipts for January and found the defendant had not paid. The defendant still has not paid as of this date.

**Justice Signature
(no signature stamps)**



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A Case Reported in Error – Refund Request

Refund Request Letter Requirements:

- Standard Letter Requirements on Slide 15
 - Specific Requirements:
 - Current Disposition of Case Reported
 - State to send refund to the court
 - Refunds for a case reported in error when a defendant did not pay go back to the court, not to the defendant.



A Case Reported in Error – Refund Letter Template

ABC Justice Court
123 Letter Street
Alphabet, NY 00000

March 1, 2016

The court would like to request a refund in the amount of **[\$XXX]** be paid to the court at the address above.

[Defendant Name] was found guilty of **[Statute & Section]** and owed **[\$XXX]** (**\$XXX Fine, \$XX Surcharge, \$XX Fee**). The Docket number for his/her case is **[XXXXXXXXXX]**. The defendant did not pay; however, it was included on my **Month YYYY** monthly report (AC1030) as paid: **\$XXX Fine & \$XX Surcharge**. This occurred due to **[details of how the error occurred]**. **[Current disposition of the case reported in error]**.

We discovered this error **[details of how error was found]**.

Justice Signature
(no signature stamps)



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A Case Reported in Error – Sample Refund Request Letter

**ABC Justice Court
123 Letter Street
Alphabet, NY 00000**

March 1, 2016

The court would like to request a refund in the amount of \$293 be paid to the court at the address above.

Defendant Ben Speedin was found guilty of VTL 1180 and owed \$293 (\$200 Fine, \$93 Surcharge). The Docket number for his case is 123456789. The defendant did not pay however, somehow the system included it as paid on the January 2016 monthly report (AC1030).

I did not discover this error until after I did my bank reconciliation on February 15th and noticed the adjusted bank account balance was \$293 short. I investigated the cashbook and receipts for January and found the defendant had not paid. The defendant still has not paid as of this date.

**Justice Signature
(no signature stamps)**



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A Case Reported in Error – Refund Support

Refund Request Supporting Documentation:

- Will depend on court records and specifics of the request. Please call our office for assistance.



Avoiding Reporting a Case in Error Issues

How to avoid needing a refund or adjustment:

- Performing the bank reconciliation **BEFORE** the monthly report (AC1030) is submitted
- If identified within same month:
 - Update Records
 - Remove the defendant / payment from report



Avoiding Reporting a Case in Error Issues

CASH BOOK BALANCE AT JANUARY 31, 20XX

Total Due to CFO (monthly collections reported to JCF)	\$1,708.50
Bail for Pending Cases	+100.00
TOTAL CASH BOOK BALANCE	<u>\$1,808.50</u>

BANK RECONCILIATION AT JANUARY 31, 20XX

Bank Balance at End of Month (per statement)	\$1,331.50
Add - Cash In Transit (Received 1/31, Deposited 2/1)	227.00
Add - Credit Card Transaction Posted 2/1	100.00
Subtotal	<u>\$1,658.50</u>
Deduct - Outstanding Checks:	
Check #3 \$10.00	
Check #8 \$15.00	
Total Outstanding Checks	<u>-\$25.00</u>
ADJUSTED BANK BALANCE	<u>\$1,633.50</u>

Variance
= \$175
due to
more
recorded
in cash
book
than
amount
in bank
account



A Case Reported Twice (or More)

Scenario:

Defendant owed and paid \$175 (\$150 Fine, \$25 Surcharge) in January 2016. The Court reported the \$175 on the January 2016 monthly report (AC1030). The defendant paid \$175 for the same charge again in March 2016. The court didn't realize it was paid at the time of taking the payment and reported it again on the March 2016 monthly report (AC1030).

How to handle a case reported twice:

- Occurred in different month:
 - Over \$250.00 – Refund request submitted to JCF
 - Less than or equal to \$250.00 – Adjustment on Report



A Case Reported Twice (or More)

Adjustment Request Letter Requirements:

- Standard Letter Requirements on Slide 14
- Specific Requirements:
 - Both Dates reported to JCF on Monthly Report (AC1030)



A Case Reported Twice (or More)

Refund Request Letter Requirements:

- Standard Letter Requirements on Slide 15
- Specific Requirements:
 - Both Dates reported to JCF on Monthly Report (AC1030)



A Case Reported Twice (or More)

Refund Request Supporting Documentation Requirements:

- Copy of original receipts for all payments related to the same case.



Avoiding Reporting a Case Twice (or More)

How to avoid needing a refund or adjustment:

- Verify the defendant, docket number/case information, and dollar amount PRIOR to receipting the payment.
- If identified within same month:
 - Update records
 - Remove the duplicate payment from report



A Case Reported Under Wrong Defendant

Scenario:

Defendant Will Taykoff paid \$175 (\$150 Fine, \$25 Surcharge). However, the court applied the payment to Mae Taykoff and reported her on the January monthly report (AC1030) as paid. When Will Taykoff received a scoff notice in March he presented his receipt to the court. In addition, Will's charges only totaled \$100, Mae's charges totaled \$175.

How to handle a case reported under the wrong defendant:

- Occurred in different month:
 - Over \$250.00 – Refund request submitted to JCF
 - Less than or equal to \$250.00 – Adjustment on Report



A Case Reported under Wrong Defendant

Adjustment Request Letter Requirements:

- Standard Letter Requirements on Slide 14
- Specific Requirements:
 - Both Defendants' Names
 - Both Defendants' Statute & Section Violations
 - Both Defendants' Docket Numbers
 - A Detailed Monetary Breakdown (Fine, Fee, and/or Surcharge) for Both Defendants



A Case Reported under Wrong Defendant – Sample Adjustment Letter

**ABC Justice Court
123 Letter Street
Alpharet, NY 00000**

March 1, 2016

I have placed an adjustment on the March 2016 Monthly Report (AC1030) in the amount of \$75.00.

Defendant Will Taykoff was found guilty of VTL 1180 and owed \$100 (\$25 Fine, \$75 Surcharge). The Docket number for his case is 123456789. Will paid on January 14th, however, it was a busy night at court and my court clerk had mistakenly looked at another defendant's information with the same last name, Mae Taykoff. My clerk charged Will Taykoff \$175 (\$82 Fine, \$93 Surcharge) for Mae Taykoff's VTL 1180 violation and applied his payment to Mae's case, docket number 098765432.

We did not discover this error until Will Taykoff received a scoff notice in March, he came into court and presented his receipt showing he paid. My clerk realized what happened and updated our court records and notified DMV. In addition, I wrote a check to Will Taykoff for the \$75 overpayment he made. Mae is still unpaid as of today's date

**Justice Signature
(no signature stamps)**



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A Case Reported under Wrong Defendant

Refund Request Letter Requirements:

- Standard Letter Requirements on Slide 15
- Specific Requirements:
 - Both Defendants' Names
 - Both Defendants' Statute & Section Violations
 - Both Defendants' Docket Numbers
 - A Detailed Monetary Breakdown (Fine, Fee, and/or Surcharge) for Both Defendants
 - State to send refund to the court; refunds for this issue do not go directly to defendant



A Case Reported under Wrong Defendant Refund Support

Refund Request Supporting Documentation Requirements:

- Copy of original receipt(s) for defendant who paid
- History of case activity for both defendants
- Other documentation may be required. It will depend on court records and specifics of the request. Please call our office for assistance.



Avoiding Reporting a Case under Wrong Defendant

How to avoid needing a refund or adjustment:

- Verify the correct defendant, docket number, and dollar amount PRIOR to receipting the payment.
- If identified within same month:
 - Update records
 - Remove the incorrect defendant / payment from report
 - Add the correct defendant / payment to report



Foreign Exchange Item

Scenario:

Defendant owed \$175 (\$150 Fine, \$25 Surcharge). Defendant paid \$175 by a Canadian money order, the payment was included on the January monthly report (AC1030) as \$175.

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The bank sent an advice in February stating the amount deposited in the bank account was \$152.50.

How to handle a foreign exchange issue:

- Occurred in different month:
 - Over \$250.00 – Refund request submitted to JCF
 - Less than or equal to \$250.00 – Adjustment on Report



Foreign Exchange Item

Generally, the difference caused by the foreign exchange rate does not exceed \$250.00. Most courts choose to go through the adjustment process.

If your court has a situation over \$250.00 or would prefer to go through the refund process, contact our office.



Foreign Exchange Item – Report Adjustment

Adjustment Request Letter Requirements:

- Standard Letter Requirements on Slide 14
- Specific Requirements:
 - The amount owed (fine, surcharge, and/or fee)
 - The amount actually received after reduced by foreign transaction rate



Avoiding a Foreign Exchange Item Issues

How to avoid needing a refund or adjustment:

- Verify all checks and money orders are in US funds before accepting the payment.
- If accepted and incorrectly included on report but identified error in same month:
 - Update Records
 - Remove the incorrect amount from report
 - Add the correct amount to report



Foreign Exchange Item – Other Tips

Other foreign exchange item tips:

- If a foreign check or money order is accepted & is identified by court:
 - **First**, receive advice from bank indicating discount amount
 - **Then**, report actual amount credited to account - Do **NOT** report “PAID IN FULL” (may need to pursue collection)



Further Information on Refunds & Adjustments

- Refund Notes
- Additional Adjustment Requirements
- Adjustment Notes



Refund Notes

- Refunds may take several weeks to process
- Refund requests may be faxed (other than court orders), scanned as an attachment and emailed (other than court orders), or mailed.
- If your letter is missing any of the required elements, or if any required supporting documentation is not received, it will delay the processing of your refund.

Note: We may contact the court for additional documentation regarding a refund.



Additional Adjustment Requirements

Reminder:

Adjustments are **NOT** allowed for Court Orders regardless of dollar amount.



Additional Adjustment Requirements

- Adjustment total on any one JCF report is \$250.00 or less. You can include more than one adjustment, as long as the total remains \$250.00 or less.
 - For example, you have a returned item for \$150.00 and a credit card chargeback for \$100.00. Both adjustments can go on one monthly report.
- If an item is more than \$250.00 you must go through the refund process. You cannot split one item as an adjustment across multiple reports.
 - For example, you have a returned item for \$500.00, you must go through the refund process, you cannot submit a \$250.00 adjustment on two monthly reports.



Adjustment Notes

How to place an adjustment on the monthly report:

- **For Electronic Filers with Courtroom Software using JCFIR Upload:**
 - Contact your Courtroom Software Vendor
- **For Electronic Filers using JCFIR Online Entry:**
 - Select the “Adjustment up to \$250” dropdown in the *Disposition Description* Field.
- **For Paper Filers:**
 - Refer to pages 71 & 72 of the Justice Court Fund Handbook for examples.



Adjustment Notes

- May be faxed, scanned as an attachment and emailed, or mailed
- If your letter is missing any of the required elements, it will delay the processing of your report.

Note: We may contact the court for additional information regarding an adjustment.



Adjustment Notes

- We are currently reviewing our requirements for the Adjustment process.
- We will keep you apprised of any changes to the requirements.



Questions?



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Contact Information

Email: courtfund@osc.state.ny.us

Phone: 866-321-8503, option 2

Fax: 518-486-9899

Mail: Office of the State Comptroller
Justice Court Fund
110 State Street, 12th Floor
Albany, NY 12236



Thank You!



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