

ATTESTATION ENGAGEMENT

Clerk of the Court of Common
Pleas/Prothonotary/
Clerk of Orphans' Court
Wyoming County, Pennsylvania
For the Period
January 1, 2010 to December 31, 2013

June 2015



Commonwealth of Pennsylvania
Department of the Auditor General
Eugene A. DePasquale • Auditor General



Commonwealth of Pennsylvania
Department of the Auditor General
Harrisburg, PA 17120-0018
Facebook: Pennsylvania Auditor General
Twitter: @PAAuditorGen

EUGENE A. DePASQUALE
AUDITOR GENERAL

Independent Auditor's Report

The Honorable Eileen H. McNulty
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/Clerk of Orphans' Court, Wyoming County, Pennsylvania (County Officer), for the period January 1, 2010 to December 31, 2013, pursuant to the requirements of Sections 401(b) and 401(d) of *The Fiscal Code*, 72 P.S. § 401(b) and § 401(d). The County Office's management is responsible for these Statements. 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 and, accordingly, included 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*.

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 Commonwealth for the period January 1, 2010 to December 31, 2013, in conformity with the criteria set forth in Note 1.

Independent Auditor's Report (Continued)

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the Statements; and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the Statements. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. 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 internal control over reporting on the Statements or on compliance and other matters; accordingly, we express no such opinions.

Our consideration of internal control over reporting on the Statements was for the limited purpose of expressing an opinion on whether the Statements are presented in accordance with the criteria described above and was not designed to identify all deficiencies in internal control over reporting on the Statements that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency listed below to be material weakness.

- Inadequate Internal Controls Over Manual Receipts.

As part of obtaining reasonable assurance about whether the Statements are free from material misstatement, we performed tests of the County Office's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of Statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our engagement, and accordingly, we do not express such an opinion. The results of our tests did not disclose any other instances of noncompliance or other matter that is required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Pennsylvania Department of Revenue, the Administrative Office of Pennsylvania Courts, and the County Officer and is not intended to be and should not be used by anyone other than these specified parties.

Independent Auditor's Report (Continued)

We appreciate the courtesy extended by the Clerk of the Court of Common Pleas/Prothonotary/Clerk of Orphans' Court, Wyoming County, to us during the course of our examination. If you have any questions, please feel free to contact Michael B. Kashishian, CPA, CGAP, CFE, Director, Bureau of County Audits, at 717-787-1363.

A handwritten signature in black ink, appearing to read "Eugene A. DePasquale". The signature is fluid and cursive, with a long horizontal stroke at the end.

March 26, 2015

Eugene A. DePasquale
Auditor General

CONTENTS

	<u>Page</u>
Financial Section:	
Statements Of Receipts And Disbursements:	
Clerk Of The Court Of Common Pleas	1
Prothonotary	2
Clerk Of Orphans' Court.....	3
Notes To The Statements Of Receipts And Disbursements	4
Finding and Recommendation:	
Finding - Inadequate Internal Controls Over Manual Receipts - Clerk of the Court of Common Pleas.....	9
Report Distribution	11

CLERK OF THE COURT OF COMMON PLEAS
WYOMING COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2013

Receipts:

Department of Transportation		
Title 75 Fines	\$	105,560
Department of Revenue Court Costs		24,820
Crime Victims' Compensation Costs		52,291
Crime Commission Costs/Victim Witness Services Costs		35,019
Domestic Violence Costs		5,437
Emergency Medical Services Fines		3,909
DUI - ARD/EMS Fees		8,685
CAT/MCARE Fund Surcharges		46,495
Judicial Computer System/Access to Justice Fees		32,252
Offender Supervision Fees		172,524
Constable Service Surcharges		61
Criminal Laboratory Users' Fees		89,138
Probation and Parole Officers' Firearm Education Costs		5,659
Substance Abuse Education Costs		51,492
Office of Victims' Services Costs		2,590
Miscellaneous State Fines and Costs		<u>96,848</u>
 Total receipts (Note 2)		 732,780
 Disbursements to Commonwealth (Note 4)		 <u>(732,780)</u>
 Balance due Commonwealth (County) per settled reports (Note 5)		 -
 Examination adjustments		 <u>-</u>
 Adjusted balance due Commonwealth (County) for the period January 1, 2010 to December 31, 2013	 \$	 <u><u>-</u></u>

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

PROTHONOTARY
WYOMING COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2013

Receipts:

Writ Taxes	\$	2,430
Divorce Complaint Surcharges		3,200
Judicial Computer System/Access To Justice Fees		72,862
Protection From Abuse Surcharges and Contempt Fines		2,723
Criminal Charge Information System Fees		<u>1,563</u>
Total Receipts (Note 2)		82,778
Commissions (Note 3)		<u>(73)</u>
Net Receipts		82,705
Disbursements to Commonwealth (Note 4)		<u>(82,705)</u>
Balance due Commonwealth (County) per settled reports (Note 5)		-
Examination adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2010 to December 31, 2013	\$	<u><u>-</u></u>

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

CLERK OF ORPHANS' COURT
WYOMING COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2013

Receipts:

Marriage License Taxes	\$	348
Marriage License Application Surcharges		6,950
Marriage License Declaration Fees		6,950
Judicial Computer System/Access To Justice Fees		<u>2,279</u>
Total Receipts (Note 2)		16,527
Disbursements to Commonwealth (Note 4)		<u>(16,527)</u>
Balance due Commonwealth (County) per settled reports (Note 5)		-
Examination adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2010 to December 31, 2013	\$	<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
WYOMING COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2013

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. These fees were increased to \$23.50 for the period December 8, 2009 to December 31, 2014.

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/CLERK OF ORPHANS' COURT
WYOMING COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2013

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 \$7.00 for the period January 1, 2008 to December 31, 2010 and \$7.50 for the period January 1, 2011 to December 31, 2013. 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 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.
- 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.

CLERK OF THE COURT OF COMMON PLEAS/
 PROTHONOTARY/CLERK OF ORPHANS' COURT
 WYOMING COUNTY
 NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2010 TO DECEMBER 31, 2013

2. Receipts (Continued)

Clerk Of Orphans' Court (Continued)

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

3. Commissions - Prothonotary

Acting in the capacity of an agent for the Commonwealth, the Prothonotary is authorized to collect a commission of three percent on the Commonwealth portion of writ taxes. Accordingly, commissions owed the county are not included in the balance due the Commonwealth.

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	\$	719,906
Pennsylvania Game Commission		8,000
Pennsylvania State Police		4,864
Victims Compensation Assistance Program		10
Total	\$	732,780

CLERK OF THE COURT OF COMMON PLEAS/
 PROTHONOTARY/CLERK OF ORPHANS' COURT
 WYOMING COUNTY
 NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2010 TO DECEMBER 31, 2013

4. Disbursements (Continued)

Prothonotary

Total disbursements are comprised as follows:

Prothonotary checks issued to:

Department of Revenue	\$ 81,142
Adminstrative Office of Pennsylvania Courts	<u>1,563</u>
Total	<u><u>\$ 82,705</u></u>

Clerk Of Orphans' Court

Total disbursements are comprised as follows:

Department of Revenue	<u><u>\$ 16,527</u></u>
-----------------------	-------------------------

5. Balance Due Commonwealth (County) For The Period January 1, 2010 To December 31, 2013

Clerk Of The Court Of Common Pleas/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.

6. Prior Examination Period Balance Due

We noted that there was a prior examination balance due the County of \$5 which was not taken as of the end of our current examination period.

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/CLERK OF ORPHANS' COURT
WYOMING COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2013

7. County Officer Serving During Examination Period

Paulette Burnside served as the Clerk of the Court of Common Pleas/Prothonotary/Clerk of Orphans' Court for the period January 1, 2010 to February 28, 2010.

Karen Bishop served as the Clerk of the Court of Common Pleas/Prothonotary/Clerk of Orphans' Court for the period March 1, 2010 to December 31, 2013.

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/CLERK OF ORPHANS' COURT
WYOMING COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2013

Finding - Inadequate Internal Controls Over Manual Receipts - Clerk Of The Court Of Common Pleas

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 disclosed the following deficiencies in the internal controls over manual receipts:

Of 19 receipts tested, we noted the following:

- There were 19 instances where the manual receipts and the manual receipt log were not completed properly.
- There were 3 instances in which the computer receipt was not generated timely after the issuance of the corresponding manual receipt. The time lapse for the date of the manual receipt to the date of the corresponding computer receipt ranged from 4 days to 56 days.
- There were 19 instances in which the manual receipt number was not entered into the computer system when the corresponding computer receipt was generated.
- Manual receipts were not always used in numerical sequence.
- The office did not use Commonwealth Pleas Case Management System CPCMS generated manual receipts.

Good internal accounting controls ensure that:

- Manual receipts and manual receipts logs are properly maintained to document all information, 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 all manual receipts.
- Computer receipts are generated timely after the issuance of the corresponding manual receipts.

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/CLERK OF ORPHANS' COURT
WYOMING COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2013

**Finding - Inadequate Internal Controls Over Manual Receipts - Clerk Of The Court Of
Common Pleas (Continued)**

- Manual receipt numbers are entered in the manual receipt number field on the computer when the corresponding computer receipts are generated.
- Manual receipts are issued in numerical sequence.
- Only official Commonwealth Pleas Case Management System (CPCMS) manual receipts are used.

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

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

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

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 County Officer responded as follows:

I was not the office holder at the beginning of the audit period and not aware of the manual receipting system. I will contact the Administrative Office of Pennsylvania Courts (AOPC) and have them help me generate a manual receipting system.

Auditor's Conclusion

During our next examination we will determine if the office complied with our recommendation.

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/CLERK OF ORPHANS' COURT
WYOMING COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2010 TO DECEMBER 31, 2013

This report was initially distributed to:

The Honorable Eileen H. McNulty
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
Pennsylvania Board of Probation and Parole

The Honorable Karen Bishop Clerk of the Court of Common Pleas/
Prothonotary/Clerk of Orphans' Court

The Honorable Russell D. Shurtleff President Judge

The Honorable Thomas S Henry Chairperson of the Board of Commissioners

This report is a matter of public record and is available online at <http://www.PaAuditor.gov>.
Media questions about the report can be directed to the Pennsylvania Department of the Auditor
General, Office of Communications, 231 Finance Building, Harrisburg, PA 17120; via email to:
news@PaAuditor.gov.