ATTESTATION ENGAGEMENT

Clerk of the Court of Common Pleas/Register of Wills/ Clerk of Orphans' Court

Mercer County, Pennsylvania

For the Period

January 1, 2010 to December 31, 2013

January 2016

Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General

Commonwealth of Pennsylvania
Department of the Auditor General
Harrisburg, PA 17120-0018
Facebook: Pennsylvania Auditor General
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EUGENE A. DEPASQUALE
AUDITOR GENERAL

Independent Auditor's Report

The Honorable Eileen H. McNulty
Secretary
Pennsylvania Department of Revenue
Harrisburg, PA 17128

We have examined the accompanying statements of receipts and disbursements (Statements) of the Clerk of the Court of Common Pleas/Register of Wills/Clerk of Orphans' Court, Mercer County, Pennsylvania (County Officer), for the period January 1, 2010 to December 31, 2013, pursuant to the requirements of Sections 401(b) and 401(d) of *The Fiscal Code*, 72 P.S. § 401(b) and § 401(d). The county office's management is responsible for these Statements. Our responsibility is to express an opinion on these Statements 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 and, accordingly, included examining, on a test basis, evidence supporting the Statements 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*.

In our opinion, the Statements referred to above present, 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, 2010 to December 31, 2013, in conformity with the criteria set forth in Note 1.

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the Statements; and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the Statements. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our examination to express an opinion on whether the Statements are presented in accordance with the criteria described above and not for the purpose of expressing an opinion on internal control over reporting on the Statements or on compliance and other matters; accordingly, we express no such opinions.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose of expressing an opinion on whether the Statements are presented in accordance with the criteria described above and was not designed to identify all deficiencies in internal control over reporting on the Statements that might be material weaknesses or significant deficiencies. Given these limitations, during our engagement we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

As part of obtaining reasonable assurance about whether the Statement is free from material misstatement, we performed tests of the County Officer's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of Statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our engagement, and accordingly, we do not express such an opinion. 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.

Independent Auditor's Report (Continued)

We appreciate the courtesy extended by the Clerk of the Court of Common Pleas/Register of Wills/Clerk of Orphans' Court, Mercer County, to us during the course of our examination. If you have any questions, please feel free to contact Michael B. Kashishian, CPA, CGAP, CFE, Director, Bureau of County Audits, at 717-787-1363.

November 20, 2015

Eugene A. DePasquale
Auditor General

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CLERK OF THE COURT OF COMMON PLEAS
MERCER COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2013

Receipts:		
Department of Transportation		
Title 75 Fines	$	275,129
Department of Revenue Court Costs		91,235
Crime Victims' Compensation Costs		214,371
Crime Commission Costs/Victim Witness Services		143,841
Domestic Violence Costs		23,441
Emergency Medical Services Fines		17,314
DUI - ARD/EMS Fees		22,341
CAT/MCARE Fund Surcharges		134,919
Judicial Computer System/Access to Justice Fees		121,342
Constable Service Surcharges		9,851
Criminal Laboratory Users' Fees		71,821
Probation and Parole Officers' Firearm Education Costs		20,436
Substance Abuse Education Costs		118,024
Office of Victims' Services Costs		49,917
Miscellaneous State Fines and Costs		313,219
Total receipts (Note 2)		1,627,201
Disbursements to Commonwealth (Note 4)		(1,627,229)
Balance due Commonwealth (County) per settled reports (Note 5)		(28)
Examination adjustments		-
Adjusted balance due Commonwealth (County) for the period January 1, 2010 to December 31, 2013	$	(28)

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

REGISTER OF WILLS
MERCER COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2013

Receipts:	
Inheritance Taxes (Note 2)	$ 25,347,713
Disbursements and credits to Commonwealth (Note 4)	(25,347,715)
Balance due Commonwealth (County) per settled reports (Note 5)	(2)
Examination adjustments	-
Adjusted balance due Commonwealth (County) for the period January 1, 2010 to December 31, 2013	$ (2)

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

CLERK OF ORPHANS' COURT
MERCER COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2013

Receipts:		
Marriage License Taxes	$	1,373
Marriage License Application Surcharges		27,450
Marriage License Declaration Fees		27,450
Judicial Computer System/Access To Justice Fees		59,319
Total Receipts (Note 2)		115,592
Disbursements to Commonwealth (Note 4)		(115,592)
Balance due Commonwealth (County) per settled reports (Note 5)		-
Examination adjustments		-
Adjusted balance due Commonwealth (County) for the period January 1, 2010 to December 31, 2013	$	-

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

CLERK OF THE COURT OF COMMON PLEAS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
MERCER COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2013

1. Criteria

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

The Statements were 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

Clerk Of The Court Of Common Pleas

Receipts are comprised of fines, costs, fees, and surcharges collected on behalf of the Commonwealth. These fines, costs, fees, and surcharges represent collections made on summary and criminal cases filed with the Clerk of the Court of Common Pleas' Office.

Register Of Wills

Receipts consist of monies collected on behalf of the Commonwealth less commissions on these monies. These include monies collected for the following taxes and fees:

- Inheritance Taxes represent inheritance taxes filed with the Register of Wills.

- Judicial Computer System/Access To Justice Fees represent a $10 fee imposed for the initiation of any civil action or legal proceeding, including the filing of petitions for grants of letters, and first filing in petitions concerning adoptions, incompetents' estates, minors' estates, and inter vivos trusts. These fees were increased to $23.50 for the period December 8, 2009 to December 31, 2014.

Clerk Of Orphans' Court

Receipts consist of monies collected on behalf of the Commonwealth. These include monies collected for the following taxes, surcharges, and fees:

- The Marriage License Tax is a $.50 tax on all marriage licenses filed with the Clerk of Orphans' Court.

2. Receipts (Continued)

Clerk Of Orphans' Court (Continued)

- The Marriage License Application Surcharge is a $10 surcharge imposed on all marriage license applications.

- The Marriage License Declaration Fees is a $13 fee imposed for the issuance of a marriage license or declaration and for returns thereof to the Department of Health, $2.50 of which shall be for the use of the county where the license is issued, and $.50 for the use of the Commonwealth (Marriage License Tax), plus $10 (Marriage License/Declaration Fees). The statement of receipts and disbursements only reflects the portion collected on behalf of the Commonwealth.

- Judicial Computer System/Access To Justice Fees represent a $10 fee imposed on all petitions for grant of letters, and first filings in petitions concerning adoptions, incompetents' estates, minors' estates, and inter vivos trusts. These fees were increased to $23.50 for the period December 8, 2009 to December 31, 2014.

3. Commissions

Acting in the capacity of an agent for the Commonwealth, the Register of Wills is authorized to collect a commission on the Commonwealth portion of taxes as follows:

Tax	Commission
Inheritance	4.25% $1.00 to $200,000.00 1.75% next $800,000.00 .50% thereafter

Register of Wills commissions of $197,536 for Inheritance Taxes were paid to the County by the Department of Revenue, which are not reflected in the statement of Receipts and Disbursements.

4. Disbursements

Clerk Of The Court Of Common Pleas

Total disbursements are comprised as follows:

Clerk of the Court checks issued to:

Department of Revenue	$ 1,627,118
State Worker's Insurance Fund	52
Wine and Spirits Store	59
Total	$ 1,627,229

Register of Wills

Total disbursements are comprised as follows:

Deposits into the Department of Revenue's cash management account	$ 25,237,226
Credits issued by the Department of Revenue	110,489
Total	$ 25,347,715

Clerk Of Orphans' Court

Total disbursements are comprised as follows:

Clerk of Orphans' Court checks issued to:

Department of Revenue	$ 115,592

5. Balance Due Commonwealth (County) For The Period January 1, 2010 To December 31, 2013

Clerk Of The Court Of Common Pleas

This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue. The balance also reflects a summary of any receipts disbursed directly to other state agencies.

Register of Wills/Clerk Of Orphans' Court

This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue.

6. County Officer Serving During Examination Period

Kathleen Kloos served as the Clerk of the Court of Common Pleas/Register of Wills/Clerk of Orphans' Court for the period January 1, 2010 to December 31, 2013.

CLERK OF THE COURT OF COMMON PLEAS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
MERCER COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2013

This report was initially distributed to:

The Honorable Eileen H. McNulty
Secretary
Pennsylvania Department of Revenue

The Honorable Thomas B. Darr
Court Administrator of Pennsylvania
Supreme Court of Pennsylvania
Administrative Office of Pennsylvania Courts

Mr. Thomas J. Dougherty
Director
Division of Grants and Standards
Pennsylvania Board of Probation and Parole

The Honorable Kathleen Kloos	Clerk of the Court of Common Pleas/ Register of Wills/Clerk of Orphans' Court
The Honorable John N. Lechner	Chairperson of the Board of Commissioners
The Honorable Thomas W. Amundsen	Controller

This report is a matter of public record and is available online at www.PaAuditor.gov. Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 229 Finance Building, Harrisburg, PA 17120; via email to: news@PaAuditor.gov.