

Department of Finance - Rochester Traffic Violations Agency
Corrective Action Follow-Up Report

Distribution: Malik D. Evans, Mayor
Patrick Cunningham, Deputy Mayor
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Office of Public Integrity
Date: April 21, 2023
Contact: N. Starling and
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I. EXECUTIVE SUMMARY

The Office of Public Integrity (OPI) recently completed a follow-up review of the Traffic Violations Agency (TVA). OPI initiated this review in response to an audit that we concluded in May of 2021, which resulted in the creation of a corrective action plan by the TVA.

As of March 2023, the TVA has fully implemented the recommendations in eleven out of the thirteen deficiencies identified during the initial review. One out of the two recommendations in the remaining issue areas has an implementation status of partially implemented. The remaining recommendation has an implementation status of not applicable due to the system limitations of SEi.

II. BACKGROUND, OBJECTIVES AND SCOPE

A. Assignment

The Office of Public Integrity routinely examines cash collection procedures and related internal controls at various City locations. This review of the Traffic Violations Agency was initiated to verify the correction of nonconformance's identified during the audit taking place in late 2020.

B. Background

TVA administers the adjudication of traffic infractions of the New York State Vehicle and Traffic Law. Most traffic infractions that occur in the City of Rochester will be handled by TVA. The City's TVA offers qualifying motorists the option to plead down their tickets for moving violations or equipment violations.

TVA processes motorist payments in the form of cash, non-personal checks, money orders, and credit cards. Additionally, motorists can pay outstanding balances electronically via the third-party payment option, nCourt. Payments are submitted daily and cash receipts are recorded in MUNIS.

Traffic cases handled by TVA are documented within the Service Education Incorporated (SEi) Courtroom Program. SEi is an electronic docking system designed to track every case from start to finish. The SEi system allows for: case information to be updated in a timely manner, adequate case tracking, and the compilation of activity and statistical reports. TVA representatives upload relevant case documentation to the associated file so that all needed information is retained and easily accessible in one location.

In 2020, we conducted an audit of the Traffic Violations Agency. The purpose of the audit was to examine the adequacy of internal control procedures as well as evaluate TVA's compliance with departmental policies/guidelines and the City of Rochester's Cash Collection Policies. The results of our initial review identified internal control weaknesses, instances of noncompliance with departmental policies/guidelines, and nonconformance with the City's Cash Collection Policies.

Per the SEi Payment Due Report, as of March 1, 2023, TVA's accounts receivable balance (payments due by motorists from April 22, 2018, to March 1, 2023) totaled \$8,244,494. This balance is composed of both fines and surcharges for action codes 057 (Payment Plans), 069 (0-30 Days), 285 (Eligible for Civil Judgement), 286 (Civil Judgement Monroe County), and 287(Civil Judgement with Index Number).

C. Objective and Scope

The objective of our follow-up review was to verify the corrective actions taken to resolve the nonconformance's identified during OPI's initial audit of the TVA.

To achieve our objective, we:

- Examined one week of cash receipts to ascertain that adequate internal controls over cash are in place and to ensure that cash is deposited in a timely manner;
- Reviewed a sample of 50 closed cases to determine whether or not TVA representatives adequately reference the Prosecutors Common Plea Guidelines and the MAGILL'S Vehicle and Traffic Law Manual for Local Courts when determining fine amounts and plea offers;
- Reviewed SEi user accounts to determine whether TVA representatives have appropriate access levels; and
- Reviewed TVA acknowledgement forms to ensure that all TVA representatives have reviewed and complied with the procedural standards outlined in the Serving Friends and Family Policy.

The scope of our follow-up audit consisted of cases closed in May of 2022 and receipts from June 07, 2022, to June 13, 2022.

Management is responsible for establishing and maintaining a system of internal accounting and administrative control. Fulfilling this responsibility requires estimates and judgments by management to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized

use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of accurate, informative reports that are fairly stated. Due to inherent limitations in any system of internal accounting and administrative control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any system evaluation to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with procedures may deteriorate.

We conducted this audit in accordance with Generally Accepted Government Auditing Standards (GAGAS) and the International Standards for the Professional Practice of Internal Auditing. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

III. RESULTS OF REVIEW

The TVA has rectified the majority of the deficiencies noted during the initial audit.

OPI's follow-up review revealed that action taken by the TVA corrected 85% (11 out of 13) of the deficiencies. One deficiency has an implementation status of partially implemented. The remaining finding has an implementation status of not applicable due to the system limitations of SEi.

The following table lists each finding from the prior audit and the status of the associated recommendations as of March 2023.

Corrective Action Status		
Report	Finding	Status as of March 2023
Technology Limitations	Finding 1: System Limitations	N/A
	Finding 2: Incomplete Payment Due Reporting	Fully Implemented
Management of Updates	Finding 3: Multiple versions of procedure documents	Fully Implemented
	Finding 4: Changing Action Code Meanings Without Action Code Rollovers	Fully Implemented
	Finding 5: Multiple versions of Prosecutor's Common Plea Guidelines	Fully Implemented
	Finding 6: Improper Access Granted to SEi Users	Partially Implemented
Minimal Separation of Duties	Finding 7: Lack of Routine Review of Closed Cases (Separation of Duties)	Fully Implemented
	Finding 8: Serving Friends and Family Policy Not Formalized	Fully Implemented
Other	Finding 9: Improper Actions	Fully Implemented
	Finding 10: Coding of Open Cases	Fully Implemented
	Finding 11: Assessment of Surcharges	Fully Implemented
	Finding 12: Fines Imposed Inconsistent with Guidelines	Fully Implemented
	Finding 13: Receipt Documentation	Fully Implemented

*Note-TVA has been unable to enhance the separation of employee duties due to the system limitations of SEi.

OPI noted the following deficiencies during its follow-up review:

A. Improper Access Granted to SEi Users

OPI reviewed SEi user access accounts and determined that 1 out of the 17 users had been inappropriately granted access to the system. Per TVA management, the individual identified as having inappropriate access is a security contractor who is not an employee of the City of Rochester. Additionally, TVA management indicated that the contractor was given access to the system during the pandemic to scan in the daily mail.

According to TVA management, the contractor is currently not responsible for any agency assignments. The contractor's primary role within TVA is to manage the courtroom and monitor the waiting area. Per the SEi user/password record, as of March 6, 2023, the contractor has access to all program features with the exception of levels 001 (password access), 036 (autofill amount paid), 044 (edit name), and 046 (edit checkbook).

SEi user access is currently reviewed quarterly due to increased employee turnover; however, TVA plans to conduct the reviews semi-annually once the agency is fully staffed. Per TVA management, the agency does not maintain documentation of completed reviews.

◆ Recommendation

OPI recommends that TVA management immediately remove the above mentioned contractor's program access since he is no longer scanning in the daily mail.

Additionally, OPI recommends that the TVA continue its efforts to implement semiannual SEi user access reviews.

Finally, as a best practice, OPI recommends that the results of completed user access reviews be documented and maintained on file.

IV. DEPARTMENTAL RESPONSE

The response of the Department of Finance to this report begins on the next page.



City of Rochester

Rochester Traffic Violations Agency
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To: Timothy R. Weir, Director Office of Public Integrity

From: Kim D. Jones, Director of Finance

Date: April 4, 2023

Subject: Rochester Traffic Violation Audit

I have reviewed the report, comments, recommendations from the Office of Public Integrity related to the Rochester Traffic Violations Agency audit, and concur with the recommendations. Below you will find responses:

A. Improper Access Granted to SEi Users

Per the SEi user/password record, as of March 6, 2023, the contractor has access to all program features with the exception of levels 001 (password access), 036 (autofill amount paid), 044 (edit name), and 046 (edit checkbook). **Resolved contractor has been removed.**

The collaborative performance review and time commitment to this audit helped RTVA to become more efficient and effective. Thank you.

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