



CLERK OF THE COURT OF COMMON PLEAS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT

MERCER COUNTY

EXAMINATION REPORT

FOR THE PERIOD

JANUARY 1, 2003 TO DECEMBER 31, 2006

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Independent Auditor's Report

The Honorable Thomas W. Wolf
Secretary
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, 2003 to December 31, 2006, pursuant to the requirements of Sections 401(b) and 401(d) of *The Fiscal Code*. These Statements are the responsibility of the county office's management. 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. An examination includes 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 reported and promptly transmitted. *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 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 Department of Revenue and other state agencies for the period ended December 31, 2006, in conformity with the criteria set forth in Note 1.

In accordance with *Government Auditing Standards*, we are required to report findings of deficiencies in internal control, violations of provisions of contracts or grant agreements, and abuse that are material to the Statements 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 Statements are presented in accordance with the criteria described above and not for the purpose of expressing an opinion on the internal control over the Statements or on compliance and other matters; accordingly, we express no such opinions. The results of our examination disclosed no 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.

December 28, 2007

JACK WAGNER
Auditor General

CLERK OF THE COURT OF COMMON PLEAS
MERCER COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2003 TO DECEMBER 31, 2006

Receipts:

Department of Transportation		
Title 75 Fines	\$	193,315
Department of Revenue Court Costs		88,059
Crime Victims' Compensation Costs		171,996
Crime Commission Costs/Victim Witness Services Costs		135,444
Domestic Violence Costs		28,495
Emergency Medical Services Fines		18,914
DUI - ARD/EMS Fees		25,725
CAT/MCARE Fund Surcharges		148,786
Judicial Computer System/Access to Justice Fees		43,826
Constable Service Surcharges		8,484
Criminal Laboratory Users' Fees		16,883
Probation and Parole Officers' Firearm Education Costs		19,405
Substance Abuse Education Costs		46,371
Office of Victims' Services Costs		20,720
Miscellaneous State Fines and Costs		<u>201,784</u>
 Total receipts (Note 2)		 \$ 1,168,207
 Disbursements to Department of Revenue (Note 4)		 <u>(1,172,952)</u>
 Balance due Department of Revenue (County) per settled reports (Note 5)		 (4,745)
 Examination adjustments		 <u>-</u>
 Adjusted balance due Department of Revenue (County) for the period January 1, 2003 to December 31, 2006		 <u><u>\$ (4,745)</u></u>

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

REGISTER OF WILLS
MERCER COUNTY
INHERITANCE TAXES
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2003 TO DECEMBER 31, 2006

Receipts:

Inheritance Taxes (Note 2)	\$ 27,364,857
Disbursements and credits to Department of Revenue (Note 4)	<u>(27,364,857)</u>
Balance due Department of Revenue (County) per settled reports (Note 5)	-
Examination adjustments	<u>-</u>
Adjusted balance due Department of Revenue (County) for the period January 1, 2003 to December 31, 2006	<u><u>\$ -</u></u>

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

CLERK OF ORPHANS' COURT
MERCER COUNTY
MARRIAGE LICENSE TAXES, SURCHARGES, FEES AND
JUDICIAL COMPUTER SYSTEM/ACCESS TO JUSTICE FEES
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2003 TO DECEMBER 31, 2006

Receipts:

Marriage License Taxes	\$	1,541
Marriage License Application Surcharges		30,820
Marriage License Declaration Fees		30,820
Judicial Computer System/Access To Justice Fees		<u>27,445</u>
Total Receipts (Note 2)		90,626
Disbursements to Department of Revenue (Note 4)		<u>(90,701)</u>
Balance due Department of Revenue (County) per settled reports (Note 5)		(75)
Examination adjustment (Note 7)		<u>75</u>
Adjusted balance due Department of Revenue (County) for the period January 1, 2003 to December 31, 2006	\$	<u><u>-</u></u>

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, 2003 TO DECEMBER 31, 2006

1. Criteria

The Statements of Receipts and Disbursements (Statements) have been prepared in accordance with Title 72 P.S. Section 401 (b) of *The Fiscal Code*, which requires the Department of the Auditor General to determine whether all money collected on behalf of the Commonwealth has been remitted properly and to provide the Department of Revenue with a report to enable them to settle an account covering any delinquency.

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 Department of Revenue and other state agencies. 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 Department of Revenue 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 fees (\$5.00 for filings prior to November 1, 2002 and \$10.00 for filings afterwards) 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.

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, 2003 TO DECEMBER 31, 2006

2. Receipts (Continued)

Register Of Wills (Continued)

For the purpose of reporting the collection of Judicial Computer System/Access To Justice Fees to the Department of Revenue, the office combined the Register of Wills and Clerk of Orphans' Court collections and reported them on the Clerk of Orphans' Court's monthly report. Therefore, the amount reported on the Clerk of Orphans' Court's statement of receipts and disbursements includes the fees collected for the office of the Register of Wills.

Clerk Of Orphans' Court

Receipts consist of monies collected on behalf of the Department of Revenue. 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.
- The Marriage License Application Surcharge is a \$10.00 surcharge imposed on all marriage license applications.
- The Marriage License Declaration Fees is a \$13.00 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 \$10.00 (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 fees (\$5.00 for filings prior to November 1, 2002 and \$10.00 for filings afterwards) imposed on all petitions for grant of letters, and first filings in petitions concerning adoptions, incompetents' estates, minors' estates, and inter vivos trusts.

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
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3. Commissions

Register Of Wills

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:

<u>Tax</u>	<u>Commission</u>
Inheritance	4.25% \$1.00 to \$200,000.00 1.75% next \$800,000.00 .50% thereafter

Register of Wills commissions of \$206,821 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 And Credits To Department Of Revenue

Clerk Of The Court Of Common Pleas

Total disbursements and credits are comprised as follows:

Clerk of The Court checks issued to:

Department of Revenue	\$ 1,172,877
Credit taken on the current examination for the prior audit period:	
January 1, 1997 to December 31, 1998	75
Total	\$ 1,172,952

Register Of Wills

Inheritance Taxes

The Register of Wills participates in the Department of Revenue's cash management system for Inheritance Taxes. Under this system, the "Agent" deposits Inheritance Tax collections to a local account approved and established in the name of the Department of Revenue, thereby eliminating the need for the agent to issue a check to disburse these taxes.

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
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4. Disbursements And Credits To Department Of Revenue (Continued)

Register Of Wills (Continued)

Total disbursements and credits are comprised as follows:

Deposits into the Department of Revenue's cash management account:	\$ 27,354,380
Credits issued by the Department of Revenue	<u>10,477</u>
Total	<u><u>\$ 27,364,857</u></u>

Clerk Of Orphans' Court

Total disbursements are comprised as follows:

Checks issued to the Department of Revenue	<u><u>\$ 90,701</u></u>
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5. Balance Due Department Of Revenue (County) For The Period January 1, 2003 To December 31, 2006

Clerk Of The Court Of Common Pleas/Register Of Wills

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

Clerk of Orphans' Court

This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue. It does not reflect adjustments disclosed by our examination. Refer to Note 7.

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
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6. Reconciliation Of Settled Reports - Clerk Of The Court Of Common Pleas

The following presents a reconciliation of monthly reports settled by the Department of Revenue for the period January 1, 2003 to December 31, 2006:

<u>Date of Summary of Collections Report</u>	<u>Balance Due Settled Reports Dept. of Revenue (County)</u>	<u>Adjustments</u>	<u>Adjusted Balance Due Dept. of Revenue (County)</u>
2003			
January	\$ (15)	\$ -	\$ (15)
February	(45)	-	(45)
March	(40)	-	(40)
April	(2)	(75) *	(77)
May	41	-	41
June	77	-	77
July	49	-	49
August	(150)	-	(150)
September	-	-	-
October	102	-	102
November	(6,404)	6,313 **	(91)
December	(49)	-	(49)
2004			
January	-	-	-
February	198	-	198
March	(323)	-	(323)
April	(30)	-	(30)
May	353	-	353
June	(9)	-	(9)
July	(63)	-	(63)
August	(88)	-	(88)
September	(43)	-	(43)
October	(112)	-	(112)
November	(2,358)	-	(2,358)
December	95	-	95

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, 2003 TO DECEMBER 31, 2006

6. Reconciliation Of Settled Reports - Clerk of The Court of Common Pleas (Continued)

Date of Summary of Collections Report	Balance Due Settled Reports Dept. of Revenue (County)	Adjustments	Adjusted Balance Due Dept. of Revenue (County)
2005			
January	\$ (2,021)	\$ -	\$ (2,021)
February	-	-	-
March	-	-	-
April	-	-	-
May	-	-	-
June	-	-	-
July	-	-	-
August	-	-	-
September	-	-	-
October	(100)	-	(100)
November	(46)	-	(46)
December	-	-	-
2006			
January	-	-	-
February	-	-	-
March	-	-	-
April	-	-	-
May	-	-	-
June	-	-	-
July	-	-	-
August	-	-	-
September	-	-	-
October	-	-	-
November	-	-	-
December	-	-	-
Balance due Department of Revenue (County) per settled reports			(4,745)
Examination adjustments			-
Adjusted balance due Department of Revenue (County) for the period January 1, 2003 to December 31, 2006			<u>\$ (4,745)</u>

* Amount represents a prior audit credit for the period January 1, 1997 to December 31, 1998.

** Amount represents a prior audit payment for the period January 1, 1999 to December 1, 2002.

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
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7. Examination Adjustment

This amount represents a refund to the Department of Revenue for an inappropriate credit taken in the audit period January 1, 1999 to December 31, 2002.

8. County Officer Serving During Examination Period

Kathleen M. Kloos served as Clerk of The Court of Common Pleas/Register of Wills/Clerk of Orphans' Court during the period January 1, 2003 to December 31, 2006.

CLERK OF THE COURT OF COMMON PLEAS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
MERCER COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2003 TO DECEMBER 31, 2006

This report was initially distributed to:

The Honorable Thomas W. Wolf
Secretary
Department of Revenue

The Honorable Zygmunt Pines
Court Administrator of Pennsylvania
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Clerk of The Court of Common Pleas/
Register of Wills/Clerk of Orphans' Court
Mercer County
Mercer County Courthouse
Mercer, PA 16137

The Honorable Kathleen M. Kloos	Clerk of The Court of Common Pleas/ Register of Wills/Clerk of Orphans' Court
The Honorable Thomas W. Amundson	Controller
The Honorable Brian Bader	Chairman of the Board of Commissioners

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