

**Nassau County  
Office of the Comptroller  
Field Audit Bureau**



**Nassau County Traffic and Parking  
Violations Agency**

**HOWARD S. WEITZMAN**  
*Comptroller*

**FA02-04**

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NASSAU COUNTY  
OFFICE OF THE COMPTROLLER

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# Executive Summary

## Background

The Nassau County Traffic and Parking Violations Agency (TPVA) was established in 1992 pursuant to New York State General Municipal Law and Nassau County local law to assist the Nassau County District Court in the disposition and administration of alleged infractions of traffic and parking laws, ordinances, rules, and regulations.<sup>1</sup> The Nassau County District Court retains sole jurisdiction over certain vehicular offenses, including driving while intoxicated (DWI), and offenses that can be classified as misdemeanors or felonies.

TPVA is responsible for adjudicating tickets issued for traffic and parking violations in Nassau County, its three towns and several villages. Nineteen different agencies generate the traffic and parking tickets adjudicated at TPVA. During 2001, 322,000 tickets (150,000 parking tickets and 172,000 traffic tickets) were issued by these participating agencies.

Nassau County receives revenues from every traffic ticket adjudicated by TPVA. The county also receives varying amounts from the parking tickets issued. The county collects all the revenue if the parking ticket was issued for a violation of a county law or ordinance; it receives a surcharge amount for tickets issued for violations of another municipality's parking rules; and a percentage of the total payment if collection was based upon the ticket being forwarded to a collection agency. In 2001, TPVA generated more than \$6.6 million in net revenue for Nassau County. Net revenues of \$7.9 million were budgeted for 2002.

| Nassau County Parking and Traffic Violations Agency<br>Budgeted and Actual Net Revenues<br>\$ in Thousands |               |               |               |               |               |
|--|---------------|---------------|---------------|---------------|---------------|
|  | 2000          |               | 2001          |               | 2002          |
|  | <u>Budget</u> | <u>Actual</u> | <u>Budget</u> | <u>Actual</u> | <u>Budget</u> |
| Fines  | \$6,800       | \$6,891       | \$9,406       | \$8,933       | \$10,600      |
| Salaries and Benefits  | 1,538         | 1,503         | 1,731         | 1,700         | 1,850         |
| Equipment  | 7             | 5             | 2             | 1             | 25            |
| General Expenses   | 68            | 29            | 57            | 48            | 57            |
| Contractual Services   | 1,266         | 679           | 1,073         | 541           | 748           |
| Total Expenses   | 2,879         | 2,216         | 2,863         | 2,289         | \$2,679       |
| Net Revenue  | \$3,921       | \$4,675       | \$6,969       | \$6,643       | \$7,921       |

TPVA's net revenue has risen steadily due to increases in the amounts of fines and surcharges imposed. Net revenue rose by 42.1% in 2001 and is projected to grow by

<sup>1</sup> New York State General Municipal Law §370 (McKinney 2002); Nassau County, N.Y., Local Law No. 5-1992 (April 6, 1992).

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19.2% in 2002 (2001 actual revenue compared to 2002 budgeted revenue). If TPVA placed more emphasis on collections, net revenue could have been much higher. Instead, the number of uncollected tickets continues to rise. As of November 25, 2002, the total amount of outstanding tickets was about \$ 74.5 million.

Until recently, an oversight panel appointed an executive director for a five-year term to administer the Traffic and Parking Violations Agency. In September 2002, legislation was enacted granting the county executive appointing authority that he has since exercised.<sup>2</sup>

During the past several years, various organizations have examined TPVA's operations and finances. The comptroller's office previously audited and issued a report on TPVA in 1997. Reports were issued by the commissioner of accounts in 2000 and by the Nassau County Legislature's Republican Caucus in 2001. Recommendations by the Comptroller's Office and the other reports included such items as electronic data merge of TPVA's CompuCourt System and the Police Department's Swift Justice System, acceptance of credit cards for payments, additional staff, upgrade of the telephone system, and the installation and utilization of a third courtroom. TPVA was slow to implement the recommendations, which resulted in severe operational backlogs. The number of uncollected tickets continued to mount to unacceptable levels.

## **Scope and Methodology**

Our audit focused on the financial aspects of the agency. However, we reviewed TPVA's operations when they had a direct bearing on financial results and controls. As part of the audit, a review of the previous audit recommendations was performed to see whether they were implemented. The audit also examined the agency's internal controls, employees' time and leave, contracts with outside vendors and fixed assets.

We interviewed key personnel, examined courtroom schedules and reports generated by TPVA's CompuCourt computer system, reviewed the details of tickets, vendor contracts and other relevant documentation. The audit was performed during the second quarter of 2002.

This audit was conducted in accordance with generally accepted government auditing standards as promulgated by the comptroller general of the United States. These standards require that the audit be planned and performed to obtain reasonable assurances that the audited information is free of material misstatements. An audit includes examining documents and other available evidence that would substantiate the accuracy of the information tested, including all relevant records and contracts. It includes testing for compliance with applicable laws and regulations, as well as any other auditing procedures necessary to complete the examination. We believe our audit provides a reasonable basis for the audit findings and recommendations contained herein.

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<sup>2</sup> 2001 S.B. 7518 (N.Y. Sept. 17, 2002)

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## **Summary of Major Findings**

TPVA is experiencing vast delays in several areas relating to the adjudication of traffic and parking violations, including inputting tickets, collections, and hearings and trials. As of November 25, 2002, the face value of TPVA's outstanding tickets was \$74,524,644, which represents 814,836 tickets. Of this total, approximately \$40 million is potential revenue to Nassau County. Tickets are not processed until well after their return date and defendants wait approximately two years for a trial.

## **Courtrooms**

Courtrooms are under utilized in the afternoons, evenings and weekends. Traffic conference scheduling delays exceed nine months. As a result of delays in conference scheduling, ticket processing and not-guilty pleas, plea-bargaining conferences are typically scheduled a year after the issuance of a traffic ticket, while traffic-ticket trials are commonly held two years after tickets were issued. These delays result in revenue losses to participating municipalities because tickets become uncollectable and are routinely dismissed by judicial hearing officers.

As a result of courtroom delays, fines for speeding violations -- which pursuant to New York State Vehicle and Traffic Law (VTL) must be determined by a judicial hearing officer -- are not being set until six months after the defendant has entered a guilty plea.

## **Ticket -Revenue Collection**

TPVA does not have a comprehensive and systematic program for collecting revenues from outstanding traffic tickets. There are no written policies to indicate the collection steps that should be taken. While TPVA engages a collection agency for parking tickets, traffic tickets are collected solely by TPVA.

TPVA has a large number of outstanding tickets. Approximately \$38.8 million worth of these tickets were issued more than three years ago. Due to lack of timely action, nearly half of these tickets have become uncollectable. TPVA failed to use the legal collection tools available to it. As a result:

- There are 195,000 outstanding tickets -- representing potential revenues of \$20 million -- where the driver's license could have been suspended but was not.
- TPVA may file default judgments whenever a defendant does not answer a ticket. However, TPVA has filed for only 90 such judgments, a small fraction of the total unanswered tickets. TPVA failed to seek default judgments and failed to ensure that the collection agency fulfilled its contractual responsibilities regarding default judgments on parking tickets. Pursuant to VTL §1806-a, "In no case shall a default judgment and plea of guilty be rendered more than two years after the expiration of the time prescribed for originally entering a plea,"

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therefore the county has lost the ability to file for default judgments on approximately \$17.6 million worth of parking tickets.

- Whenever a defendant does not appear for a scheduled plea-bargaining conference or trial, TPVA does not note that s/he did not appear. This is delaying the collection of many fines. Instead of initiating suspensions and default judgments as allowed per VTL, TPVA will reschedule the plea-bargaining conference or trial.
- TPVA could have instituted an amnesty program to recover the outstanding tickets. If 30% of the tickets outstanding that were issued three or more years ago were recovered in an amnesty program, the county could realize approximately \$5 million in revenues, with an almost equal amount recoverable for the state and other municipalities.

For the period from approximately January 2001 and April 2002, the U.S. Post Office returned about 20,000 traffic ticket notices because of outdated addresses. The TPVA took no steps to research current address information about these drivers through the Department of Motor Vehicles (DMV).

TPVA contracts with Law Enforcement Systems, Inc. (LES) to pursue collection of parking tickets. During 2001, TPVA paid LES about \$230,000 (21% of revenue collected by LES), but did not receive any detailed reports to monitor the effectiveness of the collection efforts. Such reports should include collections from each aging strata, skip-tracing efforts, out-of-state collections, etc. The contract was extended beyond the expiration date because of TPVA's failure to initiate a Request for Proposal (RFP) process in a timely manner.

Defendants still owe approximately \$2.5 million in fines, surcharges, and late fees on 102,942 underpaid parking and traffic tickets. TPVA has received -- and is holding in an agency and trust account -- \$4.1 million in partial payments on these underpaid tickets. TPVA should take measures to permit the distribution of these funds to the county, state and municipalities. The county's portion of the amount already received may exceed \$2 million, which can be recognized as revenue this year.

TPVA is also holding \$250,000 in unrefunded overpayments. Some of these funds have been held for more than 10 years. TPVA does not allocate resources to returning these funds; refunds are issued only when violators specifically request them.

## **Data Entry**

The processing of tickets, not-guilty pleas and dismissals into the CompuCourt system has been delayed because of TPVA's failure to adopt new technology promptly. Moving violations, which account for 40% of TPVA's tickets, are entered into three different systems. The police, the New York State Department of Motor Vehicles and TPVA all input the same tickets. This duplication of effort could have been avoided long ago if

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TPVA had established computer links between its CompuCourt System with the police's SWIFT Justice System.

Many municipalities have used handheld ticket writers for several years. These would enable TPVA employees to download ticket data, rather than manually entering it into CompuCourt. TPVA's use of handhelds is in a pilot-program phase; however, even when it fully implements their use, it does not contemplate using them for moving violations or for issuing jurisdictions other than Nassau County.

As a result of delays in entering tickets into the CompuCourt system, TPVA is using a suspense account excessively. The suspense account is used to post payments received for tickets not yet entered into the system. These payments cannot be considered revenue until they are matched to tickets. The suspense account has a balance of approximately \$500,000, of which \$197,000 is for tickets issued prior to 2002. TPVA does not have a work plan to research and resolve these old tickets. Entry methods can be improved to facilitate quicker resolution.

## **Public Convenience**

On many days there are lines of people outside TPVA offices waiting for conferences or trials, to pay tickets and to plead not guilty. These lines could be avoidable if the TPVA implemented technology to enable individuals to pay fines over the Internet or by mail through the use of credit/debit cards and e-checks. TPVA has only one payment location; New York City has twelve payment locations in Nassau County alone.

Tickets instruct all defendants to appear at 9 a.m. on the return date, even though their hearings are scheduled throughout the day. Hearings must be held in person. In contrast, New York City allows parking tickets to be disputed by E-mail, with a decision rendered within 10 days. Defendants can still request a hearing if they are dissatisfied with the decision. Also, New York City instructs violators to appear at specific times throughout the day, rather than having everyone appear at once.

Although TPVA installed a new phone system recently, there are not enough clerks to properly handle the 100,000 calls per-year volume. Callers waited an average of 11.5 minutes before the phone is answered, and 29,000 callers hung up after an average wait of 4.75 minutes. TPVA has voice-mail, but the message box was always full when we tested it.

## **Staffing**

From its inception, TPVA has been beset by inadequate staffing. This has led to vast delays in the adjudication of tickets and has resulted in lost revenues to the county and other municipalities. Based on an outside consultant's formula, TPVA requires five more full-time equivalents (FTEs) to perform its functions. There are currently three vacant budgeted staff positions at TPVA. Early retirements have exacerbated the lack of sufficient personnel.

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TPVA does not have sufficient cross training or delegation of duties for running the CompuCourt system. The assistant director is the only employee at TPVA performing CompuCourt system functions such as initiating license suspensions, initiating scofflaw declarations, sending dispositions to the DMV, running inquiries and initiating the mailing of notices informing defendants of a scheduled conference or trial.

Entry-level positions dominate the agency's staff, with little middle management. The lack of career paths could result in a larger turnover of staff as employees seek higher-paying positions either within the county or outside of it.

## **CompuCourt System**

We found several control weaknesses related to TPVA's CompuCourt system. For example, employees have the ability to change fines or violations without supervisory review. In addition, reports that are valuable as management tools are not available from the CompuCourt system. TPVA could not produce a list of all violators owing more than \$1,000.

## **Internal Controls**

We found various control weaknesses related to the parking and traffic tickets that TPVA receives. Since there is no accounting for the sequence of tickets, tickets that are lost or not entered into the system cannot be detected. The tickets are not designed uniformly among various jurisdictions, are not issued in a sequential order, and duplicate ticket numbers are used by different issuing municipalities. In addition, the issuance of tickets with outdated fines results in a loss of revenue to the county.

## **Other Findings**

In addition to the previously mentioned findings, there were other findings in the following areas:

- Delays in ticket dismissal
- Security
- Petty Cash
- Fixed Assets

## **Department's Response**

*The Traffic & Parking Violations Agency ("TPVA") is pleased to respond to the Nassau County Comptroller's audit which was undertaken in April 2002. As the audit reveals, the County Executive inherited a dysfunctional operation badly in need of management planning and initiatives.*

*In March 2002, the County Executive appointed a temporary administrator to examine the operation and outstanding fine collections. The administrator, Inspector Karen O'Callaghan of the Nassau County Police Department, conducted an internal review and*

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analyses, and arrived at many of the same conclusions reached in the comptroller's audit, as follows:

## **Internal Review and Analyses:**

### **Operations:**

- *Processing backlogs existed in every aspect of the operation: data entry of original ticket information; disposition and dismissal information; check deposits; opening and processing of mail; scheduling conferences and trials; setting fines for traffic tickets.*
- *The County Executive inspected the premises in January 2002 and found offices deteriorated and in disrepair. Upgrade of the physical plant began immediately and was managed by Inspector O'Callaghan . Low employee morale was boosted by the improvement in the physical plant.*
- *Information technology had been allowed to lapse. Redundant processing procedures were required. For example, ticket information was entered into the Police Department's Swift Justice system and required to be entered into TPVA's CompuCourt system. The same data on traffic tickets was captured in two different formats in two different systems – an obvious duplication of effort.*
- *Antiquated computer equipment proved unreliable with numerous daily breakdowns and extremely slow processing time.*
- *The telephone system was inadequate for the call volume which averages ten thousand calls per month.*
- *TPVA failed to interact with New York State Department of Motor Vehicles to utilize the right to suspend New York State licenses and/or registrations for repeat traffic and/or parking violators; failed to enact local legislation to seize vehicles of violators with three or more parking violations.*
- *Courtrooms were underutilized and understaffed. Conferences and hearings were routinely scheduled without assuring that a judicial hearing officer would actually be present in the courtroom. Not only was this inefficient use of TPVA staff, but it enraged violators who appeared.*

### **Fine Collections:**

- *Violators who appeared at TPVA expecting to pay by credit card or check were turned away. Automated teller machines were not available on the premises. Payment over the telephone or through the internet was not available.*
- *An analysis of outstanding fine collection data revealed an even more disturbing financial and enforcement picture as follows:*

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| OUTSTANDING TICKETS AND FINES<br>AS OF 11/25/02 |         |                                      |                  |                                    |
|---|---------|--------------------------------------|------------------|------------------------------------|
|   | TICKETS | % OF TOTAL<br>OUTSTANDING<br>TICKETS | DOLLAR<br>AMOUNT | % OF TOTAL<br>OUTSTANDING<br>FINES |
| PARKING   | 401,672 | 49.29                                | \$31,663,912     | 42.49                              |
| TRAFFIC   | 413,164 | 50.71                                | \$42,860,733     | 57.51                              |
| TOTAL   | 814,836 |                                      | \$74,524,644     |                                    |

*The above chart reveals a difficult and problematic reality -- almost \$75 million in fines could have been collected, of which approximately half would have been revenue to the County. However, further analysis shows that 50% of the outstanding tickets are over three years old, with some dating as far back as 1986. The stark reality is that while every effort will be made to collect every fine, a large portion of the total amount owed has become uncollectable due to age. Many of the registrations have expired and are not traceable, violators have moved and plates have been turned in.*

*To aggressively pursue outstanding fine collection and maximize revenue, an amnesty period for delinquent violators is under consideration by TPVA.*

**Corrective Action Plan:**

*Inspector O’Callaghan initiated a management plan to address the deficiencies she identified. This plan was endorsed, supported and updated by Patricia Reilly, Executive Director of TPVA, who was appointed effective October 21, 2002.*

**Operations:**

- *Staff resources were focused on eliminating ticket data entry backlog. With fewer employees TPVA is now entering tickets three weeks before the ticket return date as opposed to the prior backlog of three weeks after the return date.*
- *The scheduling of conferences and trials has been improved by almost three months and violators now have the option of having immediate conferences on their return date. Judicial hearing officers are scheduled to be present at conferences.*
- *The entering of not guilty pleas is now current due to timely data entry. The entering of dismissals has improved dramatically. A judicial hearing officer has been assigned to address the speeding fines.*
- *Outside lines have also been eliminated due to the deployment of customer service aides working the information window and walking the line.*
- *The agency received a paint overhaul, carpets were cleaned, and signage improved to reflect a professional environment, and the difference has created a better working climate for staff.*

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- *Systems were upgraded and new hardware and software are about to be installed. Interface between CompuCourt and Swift Justice will be implemented in January 2003.*
- *The telephone system has been upgraded and a call center management specialist has been consulted.*
- *TPVA is now in daily communication with the New York State Department of Motor Vehicles and a direct computer interface for expired registrations is scheduled for the second quarter of 2003.*
- *A third courtroom is being utilized with the reassignment of personnel. Violators are now dealt with more expeditiously. These measures have afforded the agency to allow thirty to fifty violators to have their conference date on their return date. This action will further reduce future conference scheduling.*

## Fine Collections:

- *Check deposits are now current, as is the opening and processing of mail.*
- *ATM was installed and personal checks are now accepted. TPVA is ready to accept pay-by-phone payments via credit card as soon as notification is received, as is EZ-Pay via the internet.*
- *Local Law 25 of 2002 authorizing the booting and towing of scofflaw vehicles was enacted and signed. Seizure will begin January 2, 2003.*
- *To aggressively pursue fine collection to maximize revenue, an amnesty period for delinquent violators is under consideration.*

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## **Background**

The Nassau County Traffic and Parking Violations Agency (TPVA) was established in 1992 pursuant to New York State General Municipal Law §370 and Nassau County local law to assist the Nassau County District Court in the disposition and administration of alleged infractions of traffic and parking laws, ordinances, rules, and regulations.<sup>3</sup> The Nassau County District Court retains jurisdiction over certain offenses, including driving while intoxicated (DWI) and offenses classified as misdemeanors or felonies.

TPVA is responsible for adjudicating traffic and parking violations issued within several jurisdictions including Nassau County, its three towns and several county villages. A total of 19 different agencies generate the traffic and parking tickets adjudicated at TPVA. Nineteen different agencies generate the traffic and parking tickets adjudicated at TPVA. During 2001, 322,000 tickets (150,000 parking tickets and 172,000 traffic tickets) were issued by these participating agencies.

Nassau County receives revenues from every traffic ticket adjudicated by TPVA. The revenues the county receives from parking tickets vary based on local laws and ordinances. The county collects all the revenue if the ticket was issued for a violation of a county law or ordinance; it receives a surcharge amount for tickets issued for violations of another municipality's parking rules; and a percentage of the total payment if collection was based upon the ticket being forwarded to a collection agency. In 2001, TPVA generated more than \$6.6 million in net revenue for Nassau County. Net revenues of \$7.9 million are anticipated for 2002.

TPVA employs prosecutors, clerks, cashiers, data entry clerks, and judicial hearing officers to process and adjudicate the tickets. To aid in the adjudication of traffic and parking tickets, TPVA uses a computer system called CompuCourt. All tickets are entered into this system, which tracks all ticket related transactions, including pleas, dispositions, and payments.

## *Adjudication Process*

TPVA's responsibilities start after a ticket has been issued and a copy is forwarded to TPVA to be entered into the CompuCourt system. All traffic tickets issued by the Nassau County Police Department are entered into its Swift Justice computer system prior to being forwarded to TPVA. Currently, TPVA and the police department are seeking to transfer the information entered into the Swift Justice system electronically to the CompuCourt system. This would eliminate the duplicate entry of traffic tickets.

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<sup>3</sup> New York State General Municipal Law §370 (McKinney 2002); Nassau County, N.Y., Local Law No. 5-1992 (April 6, 1992).

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A defendant has 42 days to respond to the charges noted on the ticket (the date a defendant is to respond by is referred to as the return date), and may respond in several ways:

- Plead guilty by mail and pay the fine noted;
- Plead guilty in person and pay the fine at TPVA;
- Plead not guilty by mail (the VTL requires that a not guilty plea be sent within 48 hours of the issuance of the ticket); and
- Plead not guilty in person at TPVA.

If a defendant pleads guilty to either a traffic or parking ticket and pays the fine, cashiers enter the disposition into the CompuCourt system. However, pursuant to VTL the fine for a speeding ticket is to be set by a judicial hearing officer, therefore payment cannot be made at the time a guilty plea is entered.

If a defendant pleads not guilty, a plea-bargaining conference is scheduled. At the plea-bargaining conference, the defendant meets with a TPVA prosecutor. If the defendant agrees to a disposition, the agreed disposition is brought before a judicial hearing officer for approval.

If no agreement is reached or the judicial hearing officer does not accept the disposition recommended as a result of the plea-bargaining conference, then a trial will be scheduled at which the government has the burden of proof, therefore the officer who issued the ticket(s) is required to appear for a trial.

After a traffic ticket has been paid or dismissed, TPVA will electronically send the disposition to the New York State Department of Motor Vehicles (DMV).

## *Failure to Answer a Ticket or Appear at a Hearing*

If a defendant fails to respond to a traffic ticket within 60 days after the return date noted on the ticket, TPVA may initiate suspension of his/her license. A defendant's license also may be suspended for failure to appear at a scheduled hearing (plea bargaining conference or trial). In addition, pursuant to New York State General Municipal Law §371 (3) states:

“If a person charged with a traffic violation does not answer as hereinbefore prescribed, within a designated time, the bureau or agency may cause a complaint to be entered against him forthwith and a warrant to be issued for his arrest and appearance before the court, such summons to be predicated upon the personal service of said summons upon the person charged with the infraction.”

If a defendant fails to respond to three parking tickets issued within an 18-month period, Section 401 (5-a) of the VTL permits the TPVA to notify the commissioner of the DMV

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that such tickets are outstanding. The renewal of the registration of the defendant's vehicle shall be denied until the applicant replies to the summonses.

If a defendant fails to appear for a plea-bargaining conference or a trial related to a parking ticket, TPVA may enter a default judgment against the defendant.

TPVA uses a collection agency, Law Enforcement Systems (LES), to pursue delinquent parking tickets fines. TPVA sends a billing notice 60 days after the return date of the ticket. If no response is received within 30 days, TPVA forwards the ticket to LES for collection.

## *Responsibilities of Judicial Hearing Officers*

TPVA's judicial hearing officers adjudicate the traffic and parking tickets under Section 1690 of the VTL. Pursuant to this section, judicial hearing officers shall be retired judges or village court justices who have at least two years of experience conducting trials of traffic and parking violations cases and are admitted to practice law in the state.<sup>4</sup> They are to conduct trials in the same manner as a court and shall:

- a) determine all questions of law;
- b) act as the exclusive triers of all issues of fact;
- c) render verdicts;
- d) impose sentences; or
- e) dispose of cases in any manner provided by law.

## **Objectives of the Audit**

The audit was performed to ensure that TPVA is adjudicating traffic and parking tickets in an efficient and timely manner and is pursuing collection of all tickets issued. The audit also examined the agency's internal controls, employees' time and leave, contracts with outside vendors and the agency's fixed assets. In addition, the audit was performed to ensure that TPVA has initiated recommendations from prior reports. Although the audit focused on the financial aspects of the agency, we also reviewed TPVA's operations when they had a direct bearing on financial results and controls.

## **Scope and Methodology**

Various tasks were performed to meet the objectives of the audit. These tasks included interviews of key personnel; examination of courtroom schedules; ticket details and reports generated by TPVA's CompuCourt computer system; and review of vendor contracts. Pertinent sections of state law also were reviewed. The audit was performed during the second quarter of 2002.

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<sup>4</sup> NY Vehicle and Traffic Law §1690 (1) (McKinney 2002)

# Introduction

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As previously noted, this audit was conducted in accordance with generally accepted government auditing standards. These standards require that the audit be planned and performed to obtain reasonable assurance that the audited information is free of material misstatements. An audit includes examining documents and other available evidence that would substantiate the accuracy of the information tested, including all relevant records and contracts. It includes testing for compliance with applicable laws and regulations, as well as any other auditing procedures necessary to complete the examination. We believe our audit provides a reasonable basis for the audit findings and recommendations contained herein.

## **Discussion of Audit Results**

The matters covered in this report have been discussed with officials from the TPVA during and at the conclusion of the audit. On November 27, 2002, we submitted a draft report to TPVA officials with a request for comments. We received a written response from the TPVA on December 31, 2002. The TPVA agrees with the majority of our audit findings and recommendations and has been implementing a corrective action plan to address the deficiencies. The written responses have been incorporated into the text of the report.

# Findings and Recommendations

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## COURTROOMS

### Background

The “courtroom section” of TPVA is responsible for the adjudication of alleged traffic and parking violations. Defendants are legally entitled to a hearing before a judicial hearing officer for traffic and parking violations.<sup>5</sup> The courtroom section also has other responsibilities, such as processing motions to dismiss tickets, obtaining supporting depositions, and tracking the time of stenographers and judicial hearing officers for claim-verification purposes.

### Audit Finding (1)

There are inordinate delays in the adjudication of tickets for traffic and parking violations to which a defendant pleads not guilty. When defendants plead not guilty to traffic infractions, hearings are scheduled.

The delays a defendant encounters are as follows:

- After a defendant mails in a not-guilty plea, a one to two month delay ensues before the plea is entered into the CompuCourt system.
- Delays from the entry of a plea into CompuCourt to the scheduling of a conference are frequently up to nine months.
- Delays from conference to trial can be up to one year.

As a result, a defendant will not have a plea-bargaining conference until more than one year from the issue date of the ticket, and a trial often will not occur for two years after the issuance of the ticket. These delays may have the following impacts:

- For a parking violation, the owner may no longer own the vehicle, may have changed license plates or may have moved out of state, and therefore, TPVA may not have legal means to enforce such violation.
- Collections of revenue and the assignment of points to licenses are delayed. Dangerous drivers are not promptly identified and kept off the roads.

Contributing to these delays is the failure to utilize courtrooms fully. TPVA conducts both morning and afternoon sessions, but every day except Friday the afternoon session, used for parking conferences, is not fully used (10 – 15 parking conferences are schedule Mon. – Thurs.: on Fridays approximately 50 are scheduled). In contrast, approximately 200 traffic plea-bargaining conferences and all trials are scheduled in the morning. Based upon the number of plea-bargaining conferences scheduled in the morning, a total of 100 to 150 conferences could be scheduled in the afternoon.

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<sup>5</sup> N.Y. General Municipal Law §371 (3) (McKinney 2002)

## Findings and Recommendations

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During the audit, we discussed with TPVA increased use of the courtrooms in the afternoon. Management does not want overtime to be incurred on a daily basis therefore; the cashier's windows close at 4 p.m. in order to allow time for cashiers to count receipts and reconcile them to the cash- register totals. As a result, additional use of the afternoons is impractical.

TPVA's contract with the judicial hearing officers permits hearings to be scheduled from 9 a.m. to 4:45 p.m. or at such other times as may be scheduled by the executive director (including evenings). However, the director has not scheduled hearings through 4:45 p.m. The assistant director informed us the judicial hearing officers were reluctant to work at night (including late afternoons and evenings) and the pool of available judges was limited. To qualify for service, the judge had to be retired from a court of record with at least two years experience conducting trials of parking and traffic violations. Recent changes in the law (§1690) permitting the judges to be village court justices should increase the available pool and allow for evening staffing and, with contractual changes, weekends.

### **Recommendation**

TPVA should reduce the time between a not-guilty plea and a plea-bargaining conference.

The TPVA should seek changes in work shifts or allow for overtime expenses in order to expand the courtrooms hours late afternoons and evenings to facilitate increased accessibility to the public and expediate adjudications. Even without these work shift changes or overtime, TPVA could schedule a total of 100-150 conferences during the afternoon. Parking conferences should be given precedence, while traffic conferences should be scheduled for the remainder of the afternoon session. During the afternoons when an evening session is not scheduled, a cash drawer should remain open after 4 p.m. This drawer should be secured in TPVA's safe overnight and counted the next morning. An increase in the number of plea-bargaining conferences will result in increased revenues. In addition, an increase in the number of conferences scheduled will shorten the length of time to adjudicate the tickets. Consequently, there will be less risk of the tickets becoming uncollectable.

Due to recent changes in VTL §1690, which permits village court justices to serve as judicial hearing officers, the available pool of potential judicial hearing officers has increased. With this increased pool of judges, TPVA should be able to schedule judicial hearing officers for late afternoon and evening sessions.

### **Department's Response**

*TPVA acknowledges that in the past, delays in scheduling conferences and trials has been extraordinary. Under management's corrective action plan, measures taken have eliminated delays in entering not guilty pleas. Further, TPVA is now allowing violators who show up in person to conference their case the same day if the calendar permits. On*

## Findings and Recommendations

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*any given day anywhere from 30 to 50 violators have been accommodated. Scheduling delays result from not having sufficient Judicial Hearing Officers and staff available. However, TPVA will be utilizing Village Justices as authorized in VTL Section 1690. Although this section was enacted by state law in 2001, TPVA did not recruit village justices. To date resumes have been collected and initial screening undertaken.*

*These initiatives and efficiencies will significantly decrease delays in scheduling.*

### **Auditor's Comment**

We agree with the corrective action being taken by the department.

## **Findings and Recommendations**

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### **Audit Finding (2)**

Fines for speeding violations are not pre-established, but are set by the hearing officer. After defendants plead guilty, they must wait to make payment until they are notified as to the fine that has been set. TPVA hearing officers take an excessively long time -- almost six months -- to establish fines for these speeding tickets.

VTL §376-a 4. allows hearing officers to dismiss tickets for certain defective equipment if the violation has been corrected within a prescribed period of time. TPVA takes three and one-half months to dismiss defective equipment tickets.

### **Recommendation**

In order to increase the efficiency of TPVA operations, TPVA should increase hearing officer schedules to allow time for the establishment of speeding fines and for the timely dismissal of defective equipment tickets. During these scheduled sessions, the judicial hearing officer could also set speeding fines of defendants who appear on the return date to plead guilty to speeding tickets. Defendants could then immediately pay their fines.

### **Department's Response**

*Problems with speeding violation fines are being addressed in several ways. Judicial Hearing Officers are being specifically scheduled to set fines for speeding violations. Meetings have also been held with the Chair of the Board of Judges to discuss amending the way these fines are set. This matter may also be addressed through state legislation if needed. It is also anticipated that additional clerical staff will be available to assist in entering both the speeding violations and defective equipment dismissals.*

### **Auditor's Comment**

We agree with the corrective action taken by the department.

## Findings and Recommendations

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### **Audit Finding (3)**

The VTL allows TPVA to initiate license suspensions or to enter default judgments whenever defendants do not appear for a scheduled hearing or trial.<sup>6</sup> TPVA did not appear to take any of these actions, as they do not identify those defendants who fail to appear for a hearing or a trial. Instead of initiating suspensions and filing default judgments, TPVA reschedules plea-bargaining conferences or trials for the defendants. Defendants are allowed to request a postponement twice prior to the date of the scheduled hearing or trial.

### **Recommendation**

TPVA should note in the CompuCourt system when a defendant does not appear for a scheduled hearing or trial, and should then initiate a suspension of the violator's license and enter a default judgment. Initiation of suspensions and entering of default judgments will result in increased revenues. Increased number of defendants will appear for trial and, if guilty, pay fines. By initiating suspensions and entering default judgments, TPVA will also send a message that there are consequences to not appearing at scheduled hearings.

### **Department's Response**

*COMPUCOURT does identify defendants who fail to appear. Under management's corrective action plan TPVA is now initiating license suspensions. Please note that as a result of being the PILOT County for electronic reporting of dispositions to the State, TPVA incurred a reporting backlog during the PILOT phase. Current dispositions are now being reported electronically to the State. Automatic suspension may be both feasible and cost effective but cannot be implemented until data backlogs from 1998 to 2001, the original PILOT period, are cleared up. TPVA does not want to suspend licenses in error.*

*TPVA had not been filing default judgments and LES could not initiate default judgments without TPVA forwarding the necessary information. Enhancements have now been made to the COMPUCOURT system in order to track defendants eligible for default judgments. Ninety default judgments have been filed and outside counsel for the County Attorney is now executing against those who have not paid their fines.*

*TPVA may not have the authority to file default judgments on delinquent traffic tickets and will seek state legislation if needed.*

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<sup>6</sup> N.Y. Vehicle and Traffic Law §514(1)(b), 1806-a(1) (McKinney 2002)

## Findings and Recommendations

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### **Auditor's Comment**

Even though the CompuCourt System had the capability to identify those defendants who fail to appear for conferences or trials, TPVA was not utilizing this feature during the period the audit was conducted.

## **Findings and Recommendations**

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### **Audit Finding (4)**

The Courtrooms are inadequately staffed and we estimate that two additional full-time clerks are needed to reduce delays. Some of the courtroom clerk's duties are only performed periodically because of time constraints. As a result of the lack of available clerks, a third courtroom -- which was added in 2001 -- is only being used sporadically.

One of the three full-time clerk Is and the administrative assistant who staffed the courtrooms have retired.

### **Recommendation**

TPVA should seek approval to promote a current Clerk I to a budgeted vacant Clerk II position. In addition, TPVA should immediately seek to replace the clerk I and the administrative assistant who retired and also seek to hire an additional two clerks to bring the staffing up to an effective level.

### **Department's Response**

*TPVA has reassigned staff as needed in the Courtroom and is currently utilizing Clerks on loan from other departments. All three Courtrooms are being utilized to their fullest.*

### **Auditor's Comment**

We agree with the corrective action taken by the department.

## **Findings and Recommendations**

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### **Audit Finding (5)**

The court clerks note judicial hearing officers and stenographers attendance on handwritten schedules. The invoices from judicial hearing officers and the stenographers are compared with these handwritten schedules to ensure they match.

### **Recommendation**

To increase efficiency, TPVA should computerize these schedules using a spreadsheet program.

### **Department's Response**

*Under our corrective action plan TPVA will computerize as many processes as possible, and is in the process of hiring a staff member with the skill to program spreadsheets.*

### **Auditor's Comment**

We concur.

# Findings and Recommendations

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## COLLECTIONS

### Background

As noted earlier, TPVA is responsible for adjudicating traffic and parking tickets issued within a number of jurisdictions -- Nassau County, its three townships (Hempstead, North Hempstead, and Oyster Bay), and several of its villages. A total of 19 different agencies generate the traffic and parking tickets adjudicated at TPVA. Uncollected tickets represent a very significant amount of potential revenue.

A large number of defendants fail to respond to traffic and parking tickets. As of November 25, 2002, TPVA had a total of 814,836 outstanding parking and traffic tickets, totaling \$74,524,644. Of this total, approximately \$40 million is potential revenue to Nassau County. These include tickets in which the defendant is awaiting a conference or trial. Out of the total amount, \$38,808,125 was for tickets issued three or more years ago. The former executive director estimated that 50% of these tickets issued three or more years ago are uncollectable. An additional \$19,191,500 worth of tickets were issued between one year and three years ago.

If a defendant does not respond to a parking ticket within 60 days after the return date, TPVA generates a billing letter requesting payment. Thereafter, the parking ticket is turned over to a collection agency- Law Enforcement Systems (LES). If a defendant does not respond to three parking tickets issued within 18 months, TPVA may denote him/her as a scofflaw and request that the commissioner of Motor Vehicles deny the renewal of the registration of the defendant's vehicle.

TPVA does not have a comprehensive, systematic program for collecting outstanding violations. There are no written policies denoting the collection steps that should be taken. While TPVA engages a collection agency for parking tickets, traffic tickets are collected solely by TPVA.

The law provides TPVA with a number of remedies to help ensure that defendants respond to the tickets. However, TPVA does not consistently use these remedies.

Like any other receivable, collection becomes more difficult as time passes. A large number of the older tickets will be uncollectable for several reasons:

- a) Because of the passage of time involved (often as long as three years), defendants who have moved will not be able to be located.
- b) Tickets are reduced or dismissed by the judicial hearing officer at a plea-bargaining conference or at a trial.

### Audit Finding (6)

## Findings and Recommendations

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### *Traffic Tickets*

TPVA's November 25, 2002 Aging schedule shows \$42,860,733 in traffic tickets as outstanding. Half of this potential revenue belongs to the county and half to the state.

When a defendant does not answer a traffic ticket within 60 days after the return date (42 days after the ticket is issued), TPVA sometimes initiates a pre-suspension notice. This notice indicates that if the defendant either does not enter a plea or does not pay the ticket within 30 days after the letter is sent, his/her license will be suspended. However, the law permits TPVA to request that the Commissioner of Motor Vehicles take stronger measures. There is no need to send out a notice and then wait an additional 30 days. New York State Vehicle and Traffic Law §226 3 states that if “. . . the person charged with the violation shall fail to answer the summons as provided herein, the commissioner may suspend such person's license or driving privilege.”<sup>7</sup> Additionally, “Failure to answer or appear in accordance with the requirements of this section and any regulations hereunder shall be deemed an admission to the violation, and an appropriate order may be entered in the department's records, and a fine consistent with the provisions of this chapter and regulations of the commissioner may be imposed.”<sup>8</sup>

TPVA is not initiating pre-suspension notices and suspending licenses on all eligible tickets. There are an estimated 195,000 tickets for which the defendants' licenses can be suspended. Pre-suspension notices are not system-generated based upon a pre-set aging-criteria. On one occasion, it took TPVA more than two years to send a pre-suspension notice. TPVA has to manually initiate all pre-suspension notices, and they are only initiated by the assistant director. These tickets represent potential revenues in excess of \$20 million for Nassau County and New York State.

A large number of the pre-suspension notices sent out are returned by the post office because of incorrect addresses. TPVA is not investigating return-to-sender items for traffic tickets. The auditors observed approximately 20,000 return-to-sender items for traffic tickets at TPVA; employees at TPVA estimated that this represents one and one-half years of returned items. While the parking return-to-sender items are forwarded to LES for collection, the backlog of traffic notices continues to build. During the audit, the auditors were informed that TPVA intends to have the data-entry section search the DMV's computer system for new addresses. If a new address is obtained, TPVA will generate a letter scheduling a conference. If no address is found, then TPVA will inform DMV to initiate the suspension of the defendant's license.

As stated in Audit Finding 3, defendants who fail to appear at a trial or hearing can be considered guilty and the appropriate fine may be imposed. TPVA does not pursue this remedy and does not identify violators who fail to appear for trial.

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<sup>7</sup> N.Y. Vehicle and Traffic Law §226 (3) (a) (McKinney 2002)

<sup>8</sup> N.Y. Vehicle and Traffic Law §226 (3) (b) (McKinney 2002)

## Findings and Recommendations

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TPVA has the ability, within two years of the ticket-return dates, to enter default judgments against violators who fail to answer a traffic summons. Vehicle Traffic Law § 1806-a provides that:

“In the event a person charged with a traffic infraction does not answer within the time specified, the court having jurisdiction, ... may, in addition to any other action authorized by law, enter a plea of guilty on behalf of the defendant and render a default judgment of a fine determined by the court within the amount authorized by law. Any judgment entered pursuant to default shall be civil in nature, but shall be treated as a conviction for the purposes of this section.”

TPVA does not enforce this law. An aged-ticket report dated November 25, 2002, showed that \$21,202,744 worth of traffic tickets were issued more than three years ago. Therefore, Nassau County may not realize the \$10.6 million it may have collected from these tickets.

TPVA could have established an amnesty program to recover fines from the outstanding tickets. If an amnesty program is instituted, TPVA may be able to recoup close to 30% of the money on tickets issued more than three years ago. This would result in collections of \$11 million. The county would retain about half of this amount, while the balance would go to the state and other municipalities. In addition to bringing in revenue for the county, this program will reduce the number of outstanding tickets.

### *Parking Tickets*

TPVA's November 25, 2002 Aging Schedule shows \$31,663,912 in parking tickets as outstanding. This potential revenue would be split between Nassau County, participating municipalities and the collection agency, LES. Based on a review of two months of LES collections, about 54%, or \$17 million of the revenue, would accrue to the county if collected.

Neither TPVA nor LES is using all available resources to compel violators to pay their fines. TPVA should begin collection proceedings as soon as the return dates have passed to preclude the need to turn over the tickets to LES for collection. Once tickets are turned over to LES and a notice is sent to the violator, LES is entitled to a 21% collection fee. During 2001, TPVA paid LES about \$230,000. Payment of this fee reduces the revenue available to participating municipalities.

TPVA currently issues only one dunning notice sixty days after the ticket-return date. If no response is received, the ticket is turned over to LES for collection.

Parking ticket billing notices are manually initiated by the assistant director. This is an inefficient method and it should be computerized.

Default judgments can be issued on parking tickets as well as traffic tickets. During 2001, however, TPVA filed only 90 default judgments. A VTL-default judgment may be filed only within two years of the issuance of the ticket upon which it is based; as a result, TPVA lost the ability to file judgments on \$17.6 million worth of parking tickets that

## Findings and Recommendations

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were issued more than three years ago per the November 25, 2002 aged ticket report. TPVA indicated that only it can file default judgments. However, Article 1, Paragraph 11 of its contract with LES states:

“ L.E.S. shall be responsible for the processing and filing of default judgments and will administer same in accordance with the NYS VTL 1806 A. LES will be responsible for filing fees, if any. L.E.S. will be responsible for providing the satisfaction of judgment.”

A review of this section of the VTL revealed that TPVA is responsible for entering the plea of guilty on behalf of the defendant and that a hearing officer sets the fine before a default judgment can be filed with the county clerk. However, LES could have initiated the default judgments through TPVA and filed the judgments with the county clerk. Neither LES or TPVA have taken appropriate actions in connection with default judgments.

A violator may be declared a scofflaw if he/she has received and failed to respond to three parking tickets issued in one jurisdiction. When TPVA requests that DMV declare violators as scofflaws, violators must answer the summonses before their vehicle registrations can be renewed.

### *Underpaid Tickets*

TPVA has collected a large number of partial payments of traffic and parking ticket fines, surcharges, and late fees. The agency's traffic and parking underpayment reports reflect 102,942 underpaid tickets on traffic and parking tickets. A total of \$2,522,750 is still owed on these tickets. Of the total amount, 25,679 tickets with an amount still owed of \$767,577 relate to traffic tickets. There are 77,263 underpaid parking tickets with \$1,755,173 remaining outstanding. TPVA has collected \$4,148,953 on these tickets (Traffic - \$1,558,807 and Parking - \$2,590,146). This money is held in the agency and trust account and is not distributed or recognized as revenue. The county's portion of these payments after distribution to the participating municipalities and the state may exceed \$2 million. Some of these underpayments have been held in this account since 1966.

### **Recommendation**

TPVA should establish written procedures concerning the steps to be taken for collecting the fines, surcharges, and late fees on tickets that have not been responded to by the return date.

TPVA should actively pursue collection of outstanding fines, surcharges, and late fees owed. TPVA should investigate the feasibility of instituting an amnesty program for outstanding tickets that could include an incentive, such as waiving applicable late fees. Several years ago New York City had instituted an amnesty program in relation to parking tickets. This amnesty program could be administered by an outside agency if adequate staffing is not available at TPVA. TPVA could indicate that failure to respond

## Findings and Recommendations

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could result in license suspensions and additional legal action to collect on these fines, surcharges, and late fees.

Enhancements to the CompuCourt system should be made so that dunning notices, pre-suspension warnings, submission of scofflaw requests with the commissioner of motor vehicles, and default judgment filings are automatically generated based upon the passage of time or number of outstanding violations.

In addition, TPVA should monitor the effectiveness of LES's collection performance to ensure that it is actively pursuing all outstanding parking tickets. LES does not provide detailed reports on its collection efforts. The longer it takes to initiate or pursue outstanding items, the less likely it is to collect these outstanding items.

TPVA should establish procedures in relation to return-to-sender items. TPVA should contact DMV to obtain current mailing addresses for return to sender-traffic tickets. TPVA should also investigate the cost effectiveness of contracting with a collection agency to pursue outstanding traffic tickets.

The section of the collection contract concerning default judgments should be strengthened. It should indicate that it is the responsibility of the collection agency to request that TPVA enter a plea of guilty on behalf of a defendant in accordance with VTL. The collection agency should be responsible for preparing the information so that TPVA can enter the plea of guilty on behalf of the defendant. TPVA should investigate whether the collection agency may file these documents on its own or if it is necessary for the filing to come from TPVA.

TPVA indicated that it expects to modify the computer system to process partial payments by year-end and is meeting with DMV and the state comptroller to discuss the reporting and implementation of partial payments. If implemented properly, the county could recognize additional revenue that could exceed \$2 million during the current fiscal year.

### **Department's Response**

*Under our corrective action plan, enhancements to the COMPUCOURT system were identified and approval for the necessary contract amendments has been obtained.*

*In the past LES's performance was hindered by TPVA not forwarding data in a timely manner. LES provides reports as requested by TPVA. TPVA plans to reduce the time from billing to collections by approximately 60 days.*

*In regards to Return to Sender items, TPVA will be relying on a more expedited billing of collections process to reduce the number of return to sender items. The two-year registration of plates in New York reduced the quality of the State database by having updates performed on a less frequent basis. TPVA believes a more efficient approach is*

## Findings and Recommendations

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*to get the data to collection within 90 to 120 days of issuance, thereby reducing the number of Return to Sender items.*

*It is TPVA's responsibility to identify and enter guilty pleas on behalf of defendants as authorized in the VTL. The collection agency acts only as an agent for TPVA.*

*The partial payment fund will be implemented in the First Quarter of 2003.*

*An amnesty period is under consideration.*

### **Auditor's Comment**

We encourage the department to also implement our recommendations for establishing written procedures. Additionally, the department should look into the cost effectiveness of contracting with a collection agency to pursue outstanding traffic tickets, in addition to parking tickets.

## **Findings and Recommendations**

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### **Audit Finding (7)**

TPVA does not receive or generate any reports concerning the effectiveness of LES's collections. When the auditors requested reports on LES from TPVA in order to analyze their effectiveness, they were not provided. This information should be maintained by TPVA.

### **Recommendation**

TPVA should require its collection agency to produce reports on its effectiveness. It should request data such as collections from each aging category, collections from the return-to-sender tickets and the number of default judgments requested. TPVA should discuss these results with LES and develop strategies to enhance collections.

### **Department's Response**

*TPVA agrees that better reporting procedures are necessary and has requested a staff person to help in generating and analyzing necessary reports.*

### **Auditor's Comment**

We agree with the corrective action being taken by the department.

# Findings and Recommendations

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## DATA ENTRY

### Background

The data entry section of TPVA is responsible for entering the approximately 320,000 parking and traffic tickets received annually into the CompuCourt system. In addition, this section is responsible for entering not-guilty pleas and dismissals into the system, and for voiding tickets (in response to management instructions) within the CompuCourt system.

### Audit Finding (8)

Data Entry is experiencing backlogs in all of its areas of responsibility.

- As of April 18, it had a backlog of more than 70,000 tickets to be entered.
- It did not enter tickets until eight weeks after they were received by TPVA. (after the tickets return dates).
- Data entry enters not-guilty pleas two months after they are received.
- Information about dismissals of tickets involving defective equipment, uninsured vehicles and unlicensed operators is not being entered into CompuCourt until two months after the hearing officer has dismissed them.

The major reason for delays is TPVA's failure to promptly adopt new technology. Moving violations, which represent 40% of TPVA's tickets, are still individually input into three different systems. The police, the State DMV and TPVA all input the same tickets. This duplication of effort could have been avoided long ago by interfacing TPVA's CompuCourt System with the Police's SWIFT Justice System. This interface was recommended by a TPVA Technology Working Group in February 2001.

Data entry's failure to enter tickets by their return date results in the excessive use of a suspense account to record payments. This delays the county's access to the funds and revenue recognition because payments entered into the suspense account cannot be considered revenue until they are matched to tickets. Cash payments are posted to the suspense account when a defendant makes a payment to TPVA, but the ticket has not yet been entered into the CompuCourt system. On one day, one-third of all payments (\$14,000 out of \$44,000) were entered into the suspense account. The suspense account has a balance of approximately \$500,000. A computer merge is performed two-three times a week. If the ticket has not been entered, or if there is a mistake in either the entering of the ticket or the entering of the payment, a computer match will not occur and the payment will not be considered revenue. Payments totaling \$197,000 that were received prior to 2002 (with items still open from 1995) are still not cleared. TPVA has not initiated a manual investigation of these payments, which would permit the recognition of revenue and clearing of the violators' records.

## Findings and Recommendations

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Delays in ticket data entry also impair the agency's ability to serve the public.

- We observed individuals who had lost their tickets but appeared to make payments who were turned away because the ticket had not yet been entered into the system.
- Individuals who call TPVA may not be served properly because the responding clerk cannot call tickets up on the system to obtain the information needed to answer a caller's questions, because the ticket has yet to have been entered into CompuCourt.

Data entry employees log more than 30 hours of overtime weekly, but during a two-week period in April 2002 they still received 1,000 tickets per-week more than they were able to enter into CompuCourt.

### **Recommendation**

TPVA should take steps to decrease the backlogs. The process of importing traffic ticket information from the police department's Swift Justice system should be completed (*see infra*). This will reduce the workload of data entry significantly since the Nassau County Police Department's traffic tickets represented over 40% of all tickets entered into the CompuCourt system in 2001.

TPVA should encourage the police department to increase the use of handheld-parking ticket writers. TPVA should also encourage the police department to institute handheld writers for moving violations.

TPVA should manually investigate all payments made before 2002 in the suspense account in order to match them to tickets. Once this account is brought up-to-date, this function should be manually performed by TPVA on a daily basis for the payments that are not matched by the computer.

### **Department's Response**

*The ticket entry backlog has been eliminated. Tickets are being entered almost three weeks prior to the return date. Staff was also reassigned to enter not guilty pleas, which are now current.*

*TPVA agrees that a major reason for delays is the need for new technology, however, in prior years TPVA requested and was denied the funding and staff necessary to implement the new technology. Under our corrective action plan, approval was obtained for new hardware and software which has been delivered. Installation is scheduled for January 2003.*

*The interface between COMPUCOURT and SWIFT will be operational the First Quarter of 2003.*

## Findings and Recommendations

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*Increasing the use of hand helds is being analyzed from a cost benefit perspective.*

### **Auditor's Comment**

We agree with the corrective action being taken by the department.

# Findings and Recommendations

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## TELEPHONE SYSTEM/WEBSITE

### Audit Finding (9)

#### *Telephone System*

A previous audit report found that “Staff level requests could be lowered if an automated phone system was installed, eliminating the need for manned phones and enabling personnel to tackle backlog problems.” Although an automated system was installed, it has not succeeded in achieving the intended goal.

TPVA’s clerks receive approximately 100,000 calls per year from individuals seeking information about tickets they have received. Three full-time clerks and two part-time clerks spend a combined 400 hours per-month answering telephone calls; that’s the equivalent of 60 days per month in telephone duties. During March 2002, callers endured an average wait of 11.5 minutes before the phone was answered. Callers hung up on 29,000 calls after an average wait of 4.75 minutes. There is a feature for callers to leave messages via voicemail. However, the message-storage device was full whenever the auditors tested it.

#### *Website*

The TPVA’s website does not take advantage of current technology. In contrast, the New York City Department of Finance (DOF) website provides many services to the public that, if adopted by the TPVA could reduce parking ticket-related telephone calls, backlogs and paper transactions.

In contrast to the TPVA’s website, the city DOF’s website allows the public to:

- Search DOF’s database by ticket number or license plate number for the status of tickets and fines owed;
- Dispute a parking ticket – a defendant is given a choice of appearing in person for a hearing, or for cases where the defendant does not think there is a need to submit evidence such as photographs or witnesses statements, submitting his/her defense over the internet. In addition, the defendant is given a third option of submitting his/her defense by mail. The website provides defense forms that can be filled out and submitted electronically. The city endeavors to render a decision within 10 days by e-mail and by postal service. If the ticket is not dismissed, the defendant may request an in-person hearing; and
- Tickets can be paid online, either through the use of credit cards or by e-checks.

## Findings and Recommendations

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### **Recommendation**

The TPVA should consider implementing these features on its website. As a result:

- The need for many in-person hearings would be eliminated;
- Allow defendants to determine if they have any tickets outstanding and exactly what fine is owed, including late charges;
- The number of telephone calls received by the agency would be reduced; and
- The use of credit cards would expediate the payment of fines.

TPVA should consider installing additional telephone lines, increasing the volume of messages allowed in their voice mail system, and hiring additional clerks to answer the phone.

### **Department's Response**

*TPVA agrees with the audit findings and is researching the use of an interactive website and a better phone system. The use of credit cards was approved by the Legislature and TPVA is coordinating with the Treasurer's Office to implement credit card payment procedures.*

# Findings and Recommendations

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## COMPUCOURT

### Background

All tickets are entered into TPVA's CompuCourt computer system. The system will track all transactions related to these tickets including pleas, payments, conferences, trials and dispositions. This system also is used for other functions such as sending dispositions to DMV and initiating parking billings and pre-suspension notices.

### Audit Finding (10)

The CompuCourt system does not limit employees from performing edit tasks unrelated to their normal duties. Anyone with access can change violation codes, fines and dispositions. This was noted in a Comptroller's Office audit report issued in 1997. The system does track who enters the changes; however, there is no evidence that supervisors review the changes.

### Recommendation

The CompuCourt system should either limit the types of changes to records that can be made by employees or be enhanced to generate reports of changes made by individuals that are not directly related to their normal duties. For example, a cashier should not be allowed to change fines and violation numbers. A report should be generated indicating the changes that are made to records. A supervisor, at least on a test basis, should examine the reports generated to ensure that any changes made were warranted.

### Department's Response

*COMPUCOURT does provide a security system, which allows items on any menu to be blocked from use by any defined class of employee.*

*A cashier must be allowed to make corrections or additional delays in processing will result. COMPUCOURT can provide reports when modified payments are entered.*

### Auditor's Comment

The reports generated of modified payments should be reviewed by a supervisor to ensure that changes made are necessary and proper.

## Findings and Recommendations

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### **Audit Finding (11)**

The database used to track open violations should be enhanced to allow for a less labor-intensive operation. The software license for the CompuCourt system is due to expire on March 31, 2003. This is an opportune time to evaluate this older system against what is currently available in the marketplace.

We found several shortcomings in the system and enhancements that should be considered.

- As previously discussed in Audit Finding 8, CompuCourt does not interface with the police department's SWIFT Justice system to eliminate the need for data entry.
- Several reports were requested covering information that should be used as a management tool by the agency. We were told that information such as the names of violators who owe more than \$1,000, lists of licenses available for suspension and the number of vehicle owners who could be declared scofflaws were not available.
- The agency has about 20,000 tickets for moving violations for which the current address of the violator is unknown. Employees must query the DMV system one-by-one to search for a new address. An automated interface with DMV computers could automatically update names and addresses so that data is updated. It could also identify uncollectable tickets issued to persons whose license plates have been turned in.
- CompuCourt requires manual intervention for the issuance of dunning notices, scofflaw reporting, scheduling of hearings, etc. These functions should be programmed to be initiated based upon pre-set criteria determined by TPVA management and the VTL.
- CompuCourt could be enhanced so that an acknowledgement is automatically generated when a defendant submits a ticket with a not-guilty plea. Currently, a defendant does not receive any documentation that TPVA has received his/her not-guilty plea. This is significant due to the large amount of time it takes TPVA to schedule a plea-bargaining conference.

The CompuCourt system has been in use for almost eight years. Newer applications may be available with more user-friendly report-generation capability.

### **Recommendation**

TPVA should determine the management reports that are required and have the vendor incorporate these into CompuCourt or seek replacement of the system with one that is capable of generating them. TPVA should perform an analysis of whether it is more cost effective in the long term to upgrade CompuCourt or to install a new computer system. This analysis should be performed immediately so that the RFP process can be initiated quickly to ensure that a new system can be installed by March 31, 2003.

## Findings and Recommendations

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### **Department's Response**

*COMPUCOURT generates over 50 reports to date and works with TPVA to generate reports as needed.*

*TPVA and Quest have discussed the automation of billing notices. New equipment such as laser printers will be purchased. In fact, TPVA is working towards automating as many processes as possible.*

*TPVA has been satisfied with the work of Quest. As is the case with LES their abilities have been hindered by the lack of resources in prior years at TPVA. TPVA is a unique agency and no "off the shelf" software package could provide the functionality of COMPUCOURT. Given the host of problems that have faced this agency any consideration of changing the entire computer system would be part of a long-term management plan.*

### **Auditor's Comment**

TPVA indicated that the CompuCourt system can generate over 50 reports; however, during the time period the audit was performed, many of the reports were not being utilized by the management of TPVA.

## **Findings and Recommendations**

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### **Audit Finding (12)**

#### **Management Depth**

There is not sufficient cross training or delegation of duties for running the CompuCourt system. The assistant director is the only employee at TPVA performing functions in the CompuCourt system. He is the only TPVA employee who initiates suspensions, identifies scofflaws, sends dispositions to the DMV, runs inquiries and initiates the sending of notices informing defendants of scheduled conferences or trials. In addition, as noted in previous findings, he is the only employee who initiates parking-billing notices and pre-suspension notices.

The agency is staffed by a large number of people in entry-level positions. The lack of career paths could result in a large turnover of staff as they seek higher-paying positions either within the county government or outside of it.

#### **Recommendation**

TPVA should authorize and train other employees to be able to perform the above-noted duties. The duties should be separated so that no one individual is required to perform all of them.

In order to retain its best employees, TPVA should seek to create positions designed to enable career advancement.

#### **Department's Response**

*TPVA agrees that sufficient cross training or delegation of duties did not exist in prior years. TPVA has received approval for a middle management position as well as a personal computer support specialist to assist management. We also agree that there should be a career path for the staff which was recommended in the Multi-Year Plan for 2002-2005.*

#### **Auditor's Comment**

We agree with the corrective action being taken by the department.

## Findings and Recommendations

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### **Audit Finding (13)**

We noted internal control weaknesses related to the CompuCourt system:

- Employees are not prompted by the system, nor are they required, to change their passwords on a periodic basis.
- The personal computer used to download lockbox payments from disks provided by the bank does not automatically run an anti-virus program.

### **Recommendation**

TPVA should enhance the CompuCourt system, enabling/requiring employees to change their passwords on a periodic basis.

TPVA should also have an automatic anti-virus program installed on the personal computer used to download the lockbox payment. This program should also include automatic updates for identification of new viruses.

### **Department's Response**

*COMPUCOURT does have a feature that allows for the update of passwords.*

*The anti-virus program suggested would be a TPVA issue. Information Technology (IT) would be responsible for installing an anti-virus program. TPVA will pursue this matter with IT.*

### **Auditor's Comment**

The feature of the CompuCourt system should be utilized to require that employee passwords be changed on a periodic basis.

# Findings and Recommendations

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## CASHIERS AND PAYMENTS

### Background

The cashiers are responsible for the receipt of payments of fines. The payments are accepted at TPVA windows and by mail. TPVA will accept only cash, money orders and certified checks. Cashiers are also responsible for opening the mail. As part of their duties, the cashiers correct tickets with incorrect fines, surcharges, and codes. In addition, they are responsible for notifying defendants of underpayments and overpayments.

### Audit Finding (14)

Overpayments and underpayments are processed manually. Cashiers mail more than 100 hand-written underpayment and overpayment notices daily. While one clerk can generate computer-based notices, none of the cashiers have this ability.

TPVA has received approximately \$250,000 in overpayments -- 5,042 traffic overpayments totaling \$78,045 and 5,949 parking tickets totaling \$164,662 – that have not been returned. Some of these funds have been held for more than 10 years. TPVA does not allocate any resources to returning these funds and only issues refunds when they are specifically requested.

The cashiers informed us that current procedures call for returning overpayment checks, instead of depositing the checks and issuing a refund.

TPVA issues receipts for all payments made at their cashiers' windows. However, there is no sign posted indicating that the defendants should ensure that they receive a receipt.

### Recommendation

TPVA should upgrade the CompuCourt system so that it would automatically generate underpayment letters to defendants. TPVA's CompuCourt system should be linked to the NIFS system so that requisite refund checks can be automatically generated.

TPVA should deposit violators' overpayment checks and issue refunds in the amounts of the overpayments. TPVA should return the \$250,000 in outstanding overpayments to violators.

TPVA should post a sign stating that the defendants should receive receipts for their payments.

## Findings and Recommendations

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### **Department's Response**

*Once again, TPVA is looking to automate processes that are currently handled manually. Linking COMPUCOURT to the NIFS system has been discussed but would require coordination of several departments: TPVA; Treasurer; Comptroller; OMB; and the assistance of IT.*

*The problem with issuing refunds for overpayment is identifying the actual payer. Often times, only the license plate information is available. An enhancement is being explored to correct this problem.*

### **Auditor's Comment**

TPVA should request a meeting of the departments necessary to coordinate the linking of CompuCourt to the NIFS system.

## Findings and Recommendations

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### PERSONNEL

#### Audit Finding (15)

TPVA generates substantial revenue for the county and participating municipalities. It is a labor-intensive operation in which an incremental investment in personnel could result in a measurable increase in revenues. Not only would this facilitate the processing of more tickets, it would enable them to be processed closer to the date of issuance – thereby reducing the likelihood that a defendant has moved and cannot be located.

Since its inception in 1994, TPVA has experienced excessive backlogs in all aspects of its operations -- from data input through hearings. The agency's ability to aggressively pursue collections has suffered as a result. TPVA does not have sufficient staff to perform its duties effectively. The Quest Computer Systems proposal for the CompuCourt computer system, which TPVA utilizes indicates that one full-time person is needed to process 9,000 tickets a year. Based upon this formula and the number of tickets issued during 2001, TPVA requires five more full-time employees to function effectively. As there were more than 320,000 tickets issued in 2001, TPVA required 36 full-time people. TPVA only had 31 full-time equivalents available for the processing of these tickets. The proposal also indicated that TPVA should assign one person to oversee all parking violation issues and another to oversee all traffic violation issues; TPVA has neither. The agency currently has three budgeted but unfilled positions.

Overtime by the cashiers is required in order for TPVA to ensure that it is in compliance with a Nassau County Treasurer's requirement that no more than 1,000 undeposited checks accumulate and that checks are deposited within 48 hours of receipt. TPVA opens approximately 1,500 envelopes daily. In February 2002, it accumulated 10 days worth of checks valued at \$170,000 and as a result the treasurer's office claimed and deposited these checks. This exacerbated TPVA's problems because some of the checks deposited were returnable to other municipal courts and under- and overpayments were not immediately identified. Since that time TPVA has been able to meet the treasurer's requirement.

TPVA had four people retire due to the early incentive offered by the county -- including the executive director, an administrative assistant, a clerk I, and a cashier I. The executive director and assistant director should have staff positions available at appropriate levels so that a middle-management team can be developed with the requisite skills and expertise to maintain operations in their absence.

#### Recommendation

TPVA should prepare a strategic short- and long-term personnel plan for the efficient management of operations and to maximize revenues. This plan should give consideration to expected changes in operations envisioned through increased use of technology, such as downloading tickets from the police department's SWIFT Justice system, use of handheld-ticket writers and credit-card payments. The plan should call for

## **Findings and Recommendations**

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flexibility among job titles and allow for the cross training and transfer of employees from one responsibility center to another as technology is put in place.

TPVA should seek approval to immediately fill the three vacant budgeted positions.

TPVA should also seek approval to hire people to replace the retired employees immediately, and seek approval to hire one person to oversee parking violations and another to oversee traffic violations, as noted in the proposal from Quest Computer Systems.

### **Department's Response**

*Inspector O'Callaghan's review identified insufficient staffing and management inefficiencies as the causes of excessive backlogs in all aspects of the operation. Under the corrective action plan new management efficiencies have helped to reduce backlog. Critical additional staff has been added and new staffing requirements in the 2003 budget have been identified.*

*TPVA has prepared a strategic plan incorporating the areas identified in the audit. Since March TPVA has instituted many changes and has maximized staff productivity within the confines of the CSEA contract and Civil Service regulations.*

### **Auditor's Comment**

We agree with the corrective action being taken by the department.

# Findings and Recommendations

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## PUBLIC ACCESS

### Audit Finding (16)

There is frequently an inordinate number of people lined up in front of TPVA's office attempting to enter in order to make payments, plea not guilty and appear for conferences and trials. Several factors contribute to this problem:

- Every person entering TPVA must pass through a single metal detector.
- Recipients of parking and traffic tickets are all commanded to appear at 9 a.m. on the return date. This results in a large number of people arriving at TPVA at the same time. Although trials and traffic conferences are held throughout the morning and early afternoon, notices apprise defendants to appear at 9 a.m. In contrast, New York City provides defendants with specific appearance times that are spread throughout the day.
- All tickets issued indicate that a defendant may plead not guilty by mail, but only if the plea is sent within 48 hours of the ticket's issuance. While this is in compliance with Section 1806 of the VTL, the limited window of time results in many defendants appearing in-person to plead not guilty. Pursuant to Section 226 of the VTL, the DMV's Traffic Violations Bureaus, which operate in New York City and Suffolk County, allow a violator to plead not guilty by mail within 15 days of the violation date. TPVA does not meet the legal requirements that would allow them to apply Section 226 of the VTL to not guilty by mail pleas.
- TPVA is the only venue where violators can pay their fines in-person. In contrast, New York City uses satellite payment offices. In fact, New York City has twelve locations in Nassau County -- including 201 Old Country Road -- where violators can conveniently pay parking tickets.

### Recommendation

TPVA should seek to install a second metal detector to enable more people to enter its offices in the same amount of time.

TPVA should consider stratifying traffic hearings into three or four groups per-day and informing violators to appear accordingly. For example, group 1 could be at 9:00 a.m., group 2 at 10:30 a.m., group 3 at 1:p.m. and group 4 at 2:30 p.m.

TPVA should request the issuing agencies to indicate on parking tickets that the defendant should appear at 2 p.m., rather than 9 a.m.

TPVA should consider opening satellite payment offices to ease congestion at its office and to provide convenient locations for the public.

## Findings and Recommendations

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The county should seek a change in state legislation to allow not-guilty pleas to be mailed within 15 days of the violation, which is allowed when the ticket is to be adjudicated by DMV's Traffic Violation Bureaus, instead of the current 48-hour requirement if the ticket is to be adjudicated at TPVA.

### **Department's Response**

*The line outside of TPVA has been eliminated by utilizing staff to walk the line and answer questions.*

*TPVA is also considering scheduling hearings at different intervals and is reformatting parking tickets to indicate that defendants can plead by mail anytime prior to the return date. An interactive website and/or pay-by-phone operation may provide the convenience for people to pay without incurring additional costs associated with satellite offices.*

### **Auditor's Comment**

We agree with the corrective action being taken by the department. We reiterate that the county should seek a change in state legislation to allow not-guilty pleas to be mailed within 15 days of the violation. This would significantly reduce the number of defendants appearing in person to plead not guilty.

# Findings and Recommendations

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## TICKETS

### **Background**

TPVA's responsibilities begin with the issuance of parking and traffic tickets. TPVA receives tickets issued by 19 different agencies. The tickets are returnable to TPVA 42 days after they are issued.

### **Audit Finding (17)**

Tickets issued by the various agencies are not uniform and the data entry required for them is not consistent. In addition, two issuing agencies use tickets with the same ticket-number sequences.

The tickets are not always used in sequential order; making it impossible to determine if all tickets issued are received by TPVA. There are no controls in place to enable TPVA to determine that all tickets written are accounted for and inputted. Tickets can be lost or misplaced during any stage in the process without being detected.

Obsolete tickets – some with outdated fine schedules – are still being used. TPVA accepts the payment listed on outdated tickets as payment in full. Since fines have increased, this represents a loss of revenue to the county.

### **Recommendation**

TPVA and the county should supply uniform tickets to issuing agencies. This will ensure that the tickets are unique and are issued in sequential order. Each issuing agency should be assigned a distinct two-letter code to ensure that duplicate tickets are not issued by different agencies.

Each ticket should have a unique number, and when each issuing agency forwards their tickets they should include a list of voided tickets so that the TPVA can ensure that it adjudicates all of the tickets.

### **Department's Response**

*As already noted, TPVA is working with the Police Department to redesign the parking ticket which is printed and paid for by the Police Department. We agree that a uniform ticket should be used by all issuing agencies.*

*Traffic tickets are generated by the State and we are endeavoring to see if it is possible to change the format.*

### **Auditor's Comment**

We agree with the corrective action taken by the department.

## **Findings and Recommendations**

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### **Audit Finding (18)**

Ticket data entry takes longer than it should because of several factors. Many tickets issued either have errors or are illegible, resulting in additional time being spent inputting or dismissing them.

In addition, many illegible parking tickets have to be dismissed. If an incorrect plate number is entered into the CompuCourt system, the bill will not go to the correct owner. This results in many requests to dismiss tickets because the vehicles ticketed are not owned by the persons whose license plate numbers were incorrectly entered into the system.

Other errors include transposing numbers or letters and unmatched vehicle descriptions. At times, the previous registrant of a license-plate number is billed instead of the current registrant. TPVA requires its clerks to fill out forms to request ticket dismissals. The form currently being used does not require that a reason be given for why the dismissal is requested. Without a reason listed on this form, it will take the executive director longer to examine the supporting documentation to verify the validity of the request.

A list of parking and traffic fines that we obtained reveals more than 1,000 different violations that can be ticketed. The violations can be based upon state, county, town or village laws or ordinances. This inordinate number leads to errors in listing violations and fines by the issuing officers. For example, there are almost 20 different violations related to handicapped parking. Consolidation of these fine schedules may lead to fewer errors.

### **Recommendation**

TPVA and the police department should increase use of handheld ticket writers, since handheld tickets would be more accurate and legible. They should also expand the use of handheld units to other issuing agencies and to tickets for traffic violations.

The dismissal request form should include an explanation of why the ticket is recommended for dismissal.

TPVA should seek to consolidate the various fine schedules into a more manageable number.

## Findings and Recommendations

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### **Department's Response**

*Before the Police Department increases the use of hand held ticket writers a cost benefit analysis must be completed. TPVA will be meeting with various jurisdictions to discuss a uniform fine schedule.*

### **Auditor's Comment**

We concur.

# Findings and Recommendations

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## CASH AND PETTY CASH

### Audit Finding (19)

During the examination of the petty cash fund, the following discrepancies were noted:

- a. The petty cash fund is not periodically counted by an individual, other than the custodian.
- b. The petty-cash custodian also makes petty-cash purchases.

### Recommendation

TPVA should have the petty-cash fund counted by an individual, other than the custodian, at least once a month.

The petty-cash custodian should be barred from making any purchases that are reimbursed through the petty-cash account.

### Department's Response

*Currently, three staff members have access to the safe and the Petty Cash Fund. The Petty Cash custodian does make petty cash purchases due to the fact that staffing is limited. We are unaware of any policy prohibiting this action.*

### Auditor's Comment

Proper internal controls require that the person who controls the petty cash fund not make purchases from the petty cash fund. This is reiterated in the New York State Office of the State Comptroller's Standards for Internal Control in New York State Government (Revised 2/99). Under the title Separation of Duties, it states, "No one individual should control all the key aspects of a transaction or event. By separating key tasks and responsibilities ... management can reduce the risk of error, waste, or wrongful acts occurring or going undetected. ... Specifically, the various activities related to a purchase (initiation, authorization, approval, ordering, receipt, payment, and record keeping) should be done by different employees or subunits of an organization." By allowing the petty cash custodian to make purchases, this employee is performing all of the above-mentioned tasks. The TPVA should seek to separate the key tasks, although the standards do allow for increased supervision as an alternative control activity in cases where tasks cannot be effectively separated.

# Findings and Recommendations

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## INTERNAL CONTROLS

### Audit Finding (20)

The review of the internal controls at TPVA revealed several weaknesses. These included:

- a. Check remittances are not restrictively endorsed by the person opening the mail (previously cited by the Comptroller's Office in 1997);
- b. Check remittances are not listed by the person opening the mail; and
- c. The person who initiates purchases also receives the goods purchased.

### Recommendation

TPVA should have the person who opens the mail restrictively endorse and list the check remittances.

TPVA should have a person other than the one initiating purchases receive them.

### Department's Response

*The problem that arises when endorsing checks and money orders before posting is that if the payment does not belong to TPVA, or is an overpayment, a restrictive endorsement would negatively impact the defendants ability to get a refund. This procedure would also lengthen the mail process. In the same respect listing checks and money orders received at TPVA would also add hours to the mail process. Current staffing levels could not handle this additional burden.*

*Limited staffing occasionally results in the purchasing employee also receiving the goods purchased. Once again, we are not aware of any written procedure barring this action.*

### Auditor's Comment

Proper Internal Controls requires that the person who initiates purchases is not the person who receives the items. The New York State Office of the State Comptroller's Bulletin No. G-54 (issued May 29, 1986), which covers Internal Controls for purchasing functions, addresses this issue. The Control Over Goods Received section of this bulletin states, "1. If possible, you should have a central receiving location that is separate from your purchasing, storing, and paying operations. 2. If possible, the goods should not be delivered to the person making the initial request or the person who issues the purchase order." This bulletin indicates that possible results of the lack of separation of these duties could be the payment of goods never received or never ordered and it allows for possible collusive arrangements. The TPVA should separate the receiving function from the purchasing function.

# Findings and Recommendations

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## **FIXED ASSETS**

### **Audit Finding (21)**

During the test of fixed assets, several exceptions were noted:

- a. A number of fixed assets were not properly tagged;
- b. There were assets not in use that should be disposed of;
- c. There were assets that were not entered on their fixed asset run; and
- d. One asset was not able to be located; however, it was replaced with two similar items.

### **Recommendation**

TPVA should ensure that all fixed assets are properly tagged.

TPVA should contact the purchasing department to initiate the disposal of unused assets.

TPVA should ensure that all assets are properly accounted for or added to their records during their annual fixed asset inventory count.

### **Department's Response**

*TPVA requests that a list of fixed assets that were not properly tagged be provided to the agency as well as which asset could not be located and which assets were not in use and should have been disposed.*

*TPVA is in the process of disposing of unused assets at this time.*

### **Auditor's Comment**

A list of the assets was forwarded to the agency.