



**PROTHONOTARY AND DOMESTIC  
RELATIONS**

**LANCASTER COUNTY**

**EXAMINATION REPORT**

**FOR THE PERIOD**

**JANUARY 1, 2006 TO DECEMBER 31, 2011**

**COMMONWEALTH OF PENNSYLVANIA**

**EUGENE A. DEPASQUALE - AUDITOR GENERAL**

**DEPARTMENT OF THE AUDITOR GENERAL**



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**EUGENE A. DePASQUALE**  
**AUDITOR GENERAL**

### Independent Auditor's Report

The Honorable Daniel P. Meuser  
Secretary  
Pennsylvania Department of Revenue  
Harrisburg, PA 17128

We have examined the accompanying statement of receipts and disbursements (Statement) of the Prothonotary and Domestic Relations, Lancaster County, Pennsylvania (County Officer), for the period January 1, 2006 to December 31, 2011, pursuant to the requirements of Sections 401(b) and 401(d) of *The Fiscal Code*, 72 P.S. § 401(b) and § 401(d). This Statement is the responsibility of the county office's management. Our responsibility is to express an opinion on this Statement based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. An examination includes examining, on a test basis, evidence supporting the Statement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

We are mandated by Sections 401(b) and 401(d) of *The Fiscal Code* to audit the accounts of each county officer to determine whether all moneys collected on behalf of the Commonwealth have been correctly assessed, reported and promptly remitted. *Government Auditing Standards* issued by the Comptroller General of the United States include attestation engagements as a separate type of audit. An attestation engagement performed pursuant to *Government Auditing Standards* involves additional standards that exceed the standards provided by the American Institute of Certified Public Accountants. Accordingly, this attestation engagement complies with both *Government Auditing Standards* and Sections 401(b) and 401(d) of *The Fiscal Code*.

Independent Auditor's Report (Continued)

In our opinion, the Statement referred to above presents, in all material respects, the operations of the County Officer as it pertains to receipts made on behalf of the Commonwealth for the period January 1, 2006 to December 31, 2011, in conformity with the criteria set forth in Note 1.

In accordance with *Government Auditing Standards*, we are required to report findings of significant deficiencies in internal control, violations of provisions of contracts or grant agreements, and abuse that are material to the Statement and any fraud and illegal acts that are more than inconsequential that come to our attention during our examination. We are also required to obtain the views of management on those matters. We performed our examination to express an opinion on whether the Statement is presented in accordance with the criteria described above and not for the purpose of expressing an opinion on the internal control over reporting on the Statement or on compliance and other matters; accordingly, we express no such opinions.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County Officer's ability to initiate, authorize, record, process, or report data reliably in accordance with the applicable criteria such that there is more than a remote likelihood that a misstatement of the County Officer's Statement that is more than inconsequential will not be prevented or detected by the County Officer's internal control. We consider the deficiency described in the finding below to be a significant deficiency in internal control over the reporting on the Statement:

- Inadequate Internal Controls Over Manual Receipts.

A material weakness is a significant deficiency or combination of significant deficiencies that results in more than a remote likelihood that a material misstatement of the Statement will not be prevented or detected by the County Officer's internal control. Our consideration of the internal control over reporting on the Statement would not necessarily disclose all matters in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We consider the significant deficiency described above to be a material weakness.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Pennsylvania Department of Revenue, the Administrative Office of Pennsylvania Courts, and the County Officer and is not intended to be and should not be used by anyone other than these specified parties.



May 15, 2014

**EUGENE A. DEPASQUALE**  
Auditor General

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PROTHONOTARY AND DOMESTIC RELATIONS  
LANCASTER COUNTY  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2006 TO DECEMBER 31, 2011

Receipts:

Writ Taxes	\$	23,363
Divorce Complaint Surcharges		77,694
Judicial Computer System/Access To Justice Fees		660,569
Protection From Abuse Surcharges and Contempt Fines		9,372
Criminal Charge Information System Fees		<u>16,508</u>
Total Receipts (Note 2)		787,506
Commissions (Note 3)		<u>(701)</u>
Net Receipts		786,805
Disbursements to Commonwealth (Note 4)		<u>(788,915)</u>
Balance due Commonwealth (County) per settled reports (Note 5)		(2,110)
Examination adjustments (Note 7)		<u>32,700</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2006 to December 31, 2011	\$	<u><u>30,590</u></u>

Notes to the Statement of Receipts and Disbursements are an integral part of this report.

PROTHONOTARY AND DOMSETIC RELATIONS  
LANCASTER COUNTY  
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2006 TO DECEMBER 31, 2011

1. Criteria

The Statement of Receipts and Disbursements provides a summary of receipts and disbursements by category. The categories and the amounts of taxes, surcharges, fines, and fees assessed are based on Pennsylvania laws and regulations.

The Statement was prepared in accordance with reporting requirements prescribed by the Pennsylvania Department of Revenue. Under this method, only the Commonwealth portion of cash receipts and disbursements are presented, revenues are recognized when received, and expenditures are recognized when paid.

2. Receipts

Receipts consist of monies collected on behalf of the Department of Revenue and the Administrative Office of Pennsylvania Courts. These include monies collected for the following taxes, surcharges, fees, and fines:

- Writ Taxes represent a \$.50 or \$.25 tax imposed on taxable instruments filed with the Prothonotary.
- Divorce Complaint Surcharges represent a \$10 surcharge imposed on all divorce decrees.
- Judicial Computer System/Access To Justice Fees represent a \$10 fee imposed for the filing of any legal paper to initiate a civil action or proceeding. These fees were increased to \$23.50 for the period December 8, 2009 to December 31, 2011.
- Protection From Abuse Surcharges represent a \$25 surcharge imposed against defendants when a protection order is granted as a result of a hearing. Effective May 9, 2006, the surcharge was increased to \$100. Protection From Abuse Contempt Fines represent fines of not less than \$100 nor more than \$1,000 imposed against a defendant who is found to be in violation of a protection from abuse order. Effective May 9, 2006, the fine was increased to a minimum of \$300 and maximum of \$1000.

PROTHONOTARY AND DOMSETIC RELATIONS  
LANCASTER COUNTY  
NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS  
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2. Receipts (Continued)

- Criminal Charge Information System Fees represent a fee imposed on all custody cases. Of the fee imposed, 80% is payable to the Administrative Office of Pennsylvania Courts (AOPC) and 20% is payable to the County in which the action took place. The fee was \$6.50 for the period January 1, 2006 to December 31, 2007, \$7.00 for the period January 1, 2008 to December 31, 2010, and \$7.50 for the period January 1, 2011 to December 31, 2011. The statement of receipts and disbursements only reflects the portion collected on behalf of the AOPC.

3. Commissions

Acting in the capacity of an agent for the Commonwealth, the Prothonotary is authorized to collect a commission of 3 percent on the Commonwealth portion of Writ Taxes. Accordingly, commissions owed the county are not included in the balance due the Commonwealth.

4. Disbursements

Total disbursements are comprised as follows:

Prothonotary checks issued to:

Department of Revenue	\$ 772,407
Adminstrative Office of Pennsylvania Courts	<u>16,508</u>
Total	<u><u>\$ 788,915</u></u>

5. Balance Due Commonwealth (County) For The Period January 1, 2006 To December 31, 2011

This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue. The balance also reflects a summary of receipts disbursed directly to the Administrative Office of Pennsylvania Courts. It does not reflect adjustments disclosed by our examination. Refer to Exhibit 1.

PROTHONOTARY AND DOMSETIC RELATIONS  
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NOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS  
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6. Examination Adjustment

The examination adjustment of \$32,700 includes \$1,835 of interest earned on Commonwealth funds, \$28,176 of Judicial Computer Project fees collected, and \$2,689 of Criminal Charge Information fees collected but were not remitted to the Commonwealth. See Exhibit 1.

7. County Officer Serving During Examination Period

Randall Wenger served as Prothonotary during the period January 1, 2006 to December 31, 2011.

PROTHONOTARY AND DOMESTIC RELATIONS  
LANCASTER COUNTY  
EXHIBIT 1  
FOR THE PERIOD  
JANUARY 1, 2006 TO DECEMBER 31, 2011

Exhibit 1 - Schedule Of Reporting Errors And Examination Adjustments

<u>Month</u>	<u>Day</u>	<u>Year</u>	<u>Examination Adjustments</u>	<u>Explanation</u>
Jan		2006	\$458.01	1
Feb		2006	666.44	1
Mar		2006	(95.53)	2
Apr		2006	176.65	1
May		2006	215.78	1
Jun		2006	101.14	1
Jul		2006	155.00	1
Aug		2006	365.90	1
Sep		2006	255.56	1
Oct		2006	609.80	1
Nov		2006	205.00	1
Dec		2006	357.18	1
Jan		2007	111.43	1
Feb		2007	(266.55)	2
Mar		2007	1,279.75	1
Apr		2007	289.26	1
May		2007	272.53	1
Jun		2007	40.13	1
Jul		2007	234.76	1
Aug		2007	152.09	1
Sep		2007	129.63	1
Oct		2007	1,169.45	1
Nov		2007	593.01	1
Dec		2007	653.47	1
Jan		2008	941.55	1
Feb		2008	577.00	1
Mar		2008	1,219.24	1
Apr		2008	1,444.05	1
May		2008	775.74	1
Jun		2008	716.68	1
Jul		2008	1,250.96	1
Aug		2008	251.40	1
Oct		2008	786.86	1
Dec		2008	1,963.22	1

PROTHONOTARY AND DOMESTIC RELATIONS  
LANCASTER COUNTY  
EXHIBIT 1  
FOR THE PERIOD  
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Exhibit 1 - Schedule Of Reporting Errors And Examination Adjustments (Continued)

<u>Month</u>	<u>Day</u>	<u>Year</u>	<u>Examination Adjustments</u>	<u>Explanation</u>
Jan		2009	(1,005.55)	2
Apr		2009	842.38	1
May		2009	614.49	1
Jun		2009	360.37	1
Jul		2009	1,488.44	1
Sep		2009	352.85	1
Oct		2009	385.04	1
Dec		2009	198.14	1
Jan		2010	6,883.39	2
			<u>\$28,176.14</u>	Revenue Adjustments

- 1= Domestic Relations Office Judicial Computer Project Fee  
Collections not remitted to the Commonwealth.
- 2= Prothonotary's Office Judicial Computer Project Fees  
overpaid or underpaid to the Commonwealth.

PROTHONOTARY AND DOMESTIC RELATIONS  
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EXHIBIT 1  
FOR THE PERIOD  
JANUARY 1, 2006 TO DECEMBER 31, 2011

Exhibit 1 - Schedule Of Reporting Errors And Examination Adjustments (Continued)

<u>Month</u>	<u>Day</u>	<u>Year</u>	<u>Examination Adjustments</u>	<u>Explanation</u>
Jan		2006	\$41.04	3
Feb		2006	33.28	3
Mar		2006	64.87	3
Apr		2006	0.80	3
May		2006	55.14	3
Jun		2006	47.84	3
Jul		2006	48.88	3
Aug		2006	48.64	3
Sep		2006	59.36	3
Oct		2006	94.56	3
Nov		2006	35.36	3
Dec		2006	43.60	3
Jan		2007	29.15	3
Feb		2007	37.44	3
Aug		2007	317.97	3
Sep		2007	83.65	3
Oct		2007	58.24	3
Nov		2007	33.04	3
Dec		2007	55.12	3
Jan		2008	48.16	3
Feb		2008	54.88	3
Mar		2008	41.12	3
Apr		2008	41.18	3
May		2008	42.52	3
Jun		2008	49.28	3
Jul		2008	50.32	3
Aug		2008	68.24	3
Sep		2008	43.68	3
Oct		2008	57.12	3
Nov		2008	51.52	3
Dec		2008	43.68	3

PROTHONOTARY AND DOMESTIC RELATIONS  
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Exhibit 1 - Schedule Of Reporting Errors And Examination Adjustments (Continued)

Month	Day	Year	Examination Adjustments	Explanation
Jan		2009	10.08	3
Feb		2009	50.40	3
Mar		2009	63.84	3
Apr		2009	66.08	3
May		2009	69.44	3
June		2009	67.20	3
July		2009	54.88	3
Aug		2009	56.00	3
Sept		2009	48.16	3
Oct		2009	57.00	3
Nov		2009	47.04	3
Dec		2009	22.40	3
Jan		2010	(1.12)	3
Feb		2010	52.31	3
Mar		2010	67.20	3
July		2010	45.92	3
Aug		2010	60.48	3
Sept		2010	(146.72)	3
Oct		2010	(44.80)	3
Nov		2010	208.32	3
Dec		2010	54.88	3
Jan		2011	47.92	3
Feb		2011	(47.92)	3
			\$2,688.67	

3= Prothonotary's Criminal Charge Information fees overpaid or underpaid to the Commonwealth.

PROTHONOTARY AND DOMESTIC RELATIONS  
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FINDING AND RECOMMENDATION  
FOR THE PERIOD  
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Finding - Inadequate Internal Controls Over Manual Receipts

Manual receipts are available to be issued in the event of a temporary power loss to the office's computer system. When the computer system is operating again, the manual receipt is replaced by an official computer-generated receipt and included in the daily receipts.

Our examination disclosed the following deficiencies in the internal controls over manual receipts:

Of 20 receipts tested, we noted the following:

- Manual receipts were not always issued in numerical sequence.
- There were four instances in which the computer receipt was not generated timely after the issuance of the corresponding manual receipt. The time lapse from the date of the manual receipt to the corresponding computer receipt ranged from two days to ten days.
- A manual receipts log was not maintained.

Good internal accounting controls ensure that:

- Manual receipts are issued in numerical sequence.
- Computer receipts are generated timely after the issuance of the corresponding manual receipts.
- A manual receipts log is maintained to document information that is recorded on the manual receipt, including date issued, date filed, case number, signature of the person receiving the payment, remitter name, payment source, and payment method. This will provide an audit trail on the issuance of the manual receipt.

Without a good system of internal controls over funds received by the office, the possibility of funds being lost or misappropriated increases significantly.

Adherence to good internal accounting controls would have ensured adequate internal controls over receipts.

PROTHONOTARY AND DOMESTIC RELATIONS  
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FINDING AND RECOMMENDATION  
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Finding - Inadequate Internal Controls Over Manual Receipts (Continued)

These conditions existed because the office failed to establish and implement an adequate system of internal controls over manual receipts.

Recommendation

We recommend that the office establish and implement an adequate system of internal controls over manual receipts as noted above.

Management's Response

The Chief Deputy responded as follows:

The Prothonotary office will order receipt books in a larger volume so they will be in numerical order throughout the year. Manual receipts will be entered into the computer system within a 3 day time period. Manual receipt numbers will be entered into the computer for tracking purposes.

PROTHONOTARY AND DOMESTIC RELATIONS  
LANCASTER COUNTY  
REPORT DISTRIBUTION  
FOR THE PERIOD  
JANUARY 1, 2006 TO DECEMBER 31, 2011

This report was initially distributed to:

The Honorable Daniel P. Meuser  
Secretary  
Pennsylvania Department of Revenue

The Honorable Zygmunt Pines  
Court Administrator of Pennsylvania  
Supreme Court of Pennsylvania  
Administrative Office of Pennsylvania Courts

The Honorable Katherine Wood-Jacobs	Prothonotary
The Honorable Brian Hurter, CPA	Controller
The Honorable Dennis Stuckey	Chairperson of the Board of Commissioners

This report is a matter of public record and is available online at <http://www.auditorgen.state.pa.us>. Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 231 Finance Building, Harrisburg, PA 17120; via email to: [news@auditorgen.state.pa.us](mailto:news@auditorgen.state.pa.us).