

CLERK OF THE COURT OF COMMON PLEAS/PROBATION & PAROLE DEPARTMENT/
PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT

CAMERON COUNTY

EXAMINATION REPORT

FOR THE PERIOD

JANUARY 1, 2008 TO DECEMBER 31, 2010



CLERK OF THE COURT OF COMMON PLEAS/PROBATION & PAROLE DEPARTMENT/
PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT

CAMERON COUNTY

EXAMINATION REPORT

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**Department of the Auditor General
Commonwealth of Pennsylvania
Harrisburg, Pennsylvania 17120-0018**

**JACK WAGNER
AUDITOR GENERAL**

Independent Auditor's Report

The Honorable Daniel P. Meuser
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/Probation & Parole Department/Prothonotary/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court, Cameron County, Pennsylvania (County Officers), for the period January 1, 2008 to December 31, 2010, pursuant to the requirements of Sections 401(b) and 401(d) of *The Fiscal Code*, 72 P.S. § 401(b) and § 401(d). 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.

Except as discussed in the fourth paragraph, 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 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)

As discussed in Finding No. 2, there were inadequate controls over manual receipts. Without these records, we could not perform our standard examination procedures. As a result, the scope of our examination of the Clerk of the Court of Common Pleas/Probation & Parole's Statement was limited, and we were unable to satisfy ourselves by other examination procedures.

In our opinion, except for the effects, if any, of the matter noted in the preceding paragraph, the Statements referred to above present, in all material respects, the operations of the County Officers as it pertains to receipts made on behalf of the Commonwealth for the period ended December 31, 2010, 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 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 reporting on the Statements 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 Officers' 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 Officers' Statements that is more than inconsequential will not be prevented or detected by the County Officers' internal control. We consider the deficiencies described in the findings below to be significant deficiencies in internal control over the reporting on the Statements:

- Inadequate Internal Controls Over Receipts - Prothonotary/Recorder Of Deeds/Register Of Wills/Clerk Of Orphans' Court.

Independent Auditor's Report (Continued)

- Inadequate Internal Controls Over Manual Receipts - Probation & Parole Department.

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 Statements will not be prevented or detected by the County Officers' internal control. Our consideration of the internal control over reporting on the Statements 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 all the significant deficiencies described above to be material weaknesses.

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

We are concerned in light of the County Officers' failure to correct a previously reported finding regarding inadequate internal controls over receipts. The failure to implement an adequate system of internal controls over receipts increases the risk for funds to be lost or misappropriated. The County Officers should strive to implement the recommendations and corrective action noted in this examination report.

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 Officers and is not intended to be and should not be used by anyone other than these specified parties.



December 12, 2011

JACK WAGNER
Auditor General



CLERK OF THE COURT OF COMMON PLEAS/PROBATION & PAROLE DEPARTMENT
CAMERON COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

Receipts:

Department of Transportation	
Title 75 Fines	\$ 8,416
Department of Revenue Court Costs	1,810
Crime Victims' Compensation Costs	7,237
Crime Commission Costs/Victim Witness Services Costs	4,426
Domestic Violence Costs	395
Emergency Medical Services Fines	246
DUI - ARD/EMS Fees	945
CAT/MCARE Fund Surcharges	3,256
Judicial Computer System/Access to Justice Fees	1,050
Offender Supervision Fees	17,564
Constable Service Surcharges	400
Criminal Laboratory Users' Fees	813
Probation and Parole Officers' Firearm Education Costs	447
Substance Abuse Education Costs	2,934
Office of Victims' Services Costs	20
Miscellaneous State Fines and Costs	<u>6,262</u>
Total receipts (Note 2)	56,221
Disbursements to Commonwealth (Note 4)	<u>(56,221)</u>
Balance due Commonwealth (County) per settled reports (Note 5)	-
Examination adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2008 to December 31, 2010	<u><u>\$ -</u></u>

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

PROTHONOTARY
CAMERON COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

Receipts:

Writ Taxes	\$ 3,587
Divorce Complaint Surcharges	68,170
Judicial Computer System/Access To Justice Fees	103,929
Criminal Charge Information System Fees	<u>347</u>
Total Receipts (Note 2)	176,033
Commissions (Note 3)	<u>(108)</u>
Net Receipts	175,925
Disbursements to Commonwealth (Note 4)	<u>(175,925)</u>
Balance due Commonwealth (County) per settled reports (Note 5)	-
Examination adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2008 to December 31, 2010	<u><u>\$ -</u></u>

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

RECORDER OF DEEDS
CAMERON COUNTY
REALTY TRANSFER TAXES
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

Receipts:

Realty Transfer Taxes (Note 2)	\$ 259,285
Disbursements to Commonwealth (Note 4)	<u>(259,285)</u>
Balance due Commonwealth (County) per settled reports (Note 5)	-
Examination adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2008 to December 31, 2010	<u><u>\$ -</u></u>

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

RECORDER OF DEEDS
CAMERON COUNTY
WRIT TAXES AND JUDICIAL COMPUTER SYSTEM/ACCESS TO JUSTICE FEES
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

Receipts:

Writ Taxes	\$ 1,359
Judicial Computer System/Access To Justice Fees	<u>30,955</u>
Total Receipts (Note 2)	32,314
Commissions (Note 3)	<u>(41)</u>
Net Receipts	32,273
Disbursements to Commonwealth (Note 4)	<u>(32,273)</u>
Balance due Commonwealth (County) per settled reports (Note 5)	-
Examination adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2008 to December 31, 2010	<u><u>\$ -</u></u>

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

REGISTER OF WILLS
CAMERON COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

Receipts:

Inheritance Taxes (Note 2)	\$ 703,380
Disbursements and credits to Commonwealth (Note 4)	<u>(703,380)</u>
Balance due Commonwealth (County) per settled reports (Note 5)	-
Examination adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2008 to December 31, 2010	<u><u>\$ -</u></u>

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

CLERK OF ORPHANS' COURT
CAMERON COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

Receipts:

Marriage License Taxes	\$	55
Marriage License Application Surcharges		1,090
Marriage License Declaration Fees		1,090
Judicial Computer System/Access To Justice Fees		<u>1,429</u>
Total Receipts (Note 2)		3,664
Disbursements to Commonwealth (Note 4)		<u>(3,664)</u>
Balance due Commonwealth (County) per settled reports (Note 5)		-
Examination adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2008 to December 31, 2010	\$	<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/PROBATION & PAROLE DEPARTMENT/
PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
CAMERON COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

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/Probation & Parole Department

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.

Prothonotary

Receipts are comprised of taxes, surcharges, fees and fines 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 temporarily increased to \$23.50 for the period December 8, 2009 to December 31, 2014.

CLERK OF THE COURT OF COMMON PLEAS/PROBATION & PAROLE DEPARTMENT/
PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
CAMERON COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

2. Receipts (Continued)

Prothonotary (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 \$7.00 for the period January 1, 2008 to December 31, 2010. The statement of receipts and disbursements only reflects the portion collected on behalf of the AOPC.

Recorder Of Deeds

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

- The Pennsylvania Realty Transfer Tax is a documentary stamp tax of 1 percent on the value of the interest in real property transferred by deed.
- Writ Taxes represent a \$.50 tax imposed on various types of documents and a \$10 tax on notary public commissions processed through the office.
- Judicial Computer System/Access To Justice Fees represent a \$10 fee imposed for each filing of deeds in any form, mortgages, mortgage assignments, mortgage releases, mortgage satisfaction pieces, installment sales agreements, leases for a term of 30 years or longer, and easements. These fees were temporarily increased to \$23.50 for the period December 8, 2009 to December 31, 2014.
- Judicial Computer System/Access To Justice Fees represent a \$10 fee imposed for each filing of deeds in any form, mortgages, mortgage assignments, mortgage releases, mortgage satisfaction pieces, installment sales agreements, leases for a term of 30 years or longer, and easements. These fees were temporarily increased to \$23.50 for the period December 8, 2009 to December 31, 2014.

CLERK OF THE COURT OF COMMON PLEAS/PROBATION & PAROLE DEPARTMENT/
PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
CAMERON COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

2. Receipts (Continued)

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 fees (\$5 for filings prior to November 1, 2002 and \$10 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.

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 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.

CLERK OF THE COURT OF COMMON PLEAS/PROBATION & PAROLE DEPARTMENT/
PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
CAMERON COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

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 temporarily increased to \$23.50 for the period December 8, 2009 to December 31, 2014.

CLERK OF THE COURT OF COMMON PLEAS/PROBATION & PAROLE DEPARTMENT/
PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
CAMERON COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

3. Commissions

Prothonotary

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.

Recorder Of Deeds/Register Of Wills

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

<u>Tax</u>	<u>Commission</u>
Realty Transfer	1%
Writ	3%
Inheritance	4.25% \$1.00 to \$200,000.00
	1.75% next \$800,000.00
	.50% thereafter

Recorder of Deeds commissions of \$2,593 for Realty Transfer Taxes and Register of Wills commissions of \$27,309 for Inheritance Taxes were paid to the County by the Department of Revenue, which are not reflected in the Statements.

4. Disbursements And Credits To Department Of Revenue

Clerk Of The Court Of Common Pleas/Probation & Parole Department

Total disbursements are comprised as follows:

Probation & Parole Department checks issued to:

Department of Revenue	<u>\$ 56,221</u>
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CLERK OF THE COURT OF COMMON PLEAS/PROBATION & PAROLE DEPARTMENT/
PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
CAMERON COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

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

Prothonotary

Total disbursements are comprised as follows:

Prothonotary checks issued to:

Department of Revenue	\$ 175,578
Administrative Office of Pennsylvania Courts	<u>347</u>
Total	<u><u>\$ 175,925</u></u>

Recorder Of Deeds

Realty Transfer Taxes

The Recorder of Deeds participates in the Department of Revenue's cash management system for Realty Transfer Taxes. Under this system, the "Agent" deposits Realty Transfer 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.

Total disbursements are comprised as follows:

Deposits into the Department of Revenue's cash management account	<u><u>\$ 259,285</u></u>
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CLERK OF THE COURT OF COMMON PLEAS/PROBATION & PAROLE DEPARTMENT/
PROTHONOTARY/RECORDER OF DEEDS/
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CAMERON COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

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

Recorder Of Deeds (Continued)

Writ Taxes and Judicial Computer System/Access To Justice Fees

Total disbursements are comprised as follows:

Recorder of Deeds checks issued to:

Department of Revenue	\$ 32,273
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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.

Total disbursements and credits are comprised as follows:

Deposits into the Department of Revenue's cash management account	\$ 702,575
Credits issued by the Department of Revenue	<u>805</u>
Total	<u>\$ 703,380</u>

CLERK OF THE COURT OF COMMON PLEAS/PROBATION & PAROLE DEPARTMENT/
PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
CAMERON COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

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

Clerk Of Orphans' Court

Total disbursements are comprised as follows:

Clerk of Orphans' Court checks issued to:

Department of Revenue	\$ <u>3,664</u>
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5. Balance Due Department Of Revenue/Commonwealth (County) For The Period January 1, 2008 To December 31, 2010

Recorder Of Deeds/Register Of Wills/Clerk Of Orphans' Court

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

Clerk Of The Court Of Common Pleas/Probation & Parole Department/Prothonotary

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

6. County Officers Serving During Examination Period

Mary Grace Olay served as Clerk of the Court of Common Pleas/Prothonotary/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court during the period January 1, 2008 to December 31, 2010.

Janette Burkness served as the Chief Probation Officer of the Probation & Parole Department during the period January 1, 2008 to December 31, 2010.

PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
CAMERON COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

Finding No. 1 - Inadequate Internal Controls Over Receipts - Prothonotary/Recorder Of Deeds/
Register Of Wills/Clerk Of Orphans' Court

Our examination of receipts and deposits disclosed the following deficiencies:

- Prothonotary - Of the 50 receipts tested, 9 receipts were not deposited on the same day as collected. The time lapse from the date of receipt to the subsequent date of deposit ranged from 2 days to 12 days.
- Recorder of Deeds - Of the 50 receipts tested, 14 receipts were not deposited on the same day as collected. The time lapse from the date of receipt to the subsequent date of deposit ranged from 2 days to 14 days.
- Register of Wills/Clerk of Orphan's Court - Of the 75 receipts tested, 20 receipts were not deposited on the same day as collected. The time lapse from the date of receipt to the subsequent date of deposit ranged from 2 days to 16 days.
- There were eight instances (five from the Prothonotary and three from the Register of Wills/Clerk of Orphan's Court) where the amount of cash deposited did not equal the amount collected and recorded in the daily cash receipts journal. The County Officer indicated that she would not deposit any daily cash collections until the end of the month. The office used cash collected to purchase supplies and for petty cash purposes. It was noted that at the end of the month, these monies were either deposited if there were no expenses in which the monies were used and/or it was deducted from the amount due and disbursed to the County.

A good system of internal controls ensures that:

- All monies collected are deposited intact at the bank on the same day as collected.
- If a petty cash fund is needed, it should be requested from the County and not taken from the daily collections.

Without a good system of internal control over receipts, the potential is increased that funds could be lost or misappropriated.

PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
CAMERON COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

Finding No. 1 - Inadequate Internal Controls Over Receipts - Prothonotary/Recorder Of Deeds/
Register Of Wills/Clerk Of Orphans' Court (Continued)

These conditions existed because the office failed to establish adequate internal controls over its receipts.

The conditions listed in the first three bulleted items above were cited in our last three audit periods, the most recent ending December 31, 2007.

Recommendation

We again recommend that the county offices establish and implement an adequate system of internal controls over receipts as noted above.

Management's Response

No formal response was offered at this time.

Auditor's Conclusion

This is a recurring finding. We strongly recommend that the office comply with our recommendation. The failure to implement our recommendation allows for an environment that is conducive to funds being lost or misappropriated.

PROBATION & PAROLE DEPARTMENT
CAMERON COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

Finding No. 2 - Inadequate Internal Controls Over Manual Receipts - Probation & Parole Department

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 of the Probation & Parole Department disclosed that required manual receipt procedures were not always followed. We noted the following:

- Manual receipts could not be located and were not available for examination.
- A manual receipts log was not maintained to record the issuance of manual receipts. Consequently, a population of manual receipts could not be determined.
- Manual receipt numbers were not always entered into the computer system.

In addition, out of six manual receipts tested, there were two 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 was two days to six days.

Good internal accounting controls ensure that:

- Manual receipts are accounted for and maintained.
- A manual receipt log should be 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.
- Manual receipt numbers should always be entered into the computer system.
- Computer receipts are generated timely after the issuance of the corresponding manual receipts.

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

PROBATION & PAROLE DEPARTMENT
CAMERON COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

Finding No. 2 - Inadequate Internal Controls Over Manual Receipts - Probation & Parole
Department (Continued)

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

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

The condition listed in the first bulleted item above was cited in the prior examination for the period ending December 31, 2007.

Recommendation

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

Management's Response

No formal response was offered at this time.

Auditor's Conclusion

This is a recurring finding. We strongly recommend that the office comply with our recommendation. The failure to implement our recommendation allows for an environment that is conducive to funds being lost or misappropriated.

CLERK OF THE COURT OF COMMON PLEAS/PROBATION & PAROLE DEPARTMENT/
PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
CAMERON COUNTY
COMMENT
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

Comment - Compliance With Prior Examination Recommendations

During our prior examination, we recommended:

- That the Probation & Parole Department provide for greater segregation of duties within the office.
- That the Probation & Parole Department ensure that the office copy of each deposit be brought to the bank to be validated.

During our current examination, we noted that the office complied with our recommendations.

During our prior examination, we also recommended:

- That the Prothonotary/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court reconcile the ending adjusted bank balances with the liabilities on a monthly basis and any differences be investigated and resolved immediately.
- That the Probation & Parole Department investigate and resolve the "Bank Account Adjustment-Unkown Recipient" balance on their escrow report.

Our current examination found that the office substantially complied with our prior examination recommendations. Insignificant instances of noncompliance were verbally communicated to the office.



CLERK OF THE COURT OF COMMON PLEAS/PROBATION & PAROLE DEPARTMENT/
PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
CAMERON COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2008 TO DECEMBER 31, 2010

This report was initially distributed to:

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Pennsylvania Department of Revenue

The Honorable Zygmunt Pines
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 Mary Grace Olay	Clerk of the Court of Common Pleas/ Prothonotary/Recorder of Deeds/ Register of Wills/ Clerk of Orphans' Court
The Honorable Janette Burkness	Chief Probation Officer, Probation & Parole Department
The Honorable JoAnn Smith	Chairperson of the Board of Commissioners

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