

COMPLIANCE AUDIT

Clerk of the Court of Common
Pleas/Probation Department/Prothonotary/
Clerk of Orphans' Court/Recorder of
Deeds/Register of Wills
Fulton County, Pennsylvania
For the Period
January 1, 2018 to December 31, 2021

August 2023



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



**Commonwealth of Pennsylvania
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**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

The Honorable Pat Browne
Secretary
Pennsylvania Department of Revenue
Harrisburg, PA 17128

We have conducted a compliance audit of the Clerk of the Court of Common Pleas/Prothonotary/Clerk of Orphans' Court/Recorder of Deeds/Register of Wills, and the Chief Probation Officer, Fulton County, Pennsylvania (County Officers), for the period January 1, 2018 to December 31, 2021, pursuant to the requirements of Sections 401(b) and 401(d) of *The Fiscal Code*, 72 P.S. § 401(b) and § 401(d).

The objective of the audit was to determine whether all moneys collected on behalf of the Commonwealth have been correctly assessed, reported, and promptly remitted and to provide a report to the Department of Revenue to allow the Department of Revenue to state and settle the County Officers' accounts. Our audit was limited to areas related to the objective identified above and was not conducted, nor was it required to be, in accordance with Government Auditing Standards issued by the Comptroller General of the United States.

The County Officers are responsible for establishing and maintaining effective internal controls to provide reasonable assurance of compliance with state laws and regulations applicable to the collection of moneys on behalf of the Commonwealth, including whether they have been correctly assessed, reported, and promptly remitted. The County Officers are also responsible for complying with those laws and regulations. It is our responsibility to perform procedures to obtain sufficient, appropriate evidence to the extent necessary to satisfy the audit objective. We believe that our audit provides a reasonable basis for our conclusions.

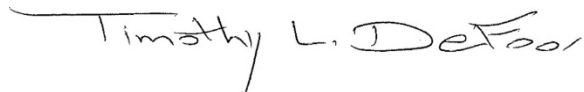
Based on our audit procedures, we conclude that, for the period January 1, 2018 to December 31, 2021, the County Officers, in all significant respects, complied with state laws and regulations applicable to the collection of moneys on behalf of the Commonwealth, including whether they have been correctly assessed, reported, and promptly remitted, except as noted in the finding listed below and discussed later in this report:

- Inadequate Voided Receipt Procedures.

This report includes summaries of the County Officers' receipts and disbursements of funds collected on behalf of the Commonwealth (summaries). We obtained data representing the County Officers' receipts and disbursements from the Pennsylvania Department of Revenue, which obtains data from each of the Commonwealth's clerk of the court of common pleas, prothonotary, clerk of orphans' court, recorder of deeds, and register of wills offices and used the data to create the summaries in the format required by the Department of Revenue. We also obtain data relating to prothonotaries from the Administrative Office of Pennsylvania Courts. We also evaluated the accuracy of the data as part of our audit to conclude on the County Offices' compliance with certain state laws and regulations as described in the previous paragraph. Any adjustments that we considered necessary based on our audit work are disclosed in the *Audit Adjustments* line of the summaries; however, the scope of our audit does not include the issuance of an opinion on the accuracy of the amounts reported in the summaries.

The purpose of this report is to determine whether all moneys collected on behalf of the Commonwealth have been correctly assessed, reported, and promptly remitted. This report is not suitable for any other purposes.

The contents of this report were discussed with the management of the County Officers and, where appropriate, their response has been included in the report. We appreciate the courtesy extended by the Clerk of the Court of Common Pleas, Prothonotary, Clerk of Orphans' Court, Recorder of Deeds, Register of Wills, and the Chief Probation Officer, Fulton County, to us during the course of our audit. If you have any questions, please feel free to contact the Bureau of County Audits at 717-787-1363

A handwritten signature in black ink that reads "Timothy L. DeFoor". The signature is written in a cursive style with a long horizontal line extending to the left of the first letter.

Timothy L. DeFoor
Auditor General
July 7, 2023

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CLERK OF THE COURT OF COMMON PLEAS/PROBATION
DEPARTMENT/PROTHONOTARY/CLERK OF ORPHANS' COURT/
RECORDER OF DEEDS/REGISTER OF WILLS
FULTON COUNTY
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

The Department of Auditor General is mandated by Article IV, Section 401(b) and (d) of *The Fiscal Code* (Act of April 9, 1929, P.L.343, No. 176), 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.

Clerk of Court of Common Pleas/Probation 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, and fees collected on behalf of the Department of Revenue and the Administrative Office of Pennsylvania Courts. These include monies collected for the following taxes, surcharges, and fees:

- Writ Taxes of \$.50 or \$.25 imposed on taxable instruments filed with the Prothonotary.
- Divorce Complaint Surcharges of \$10 imposed on all divorce decrees.
- Judicial Computer System/Access To Justice Fees of \$40.25 imposed on all petitions for grant of letters, and first filings in petitions concerning adoptions, incompetents' estates, minors' estates, and inter vivos trusts.
- Protection From Abuse Surcharges of \$100 imposed against defendants when a protection order is granted as a result of a hearing. Protection From Abuse Contempt Fines of not less than \$300 nor more than \$1,000 imposed against a defendant who is found to be in violation of a protection from abuse order.
- Criminal Charge Information System Fees 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 statement of receipts and disbursements only reflects the portion collected on behalf of the AOPC.

CLERK OF THE COURT OF COMMON PLEAS/PROBATION
DEPARTMENT/PROTHONOTARY/CLERK OF ORPHANS' COURT/
RECORDER OF DEEDS/REGISTER OF WILLS
FULTON COUNTY
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

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:

- Marriage License Tax of \$.50 on all marriage licenses filed with the Clerk of Orphans' Court.
- Marriage License Application Surcharge of \$10 imposed on all marriage license applications.
- The Marriage License Declaration Fees of \$13 imposed for the issuance of a marriage license or declaration of which the Commonwealth's portion is \$10.
- Judicial Computer System/Access To Justice Fees of \$40.25 imposed on all petitions for grant of letters, and first filings in petitions concerning adoptions, incompetents' estates, minors' estates, and inter vivos trusts.

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 \$40.25 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.

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 \$40.25 fee 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/PROBATION
DEPARTMENT/PROTHONOTARY/CLERK OF ORPHANS' COURT/
RECORDER OF DEEDS/REGISTER OF WILLS
FULTON COUNTY
BACKGROUND
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Total disbursements during the audit period are comprised as follows:

Clerk Of The Court Of Common Pleas/Probation Department

Clerk of the Court/Probation checks issued to:

Department of Revenue	\$ 514,192
Department of Labor and Industry	20,750
State Police	2,036
Department of Human Services	731
 Total	 \$ 537,709

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.

Prothonotary

Prothonotary checks issued to:

Department of Revenue	\$ 34,291
Adminstrative Office of Pennsylvania Courts	428
 Total	 \$ 34,719

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.

Clerk Of Orphans' Court

Clerk of Orphans' Court checks issued to:

Department of Revenue	\$ 20,017
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This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue.

CLERK OF THE COURT OF COMMON PLEAS/PROBATION
DEPARTMENT/PROTHONOTARY/CLERK OF ORPHANS' COURT/
RECORDER OF DEEDS/REGISTER OF WILLS
FULTON COUNTY
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

Recorder Of Deeds

Realty Transfer Taxes

Deposits into the Department of Revenue's cash management account	<u>\$ 1,986,017</u>
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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. This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue.

Writ Taxes And Judicial Computer System/Access To Justice Fees

Recorder of Deeds checks issued to:

Department of Revenue	<u>\$ 290,426</u>
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This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue.

Register Of Wills

Inheritance Taxes

Deposits into the Department of Revenue's cash management account	<u>\$ 4,816,761</u>
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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. This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue.

CLERK OF THE COURT OF COMMON PLEAS/PROBATION
DEPARTMENT/PROTHONOTARY/CLERK OF ORPHANS' COURT/
RECORDER OF DEEDS/REGISTER OF WILLS
FULTON COUNTY
BACKGROUND
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JANUARY 1, 2018 TO DECEMBER 31, 2021

Patty A. Suders Fix served as the Clerk of the Court of Common Pleas/Prothonotary/Clerk of Orphans' Court/Recorder of Deeds/Register of Wills for the period January 1, 2018 to December 31, 2021.

Daniel R. Miller served as the Chief Probation Officer, Fulton County Probation Department for the period January 1, 2018 to December 31, 2021.

The summaries 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 summaries 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.

CLERK OF THE COURT OF COMMON PLEAS/PROBATION DEPARTMENT
 FULTON COUNTY
 SUMMARY OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2018 TO DECEMBER 31, 2021

Receipts:

Department of Transportation		
Title 75 Fines	\$	103,437
Department of Revenue Court Costs		15,054
Crime Victims' Compensation Costs		24,841
Crime Commission Costs/Victim Witness Services Costs		17,291
Domestic Violence Costs		3,228
Emergency Medical Services Fines		2,561
DUI - ARD/EMS Fees		3,200
CAT/MCARE Fund Surcharges		7,645
Judicial Computer System/Access to Justice Fees		27,608
Offender Supervision Fees		94,752
Constable Service Surcharges		28
Criminal Laboratory Users' Fees		9,202
Probation and Parole Officers' Firearm Education Costs		2,971
Substance Abuse Education Costs		24,178
Office of Victims' Services Costs		18,091
Miscellaneous State Fines and Costs		<u>183,622</u>
 Total receipts		 537,709
 Disbursements to Commonwealth		 <u>(537,709)</u>
 Balance due Commonwealth (County) per settled reports		 -
 Audit adjustments		 <u>-</u>
 Adjusted balance due Commonwealth (County) for the period January 1, 2018 to December 31, 2021	 \$	 <u><u>-</u></u>

PROTHONOTARY
 FULTON COUNTY
 SUMMARY OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2018 TO DECEMBER 31, 2021

Receipts:

Writ Taxes	\$	569
Divorce Complaint Surcharges		1,310
Judicial Computer System/Access To Justice Fees		30,618
Protection From Abuse Surcharges and Contempt Fines		1,816
Criminal Charge Information System Fees		<u>428</u>
Total Receipts		34,741
Commissions		<u>(17)</u>
Net Receipts		34,724
Disbursements to Commonwealth		<u>(34,719)</u>
Balance due Commonwealth (County) per settled reports		5
Audit adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2018 to December 31, 2021	\$	<u><u>5</u></u>

RECORDER OF DEEDS
 FULTON COUNTY
 REALTY TRANSFER TAXES
 SUMMARY OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2018 TO DECEMBER 31, 2021

Receipts:

Realty Transfer Taxes		\$ 2,006,078
Commissions		<u>(20,061)</u>
Net Receipts		1,986,017
Disbursements to Commonwealth		<u>(1,986,017)</u>
Balance due Commonwealth (County) per settled reports		-
Audit adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2018 to December 31, 2021		<u><u>\$ -</u></u>

RECORDER OF DEEDS
 FULTON COUNTY
 WRIT TAXES AND JUDICIAL COMPUTER SYSTEM/ACCESS TO JUSTICE FEES
 SUMMARY OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2018 TO DECEMBER 31, 2021

Receipts:

Writ Taxes	\$	4,732
Judicial Computer System/Access To Justice Fees		<u>285,856</u>
Total Receipts		290,588
Commissions		<u>(142)</u>
Net Receipts		290,446
Disbursements to Commonwealth		<u>(290,426)</u>
Balance due Commonwealth (County) per settled reports		20
Audit adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2018 to December 31, 2021	\$	<u><u>20</u></u>

CLERK OF ORPHANS' COURT
 FULTON COUNTY
 SUMMARY OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2018 TO DECEMBER 31, 2021

Receipts:

Marriage License Taxes	\$	177
Marriage License Application Surcharges		3,540
Marriage License Declaration Fees		3,540
Judicial Computer System/Access To Justice Fees		<u>12,760</u>
Total Receipts		20,017
Disbursements to Commonwealth		<u>(20,017)</u>
Balance due Commonwealth (County) per settled reports		-
Audit adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2018 to December 31, 2021	\$	<u><u>-</u></u>

REGISTER OF WILLS
FULTON COUNTY
SUMMARY OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

Receipts:

Inheritance Taxes	\$ 4,816,761
Disbursements and credits to Commonwealth	<u>(4,816,761)</u>
Balance due Commonwealth (County) per settled reports	-
Audit adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2018 to December 31, 2021	<u><u>\$ -</u></u>

CLERK OF THE COURT OF COMMON PLEAS/PROBATION
DEPARTMENT/PROTHONOTARY/CLERK OF ORPHANS' COURT/
RECORDER OF DEEDS/REGISTER OF WILLS
FULTON COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

Finding - Inadequate Voided Receipt Procedures - Probation Department

Our audit disclosed that proper voided receipt procedures were not always followed by the Probation Department. Of 22 voided receipts tested, we noted the following:

- Seven receipts had no documentation as to the reason why the receipt was voided.
- Two voided receipts included money, totaling \$260, that was not recorded in the Common Pleas Criminal Case Management System (CPCMS), and remained unaccounted for as of the end of the audit period.
- Seven voided receipts did not have evidence of being authorized by the Chief Probation Officer.

Good internal accounting controls over voided receipts ensures that:

- Voided receipts include documentation describing the reason for voiding the receipt.
- Voided receipts information must be correctly entered in the Common Pleas Criminal Case Management System (CPCMS).
- Voided receipts must have evidence of being properly authorized.

This condition existed because the Probation Department staff failed to follow established internal control procedures over its voided receipts.

Without a good system of controls over voided receipts, and periodic monitoring of these controls, the potential of funds being lost or misappropriated increases significantly.

Recommendation

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

CLERK OF THE COURT OF COMMON PLEAS/PROBATION
DEPARTMENT/PROTHONOTARY/CLERK OF ORPHANS' COURT/
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FULTON COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

Finding - Inadequate Voided Receipt Procedures - Probation Department (Continued)

Management Response

The Chief Probation Officer responded as follows:

In response to your finding, I took immediate action to investigate and review the transactions identified. That same date of notification, I identified the staff members responsible for the seven voided transactions. One of the staff members is no longer employed with our department as of September 2022. The other staff member is no longer permitted to take payments, process payments, or handle any money transactions. I notified CPCMS [Common Pleas Case Management System] to reduce the staff member's security clearances to a read only option.

I have had numerous conversations with staff along with the specific staff member responsible for those transactions. I have no evidence nor belief that the staff member did anything inappropriate with the money; however, specific policy and procedures were not followed regarding voided transactions. Thus, disciplinary action was taken to remove her from all collections.

Following my review of the matters, on December 21, 2022, I notified all staff in an email that the updated policy regarding payments: the specific staff member was removed from all collections and there will be no further voiding of payments, except as is absolutely necessary. If there was a voided payment, then the Chief Probation Officer, a supervisor, or the lead probation officer was to be notified. The support staff was to write notes and justification along with a probation officer reviewing and signing off on the voided payment. These new measures are meant to avoid any future issues, discrepancy, or problems.

It is noted that our office has been extremely understaffed. We barely can staff probation officer positions let alone having staff designated as a supervisor over the payment process.

I disagree that the office failed to establish adequate internal controls. Policy was not followed by the staff designated for payments. The staffing the county provides, and the lack of state funding to adequately staff the office, permits errors and things like this to take place. That is why audits are necessary. As soon as this was discovered, corrective measures were implemented. I don't believe our policy was lacking, but we have now enhanced and changed policy to reduce likelihood of reoccurrence.

CLERK OF THE COURT OF COMMON PLEAS/PROBATION
DEPARTMENT/PROTHONOTARY/CLERK OF ORPHANS' COURT/
RECORDER OF DEEDS/REGISTER OF WILLS
FULTON COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

Finding - Inadequate Voided Receipt Procedures - Probation Department (Continued)

Auditor's Conclusion

We acknowledge the Chief Probation Officer's concerns regarding staffing, and we appreciate the efforts to correct this issue. It is imperative that internal control procedures over voided receipts are not only in place but are followed and monitored to determine whether they are operating effectively to reduce the risk of lost, stolen, or misappropriated funds. During our next audit, we will determine the effectiveness of the corrective measures taken by the office.

CLERK OF THE COURT OF COMMON PLEAS/PROBATION
DEPARTMENT/PROTHONOTARY/CLERK OF ORPHANS' COURT/
RECORDER OF DEEDS/REGISTER OF WILLS
FULTON COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

This report was initially distributed to:

The Honorable Pat Browne
Secretary
Pennsylvania Department of Revenue

The Honorable H. Geoffrey Moulton, Jr.
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 Patty A. Suders Fix
Clerk of the Court of Common Pleas/
Prothonotary/Clerk of Orphans' Court/Recorder of Deeds/Register of Wills

Daniel R. Miller
Chief Probation Officer

The Honorable Shawn D. Meyers
President Judge

The Honorable Stuart Ulsh
Chairperson of the Board of Commissioners

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.