



County of Berks, Office of the Controller

Berks County Services Center

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Sandra M. Graffius, County Controller

Jack A. Linton, Esq., Solicitor

December 6, 2016

Mr. James P. Troutman
Clerk of Courts
Office of the Clerk of Courts
County of Berks, Pennsylvania

Re: Accountant's Compilation Report

Dear Mr. Troutman:

We have completed our compilation of the financial statements for the Office of the Clerk of Courts as of December 31, 2012 and 2013 and have attached the final report. This report is intended for the use of the Office of the Clerk of Court's management. This restriction is not intended to limit the distribution of this report which is a matter of public record.

I would like to thank you for your cooperation and the courtesies extended by your staff to mine. If you have any questions concerning the attached report, I would be glad to discuss them with you.

Yours truly,

Sandra M. Graffius

Office of the Clerk of Courts
County of Berks, Pennsylvania
James P. Troutman, Clerk of Courts
Financial Statement Compilation
As of December 31, 2012 and 2013

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Report Distribution List

1. James P. Troutman, Clerk of Courts
2. Christian Y. Leinbach, County Commissioner Chair
3. Kevin S. Barnhardt, County Commissioner
4. Mark C. Scott, County Commissioner
5. Ronald Seaman, Chief Administrative Officer
6. James M. Polyak, Esq., Solicitor for the Clerk of Courts
7. Eugene A. DePasquale, Pennsylvania Auditor General
8. Reinsel, Kuntz, Leshner LLP, Certified Public Accountants
9. Audit File



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Accountant's Compilation Report

Mr. James P. Troutman
Clerk of Courts
Office of the Clerk of Courts
County of Berks, Pennsylvania

Report on the Financial Statements

We have compiled the accompanying financial statements of the Office of the Clerk of Courts, which comprise the statement of assets and liabilities – cash basis as of December 31, 2012 and 2013, and the related statement of receipts, disbursements and changes in cash balance – cash basis for the years then ended, and the related notes to the financial statements. We have not audited the accompanying financial statements and, accordingly, do not express an opinion on the financial statements.

Management's Responsibility for the Financial Statements

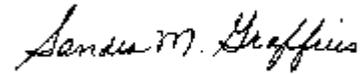
Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances.

Accountant's Responsibility

Our responsibility is to conduct the compilations in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Sandra M. Graffius". The signature is written in a cursive style with a large initial 'S'.

Sandra M. Graffius, Controller
December 6, 2016

**Office of the Clerk of Courts
County of Berks, Pennsylvania
Statement of Assets and Liabilities – Cash Basis
As of December 31, 2012 and 2013**

Assets

	<u>2012</u>	<u>2013</u>
Cash in bank FCR	\$ 1,092,196	\$ 1,220,190
Cash in bank Bail	505,803	488,062
Change Fund/Petty Cash	50	50
Total Assets	\$ 1,598,049	\$ 1,708,302

Liabilities

Escrow - escheats, fines, cost and restitution	\$ 501,918	\$ 827,580
Bail Escrow	654,652	438,262
Due to the County of Berks	225,915	225,751
Due to Commonwealth	126,073	119,870
Due to collection agency	60,701	62,145
Due to local authorities	16,378	21,413
Due to Treatment Access Service Center	6,553	7,014
Due to Prothonotary	4,492	4,869
Due to Automation Fund	1,317	1,348
Due to County-Petty Cash/Change Fund	50	50
Total Liabilities	\$ 1,598,049	\$ 1,708,302

The accompanying notes are an integral part of these financial statements.

**Office of the Clerk of Courts
County of Berks, Pennsylvania
Statement of Receipts, Disbursements and Changes in Cash Balance – Cash Basis
As of December 31, 2012 and 2013**

Receipts

	<u>2012</u>	<u>2013</u>
State fines, costs and restitution	\$ 1,795,603	\$ 1,840,896
County of Berks fines, costs and restitution	1,690,605	1,574,484
Restitution and refunds - all	926,384	1,003,246
Adult probation supervision fees	828,481	824,449
Alcohol Safe Driving program	518,835	601,572
Sheriff Central Processing and Video Taping	454,595	499,370
Adult probation fees	262,507	282,081
Local Fines	233,665	232,520
Collection agency fees	129,278	133,101
Treatment Access Service Center	89,201	103,776
Prothonotary fees	60,102	67,604
Automation fees	18,883	19,021
Other program fees	10,497	12,081
Total Receipts	<u>7,018,636</u>	<u>7,194,201</u>

Disbursements

State fines, costs and restitution	1,790,269	1,847,134
County of Berks fines, costs and restitution	1,671,426	1,570,338
Adult probation supervision fees	827,167	827,343
Restitution and refunds - all	973,515	899,657
Alcohol Safe Driving program	516,775	600,251
Sheriff Central Processing and Video Taping	453,753	495,539
Adult probation fees	259,408	280,694
Local Fines	230,185	227,450
Collection agency fees	125,819	133,979
Treatment Access Service Center	88,791	103,316
Prothonotary fees	59,377	67,226
Automation fund	18,896	18,990
Other program fees	10,438	12,031
Total Disbursements	<u>7,025,819</u>	<u>7,083,948</u>

Cash receipts in excess of disbursements

(7,183) 110,253

Cash account balance as of January 1

1,605,182 1,597,999

Cash account balance as of December 31

\$ 1,597,999 \$ 1,708,252

The accompanying notes are an integral part of these financial statements.

**Office of the Clerk of Courts
County of Berks, Pennsylvania
Notes to Financial Statements
As of December 31, 2012 and 2013**

Note 1: Nature of the Office and Significant Accounting Policies

Nature of the Office:

The Office of the Clerk of Courts prepares and maintains the records for the Criminal Division of the Court of Common Pleas. The Clerk signs and affixes the Seal of the Courts to all writs and processes, administers oaths and affirmations, and assumes custody of the seal and records of the Court. The Clerk certifies and distributes orders of the Court. The Clerk also certifies and prepares bills of costs for the defendants and utilizes the computerized financial management system to disburse fines, costs and restitution.

Basis of accounting:

The books and records of the Office of the Clerk of Courts are maintained on the cash basis of accounting and, therefore, the financial statements presented herein do not purport to present the account balances and results of operations in conformity with generally accepted accounting principles. The cash basis of accounting is another comprehensive basis of accounting.

Cash and cash equivalents:

The Office of the Clerk of Courts considers cash and equivalents to be cash on hand, cash on deposit, and investments with a maturity of three months or less when purchased.

Cash accounts:

The financial statements compiled for the Office of the Clerk of Courts reflect primarily trust and agency account activity. These accounts are maintained and reconciled by the Office of the Clerk of Courts. Administrative costs and expenses incurred by the Office of the Clerk of Courts are reflected on the books and records of the County of Berks and not on these financial statements.

**Office of the Clerk of Courts
County of Berks, Pennsylvania
Notes to Financial Statements
As of December 31, 2012 and 2013**

Note 2: Cash and equivalents

The following cash accounts are in the name of the County of Berks, Office of the Clerk of Courts, and are reflected in the County of Berks financial statements:

Bank	Account Type	Bank Balance 12/31/2012	Carrying Value 12/31/2012
National Penn	government banking	\$ 1,112,187	\$ 1,092,196
National Penn	government banking	441,685	441,685
National Penn	government banking	54,826	54,820
Sovereign	government banking	9,348	9,298
		<u>\$ 1,618,046</u>	<u>\$ 1,597,999</u>

Bank	Account Type	Bank Balance 12/31/2013	Carrying Value 12/31/2013
National Penn	government banking	\$ 1,251,535	\$ 1,220,190
National Penn	government banking	260,421	260,421
National Penn	government banking	218,372	218,345
Sovereign	government banking	9,296	9,296
		<u>\$ 1,739,624</u>	<u>\$ 1,708,252</u>

These accounts hold funds received by the Office of the Clerk of Courts in a trust and agency capacity and use of these funds, by the Office of the Clerk of Courts, is restricted. Each account earns interest. Amounts on deposit in excess of FDIC limits are collateralized by the financial institution with securities held by that entity.

Note 3: Bail escrow

These are bail amounts, set forth by the courts, that are paid to the Office of the Clerk of Courts by various defendants or paid on their behalf by others.

SUPPLEMENTAL INFORMATION

Office of the Clerk of Courts
County of Berks, Pennsylvania
Schedule of County of Berks
Revenues and Direct Expenditures
As of December 31, 2012 and 2013

	<u>2012</u>	<u>2013</u>
<u>Revenues</u>	<u>\$ 1,408,243</u>	<u>\$ 1,364,863</u>
<u>Direct Expenditures</u>		
Salaries and Wages	\$ 1,377,598	\$ 1,381,850
Fringe Benefits	1,309,393	424,590
Microfilm Processing	-	61,847
Postage	34,509	29,243
Office Supplies	17,758	20,010
Bank Charges	-	19,145
Copier Replacement/Maintenance	3,163	4,646
Software/Hardware Maintenance	-	4,058
Travel/Conference/Training	1,634	3,479
Books and Subscriptions	2,012	2,796
Telephone/Internet/Cable	2,207	2,655
Professional Fees	198	1,129
Other General Expenditures	5,536	817
Association Dues	300	600
Tuition Rembursement	-	465
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Total Direct Expenditures	<u><u>\$ 2,754,308</u></u>	<u><u>\$ 1,957,330</u></u>