

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY

VENANGO COUNTY

EXAMINATION REPORT

FOR THE PERIOD

JANUARY 1, 2004 TO DECEMBER 31, 2006

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Independent Auditor's Report

Mr. Stephen H. Stetler
Acting 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/Prothonotary, Venango County, Pennsylvania (County Officer), for the period January 1, 2004 to December 31, 2006, 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.

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)

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 Pennsylvania 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. Our examination disclosed a certain finding that is required to be reported under *Government Auditing Standards* and this finding, along with the views of management is described in the Finding and Recommendation section of the 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 Officer and is not intended to be and should not be used by anyone other than these specified parties.

July 23, 2008

JACK WAGNER
Auditor General

CLERK OF THE COURT OF COMMON PLEAS
VENANGO COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2004 TO DECEMBER 31, 2006

Receipts:

Department of Transportation	
Title 75 Fines	\$ 64,666
Overweight Fines	4,880
Costs	1,228
Department of Revenue Court Costs	34,448
Crime Victims' Compensation Costs	102,378
Crime Commission Costs/Victim Witness Services Costs	76,314
Department of Public Welfare	
Domestic Violence Costs	14,616
Costs	1,288
Office of Attorney General Costs	1,280
Office of Inspector General Costs	3,176
State Police Costs	4,105
Game Commission Fines	200
Department of Revenue Costs	14,570
Emergency Medical Services Fines	9,620
DUI - ARD/EMS Fees	6,725
CAT/MCARE Fund Surcharges	46,852
Judicial Computer System/Access to Justice Fees	21,424
Offender Supervision Fees	24
Constable Service Surcharges	631
Criminal Laboratory Users' Fees	1,606
Probation and Parole Officers' Firearm Education Costs	6,808
Substance Abuse Education Costs	32,742
Office of Victims' Services Costs	6,074
Miscellaneous State Fines and Costs	<u>53,578</u>

Total receipts (Note 2)	\$ 509,232
Disbursements to Commonwealth (Note 4)	<u>(514,521)</u>
Balance due Commonwealth (County) per settled reports (Note 5)	(5,289)
Examination adjustments (Note 7)	<u>4,005</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2004 to December 31, 2006	<u><u>\$ (1,284)</u></u>

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

PROTHONOTARY
VENANGO COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2004 TO DECEMBER 31, 2006

Receipts:

Writ Taxes	\$ 1,673
Divorce Complaint Surcharges	5,860
Judicial Computer System/Access To Justice Fees	49,768
Protection From Abuse Surcharges and Contempt Fines	795
Criminal Charge Information System Fees	<u>1,947</u>
Total Receipts (Note 2)	60,043
Commissions (Note 3)	<u>(50)</u>
Net Receipts	59,993
Disbursements to Commonwealth (Note 4)	<u>(59,988)</u>
Balance due Commonwealth (County) per settled reports (Note 5)	5
Examination adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2004 to December 31, 2006	<u><u>\$ 5</u></u>

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

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY
VENANGO COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2004 TO DECEMBER 31, 2006

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.

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.

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY
VENANGO COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2004 TO DECEMBER 31, 2006

2. Receipts (Continued)

Prothonotary (Continued)

- 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.
- 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 \$5.00 for the period January 1, 2004 to December 31, 2004, \$6.00 for the period January 1, 2005 to December 31, 2005, and \$6.50 for the period January 1, 2006 to December 31, 2006. 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 Department of Revenue.

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY
VENANGO COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2004 TO DECEMBER 31, 2006

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	\$ 502,638
Office of Attorney General	1,280
Department of Transportation	1,228
Department of Public Welfare	1,288
Office of Inspector General	3,176
Game Commission	200
State Police	4,105
Bureau of Victims' Services	606
Total	<u><u>\$ 514,521</u></u>

Prothonotary

Total disbursements are comprised as follows:

Prothonotary checks issued to:

Department of Revenue	\$ 58,041
Administrative Office of Pennsylvania Courts	1,947
Total	<u><u>\$ 59,988</u></u>

5. Balance Due Department Of Revenue/Commonwealth (County) For The Period
January 1, 2004 To December 31, 2006

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. It does not reflect adjustments disclosed by our examination. Refer to Note 7.

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY
VENANGO COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2004 TO DECEMBER 31, 2006

5. Balance Due Department Of Revenue/Commonwealth (County) For The Period January 1, 2004 To December 31, 2006 (Continued)

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 the Administrative Office of Pennsylvania Courts.

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, 2004 to December 31, 2006:

Date of Summary of Collections Report	Balance Due Settled Reports Dept. of Revenue (County)	Adjustments	Adjusted Balance Due Dept. of Revenue (County)
2004			
January	\$ -	\$ -	\$ -
February	-	-	-
March	-	-	-
April	(792)	-	(792)
May	-	-	-
June	(220)	-	(220)
July	(13)	-	(13)
August	(342)	-	(342)
September	(298)	-	(298)
October	-	-	-
November	(24)	-	(24)
December	-	-	-
2005			
January	(22)	-	(22)
February	-	-	-
March	-	-	-
April	-	-	-
May	-	-	-
June	-	-	-
July	-	-	-
August	-	-	-
September	-	-	-
October	(3,578) *	-	(3,578)
November	-	-	-
December	-	-	-

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY
VENANGO COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2004 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)
2006			
January	\$ -	\$ -	\$ -
February	-	-	-
March	-	-	-
April	-	-	-
May	-	-	-
June	-	-	-
July	-	-	-
August	-	-	-
September	-	-	-
October	-	-	-
November	-	-	-
December	-	-	-
Balance due Department of Revenue (County) per settled reports			(5,289)
Examination adjustments (Note 7)			4,005
Adjusted balance due Department of Revenue (County) for the period January 1, 2004 to December 31, 2006			<u>\$ (1,284)</u>

* Amount represents a prior audit payment for the period January 1, 2001 to December 31, 2003.

7. Examination Adjustments – Clerk of The Court of Common Pleas

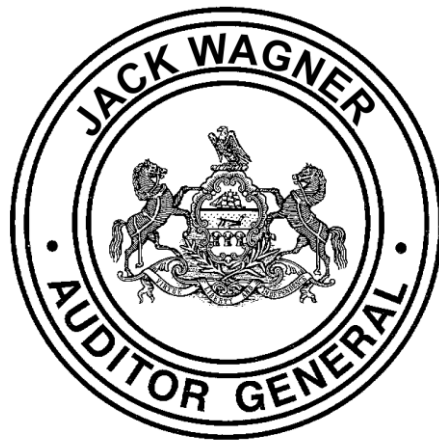
During our prior audit, January 1, 2001 to December 31, 2003, we determined that there was a balance due to the Commonwealth of \$3,578. This balance due was paid in October 2005.

Also included was an adjustment of \$427 which represents interest earned on Commonwealth funds during the examination period that was not remitted to the Commonwealth.

The net effect of these adjustments is \$4,005.

8. County Officer Serving During Examination Period

Peggy L. Miller served as the Clerk of The Court of Common Pleas/Prothonotary for the period January 1, 2004 to December 31, 2006.



CLERK OF THE COURT OF COMMON PLEAS
VENANGO COUNTY
FINDING AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2004 TO DECEMBER 31, 2006

Finding - Failure to Utilize Individual User ID's

During our examination, we noted that one User ID was utilized by multiple employees when processing transactions in the computer system.

This condition existed because the office failed to establish and implement an adequate system of internal controls over the computer system.

Good internal controls ensure that each employee utilizes his/her own individual password when entering transactions in the computer system. When the terminal is not in use, the employee should log off the system. Employee passwords should never be shared among other employees.

Without this control, there is no audit trail on who created a specific transaction. Consequently, accountability of who entered the transaction is lost.

Recommendations

We recommend that the county office adhere to a good system of internal accounting controls by requiring each employee to have their own individual password. Additionally, when the terminal is not in use, employees should log off of the system.

Management's Response

The County Officer responded as follows:

This matter was corrected. Everyone now has their own user ID.

Auditor's Conclusion

We appreciate the county officer's effort to correct this condition. During our next examination, we will determine if the office complied with our recommendation.

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY
VENANGO COUNTY
COMMENT
FOR THE PERIOD
JANUARY 1, 2004 TO DECEMBER 31, 2006

Comment - Compliance With Prior Audit Recommendation

During our prior audit, we recommended:

- That the office ensure that all bail forfeitures due the Commonwealth are disbursed to the Commonwealth according to 42 Pa. C.S.A. Section 3571(B).

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

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY
VENANGO COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2004 TO DECEMBER 31, 2006

This report was initially distributed to:

Mr. Stephen H. Stetler
Acting Secretary
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
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Venango County
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The Honorable Peggy L. Miller

Clerk of the Court of Common Pleas/ Prothonotary

The Honorable Susan M. Smith

Chairman of the Board of Commissioners

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