

CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/
CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT

WAYNE COUNTY

EXAMINATION REPORT

FOR THE PERIOD

JANUARY 1, 2004 TO DECEMBER 31, 2006

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Independent Auditor's Report

The Honorable Thomas W. Wolf
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/Clerk of Orphans' Court/Probation Department, Wayne County, Pennsylvania (County Officers), 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 offices' 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 Officers 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 certain findings that are required to be reported under *Government Auditing Standards* and those findings, along with the views of management, are described in the Findings and Recommendations section of the report.

We are concerned in light of the Prothonotary/Clerk of Orphans' Court failure to correct a previously reported finding regarding inadequate internal controls over the computer system. The County Officers should strive to implement the recommendations and corrective actions noted in this examination report. In addition, during our current examination we noted weaknesses in the internal controls over receipt procedures that need corrective action by the Probation Department. These significant deficiencies increase the risk for funds to be lost, stolen, or misappropriated.

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.

January 31, 2008

JACK WAGNER
Auditor General

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

Receipts:

Department of Transportation		
Title 75 Fines	\$	58,071
Department of Revenue Court Costs		14,508
Crime Victims' Compensation Costs		41,037
Crime Commission Costs/Victim Witness Services Costs		27,256
Domestic Violence Costs		3,770
State Police Costs		1,984
Office of The Inspector General Costs		4,313
Department of Environmental Protection Costs		220
Department of Public Welfare costs		1,927
Emergency Medical Services Fines		6,020
DUI - ARD/EMS Fees		4,675
CAT/MCARE Fund Surcharges		38,710
Judicial Computer System/Access to Justice Fees		11,756
Offender Supervision Fees		142,789
Constable Service Surcharges		7
Criminal Laboratory Users' Fees		9,103
Probation and Parole Officers' Firearm Education Costs		3,663
Substance Abuse Education Costs		43,495
Office of Victims' Services Costs		3,866
Miscellaneous State Fines and Costs		<u>33,777</u>
 Total receipts (Note 2)	 \$	 450,947
 Disbursements and credits to Commonwealth (Note 4)		 <u>(451,307)</u>
 Balance due Commonwealth (County) per settled reports (Note 5)		 (360)
 Examination adjustments		 <u>-</u>
 Adjusted balance due Commonwealth (County) for the period January 1, 2004 to December 31, 2006	 \$	 <u><u>(360)</u></u>

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

PROBATION DEPARTMENT
 WAYNE COUNTY
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2004 TO DECEMBER 31, 2006

Receipts:

Department of Transportation Costs	\$	40
Department of Public Welfare Costs		3,082
State Police Costs		4,721
Office of Inspector General Costs		2,244
Department of Environmental Protection Costs		<u>1,080</u>
Total receipts (Note 2)		11,167
Disbursements to Commonwealth (Note 4)		<u>(11,167)</u>
Balance due Commonwealth (County)		-
Examination adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2004 to December 31, 2006	\$	<u><u>-</u></u>

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

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

Receipts:

Writ Taxes	\$	1,692
Divorce Complaint Surcharges		5,330
Judicial Computer System/Access To Justice Fees		37,052
Protection From Abuse Surcharges and Contempt Fines		2,518
Criminal Charge Information System Fees		<u>1,292</u>
Total Receipts (Note 2)		47,884
Commissions (Note 3)		<u>(51)</u>
Net Receipts		47,833
Disbursements to Commonwealth (Note 4)		<u>(47,833)</u>
Balance due Commonwealth (County) per settled reports (Note 5)		-
Examination adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2004 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
WAYNE COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2004 TO DECEMBER 31, 2006

Receipts:

Marriage License Taxes	\$	527
Marriage License Application Surcharges		10,530
Marriage License Declaration Fees		10,530
Judicial Computer System/Access To Justice Fees		<u>1,180</u>
Total Receipts (Note 2)		22,767
Disbursements to Department of Revenue (Note 4)		<u>(22,767)</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, 2004 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/PROTHONOTARY/
CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT
WAYNE 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 (Statements) have been prepared in accordance with Section 401(b) of *The Fiscal Code*, 72 P.S § 401(b), 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 Pennsylvania Department of Revenue (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 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 Department

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.

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 \$10.00 surcharge imposed on all divorce decrees.
- 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 filing of any legal paper to initiate a civil action or proceeding.

CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/
CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT
WAYNE 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, 2003 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, 2007. The statement of receipts and disbursements only reflects the portion collected on behalf of the AOPC.

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.

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

2. Receipts (Continued)

Clerk Of Orphans' Court

- 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.

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 Department of Revenue.

4. Disbursements And Credits

Clerk Of The Court Of Common Pleas/Probation Department

Total disbursements and credits are comprised as follows:

Clerk of the Court checks issued to:

Department of Revenue	\$	442,542
State Police		1,984
Office of the Inspector General		4,313
Department of Environmental Protection		220
Department of Public Welfare		1,927

Credit taken on the current examination
for the prior audit period:

January 1, 2000 to December 31, 2003		321
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Total	\$	451,307
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CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/
 CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT
 WAYNE COUNTY
 NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2004 TO DECEMBER 31, 2006

4. Disbursements And Credits (Continued)

Probation Department

Total disbursements are comprised as follows:

Probation Department checks issued to:

Department of Transportation	\$	40
Department of Public Welfare		3,082
State Police		4,721
Office of Inspector General		2,244
Department of Environmental Protection		1,080
Total	\$	11,167

Prothonotary

Total disbursements are comprised as follows:

Prothonotary checks issued to:

Department of Revenue	\$	46,541
Adminstrative Office of Pennsylvania Courts		1,292
Total	\$	47,833

Clerk Of Orphans' Court

Total disbursements are comprised as follows:

Checks issued to the Department of Revenue	\$	22,767
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CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/
CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT
WAYNE COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2004 TO DECEMBER 31, 2006

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

Clerk Of The Court Of Common Pleas/Probation 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 any receipts disbursed directly to other state agencies.

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/PROTHONOTARY/
 CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT
 WAYNE 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/Probation Department

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	\$ 300	\$ (300) *	\$ -
February	21	(21) *	-
March	-	-	-
April	-	-	-
May	-	-	-
June	-	-	-
July	-	-	-
August	-	-	-
September	-	-	-
October	-	-	-
November	(19)	-	(19)
December	-	-	-
2005			
January	(176)	-	(176)
February	-	-	-
March	-	-	-
April	(65)	-	(65)
May	(50)	-	(50)
June	(50)	-	(50)
July	-	-	-
August	-	-	-
September	-	-	-
October	-	-	-
November	-	-	-
December	-	-	-

* Amounts represent credits for the prior audit period January 1, 2000 to December 31, 2003.

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

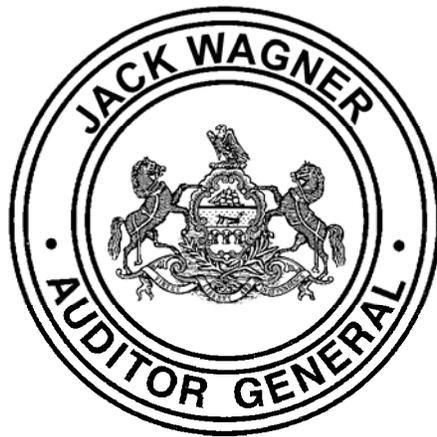
6. Reconciliation Of Settled Reports (Continued)

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	-	-	-
			<hr/>
Balance due Commonwealth (County) per settled reports			(360)
Examination adjustments			<hr/> -
Adjusted balance due Commonwealth (County) for the period January 1, 2004 to December 31, 2006			<hr/> <u>\$ (360)</u>

7. County Officers Serving During Examination Period

Edward G. Sandercock served as the Clerk of the Court of Common Pleas/Prothonotary/Clerk of Orphans' Court for the period January 1, 2004 to December 31, 2006.

Robert H. Williams served as Chief Probation Officer for the period January 1, 2004 to December 31, 2006.



PROBATION DEPARTMENT
WAYNE COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2004 TO DECEMBER 31, 2006

Finding No. 1 - Inadequate Internal Controls Over Receipts - Probation Department

Standard practice for the Probation Department is to issue manual receipts to everyone making payments at the counter. Receipts are then entered into the computer system when the bookkeeper has time.

In performing our examination, we noted the following weaknesses in the internal controls over manual receipts:

- Manual receipts did not have a pre-printed receipt number on them. Additionally, there was no documentation, verification, or accountability as to the number of manual receipts purchased. Therefore, we were unable to verify the number of manual receipts issued.
- A manual receipt log was not maintained.
- Manual receipt numbers were not entered into the computer system when the corresponding computer receipts were generated.
- Of 40 receipts tested, there were 6 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 ranged from one to three days.
- The six manual receipts that were not generated timely after the issuance of the corresponding manual receipt were not deposited on the same day as collected. The time lapse from the date of receipt to the subsequent deposit ranged from two days to five days.

A good system of internal accounting controls requires that:

- Manual receipts should be pre-numbered, accounted for, and maintained. All required information from the manual receipt should be recorded on a manual receipts log sheet.
- 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.

PROBATION DEPARTMENT
WAYNE COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2004 TO DECEMBER 31, 2006

Finding No. 1 - Inadequate Internal Controls Over Receipts - Probation Department (Continued)

- Computer downtime manual receipt numbers are entered in the manual receipt number field on the computer when the corresponding computer receipts are generated. This will link the manual receipt to the computer receipt.
- Computer receipts are generated timely after the issuance of the corresponding manual receipts.
- All monies collected are deposited intact on the same day as collected.

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

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

Recommendation

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

Management's Response

The Probation Department responded as follows:

All money paid at probation will be posted at the front desk on the 3rd floor (adult probation). This includes all juvenile and adult payments. The person making the payment must wait at the window for their receipt. There will be no manual receipts written unless the CPCMS system is not working. If the payor is different than the recipient of the payment (defendant), the payor will get their receipt immediately after making payment at the window and a copy of the receipt will be mailed to the defendant. A copy of the receipt [will be made] if it is a cash payment. All cash, checks and/or money orders will then be put in the bag located in the bookkeeper's office in the locked safe. Copies of cash payment receipts will be placed in a file folder located at the front desk. If a defendant is paying in full, the bookkeeper [will be made aware] so she can satisfy the judgment (if applicable).

PROBATION DEPARTMENT
WAYNE COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
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Finding No. 1 - Inadequate Internal Controls Over Receipts - Probation Department (Continued)

Management's Response (Continued)

When payments come through the mail, they are posted immediately after the mail has been dispersed. Once posted in the computer, all checks and/or money orders are placed in the bag in the locked safe in the bookkeeper's office. All receipts are then mailed to the proper people.

Deposits will be made on a daily basis at 4:00 PM. Payments will not be accepted after 4:00 PM – no exceptions. Following the computer-generated deposits, a separate person will count the money, initial and hand-written deposit record, put the money in an envelope and take the deposit to the bank.

All clerical staff will be trained in the CPCMS system regarding posting payments, printing receipts and making deposits. At this time, the 3rd floor clerical staff will be posting payments made at the probation department, [Bookkeeper] (or one of the clerical staff if [Bookkeeper] is not in the office) will be posting all payments that come in through the mail and the computer-generated deposit, and one of the clerical staff who did not post payments in the computer-generated deposit will be taking the money to [the bank] at the end of the day.

Auditor's Conclusion

We appreciate the office's effort to correct these conditions. During our next examination, we will determine if the office complied with our recommendation.

PROTHONOTARY/CLERK OF ORPHANS' COURT
WAYNE COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2004 TO DECEMBER 31, 2006

Finding No. 2 - Inadequate Internal Controls Over Computer System - Prothonotary/Clerk Of Orphans' Court

Wayne County uses a service organization (Vendor) as an Application Service Provider (ASP) to account for transactions in several offices, including the offices of the Prothonotary/Clerk of Orphans' Court (County). Wayne County initiates and approves transactions from remote terminals in the County. These transactions are then transmitted electronically to the Vendor's computer system. The Vendor is responsible for processing all of the transactions and producing the necessary reports and accounting entries to record the receipt and distribution of funds and to prepare the financial statements.

During discussions with County personnel, we learned that the Vendor has the ability to make changes to the County's data using a procedure called a Data File Utility (DFU). Use of this utility would not be recorded through the normal accounting processes and, therefore, would not generate a normal audit trail.

We also noted the following weaknesses:

- The contract agreement between the County and the Vendor relieves the Vendor of any liability concerning loss of data or system functionality that may be caused by the Vendor's actions. The contract states, in part, "[Vendor] shall not be liable for direct, indirect, incidental, or consequential damages arising from the use or the inability to use the software or service herein described. Neither shall [Vendor] be responsible for the loss of data, the cost of data recovery, or the loss of profit or revenue."
- The County does not require notification of which computer Vendor employee has the authority to access their data to ensure that changes are made only by authorized representatives.
- The Vendor has unmonitored access to the County's data. The County was not monitoring the Vendor's system accesses, nor were they receiving reports to show what data may have been altered and/or accessed.

Effective security policy and practice requires the County's approval and monitoring of any computer data changes made by the Vendor, particularly because of the Vendor's access to critical applications. Furthermore, to ensure confidentiality, passwords should be changed periodically and not exchanged between employees.

PROTHONOTARY/CLERK OF ORPHANS' COURT
WAYNE COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2004 TO DECEMBER 31, 2006

Finding No. 2 - Inadequate Internal Controls Over Computer System - Prothonotary/Clerk Of Orphans' Court (Continued)

According to the Computer Emergency Response Team (CERT) of Carnegie Mellon University, inadequate contractor security policies and practices can result in undetected intrusions or security violations, lack of data integrity, and loss of privacy.

These conditions existed because the County failed to establish adequate internal controls over its computer system.

This finding was cited in the prior audit January 1, 2000 to December 31, 2003.

Recommendations

We again recommend:

- That the County establish procedures to periodically generate monitoring reports that include the date, time, reason for change(s), change(s) made, and who made the change(s). The County should routinely review these reports to determine that access was appropriate and that data was not improperly altered.
- That the County should continue to take prudent steps to properly secure their production servers from unauthorized access using the remote access software installed on their system. We recommend consideration of security practices published by respected authorities in the field, such as the CERT Security Module entitled:

Outsourcing Managed Security Services

(http://www.cert.org/security-improvement/modules/m03.html)

- That the County negotiate an updated contract and software maintenance agreement with the Vendor. During this process the County's legal counsel should consider how to protect the County's interests in the event that errors or fraud occur as a result of Vendor employees accessing the County's data. Further, in accordance with the CERT document cited above, the following computer security issues should be considered for inclusion in the contract:

PROTHONOTARY/CLERK OF ORPHANS' COURT
WAYNE COUNTY
FINDINGS AND RECOMMENDATIONS
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Finding No. 2 - Inadequate Internal Controls Over Computer System - Prothonotary/Clerk Of Orphans' Court (Continued)

Recommendations (Continued)

- Assurances that vulnerabilities to known forms of attack have been addressed in the contractor software (i.e., all security patches have been updated and applied), assertions that contractor software is installed and configured to operate securely, and warranties that no malicious code (i.e., Trojan Horses) or viruses exist in contractor software.
- The remote access method, the user authentication process, and a requirement that the contractor communicate securely with the County's site when operating remotely.
- The ability to restrict systems administrator-level access to authorized users, as well as the ability to log appropriate activities for purposes of detecting intrusions and attempted intrusions.
- A recently completed security evaluation of the contractor encompassing the technology being selected.
- A non-disclosure agreement if the contractor may encounter proprietary information on the County's systems.
- That the County always maintain an updated contract so as to provide appropriate legal recourse in the event of disputes with the Vendor.
- That the County office users be required to periodically change their passwords.

Management's Response

No formal response was offered at this time.

Auditor's Conclusion

This is a recurring finding. We strongly recommend that the district court comply with our recommendation.

CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/
CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT
WAYNE COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2004 TO DECEMBER 31, 2006

This report was initially distributed to:

The Honorable Thomas W. Wolf
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
Pennsylvania Board of Probation and Parole
1101 South Front Street, Suite 5900
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Clerk of the Court of Common Pleas/
Prothonotary/Clerk of Orphans' Court
Wayne County
Courthouse Annex
925 Court Street
Honesdale, PA 18431

The Honorable Edward G. Sandercock	Clerk of the Court of Common Pleas/ Prothonotary/Clerk of Orphans' Court
The Honorable Brian W. Smith	Chairman of the Board of Commissioners
The Honorable Raymond L. Hamill	President Judge
Mr. Robert H. Williams	Chief Probation Officer, Probation Department

This report is a matter of public record. Copies of this report may be obtained from the Pennsylvania Department of the Auditor General, Office of Communications, 318 Finance Building, Harrisburg, PA 17120. To view this report online or to contact the Department of the Auditor General, please access our web site at www.auditorgen.state.pa.us.