



**CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/PROBATION OFFICE**

CLINTON COUNTY

EXAMINATION REPORT

FOR THE PERIOD

JANUARY 1, 2007 TO DECEMBER 31, 2011

COMMONWEALTH OF PENNSYLVANIA

EUGENE A. DEPASQUALE - AUDITOR GENERAL

DEPARTMENT OF THE AUDITOR GENERAL



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EUGENE A. DePASQUALE
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/Prothonotary/Probation Office, Clinton County, Pennsylvania (County Officer), for the period January 1, 2007 to December 31, 2011, 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 Commonwealth for the period January 1, 2007 to December 31, 2011, 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 Officer's 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 Officer's Statements that is more than inconsequential will not be prevented or detected by the County Officer's internal control. We consider the deficiencies described in the findings below to be significant deficiencies in internal control over reporting on the Statements:

- Inadequate Internal Controls Over Receipts - Prothonotary.
- Inadequate Internal Controls Over Receipts - Probation Office.

Independent Auditor's Report (Continued)

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 Officer's 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. However, we believe that the significant deficiencies described above are 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*.

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.



March 15, 2013

EUGENE A. DEPASQUALE
Auditor General

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CLERK OF THE COURT OF COMMON PLEAS/PROBATION OFFICE
 CLINTON COUNTY
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2007 TO DECEMBER 31, 2011

Receipts:

Department of Transportation		
Title 75 Fines	\$	138,106
Overweight Fines		4,129
Department of Revenue Court Costs		37,646
Crime Victims' Compensation Costs		80,332
Crime Commission Costs/Victim Witness Services Costs		54,770
Domestic Violence Costs		8,914
Commonwealth of Pennsylvania		2,172
Office of Attorney General		2,541
Pennsylvania State Police		1,774
Department of Public Welfare		476
Pennsylvania Department of Transportation		6,806
Office of Inspector General		250
Wine and Spirits Shop		283
Victims Compensation Assistance Program		700
Emergency Medical Services Fines		4,549
DUI - ARD/EMS Fees		14,694
CAT/MCARE Fund Surcharges		62,372
Judicial Computer System/Access to Justice Fees		30,302
Offender Supervision Fees		426,198
Criminal Laboratory Users' Fees		12,649
Probation and Parole Officers' Firearm Education Costs		8,873
Substance Abuse Education Costs		108,293
Office of Victims' Services Costs		48,828
Miscellaneous State Fines and Costs		<u>101,723</u>
 Total receipts (Note 2)		 1,157,380
 Disbursements to Commonwealth (Note 4)		 <u>(1,157,380)</u>
 Balance due Commonwealth (County) per settled reports (Note 5)		 -
 Examination adjustments		 <u>-</u>
 Adjusted balance due Commonwealth (County) for the period January 1, 2007 to December 31, 2011		 <u><u>\$ -</u></u>

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

PROTHONOTARY
CLINTON COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2007 TO DECEMBER 31, 2011

Receipts:

Writ Taxes	\$ 3,501
Divorce Complaint Surcharges	6,620
Judicial Computer System/Access To Justice Fees	57,307
Protection From Abuse Surcharges and Contempt Fines	5,033
Criminal Charge Information System Fees	<u>2,258</u>
Total Receipts (Note 2)	74,719
Commissions (Note 3)	<u>(105)</u>
Net Receipts	74,614
Disbursements to Commonwealth (Note 4)	<u>(74,626)</u>
Balance due Commonwealth (County) per settled reports (Note 5)	(12)
Examination adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2007 to December 31, 2011	<u>\$ (12)</u>

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

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/PROBATION OFFICE
CLINTON COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2007 TO DECEMBER 31, 2011

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/PROBATION OFFICE
CLINTON COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
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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 \$6.50 for the period January 1, 2006 to December 31, 2007, \$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.

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 Commonwealth.

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/PROBATION OFFICE
CLINTON COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2007 TO DECEMBER 31, 2011

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	\$ 1,142,378
Commonwealth of Pennsylvania	2,172
Office of Attorney General	2,541
State Police	1,774
Department of Public Welfare	476
Department of Transportation	6,806
Office of Inspector General	250
Wine and Spirits Shop	283
Victims Compensation Assistance Program	700
	700
Total	\$ 1,157,380
	1,157,380

Prothonotary

Total disbursements are comprised as follows:

Prothonotary checks issued to:

Department of Revenue	\$ 72,368
Adminstrative Office of Pennsylvania Courts	2,258
	2,258
Total	\$ 74,626
	74,626

5. Balance Due Commonwealth (County) For The Period January 1, 2007 To December 31, 2011

Clerk Of The Court Of Common Pleas/Probation Office/Prothonotary

This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue. It also reflects a summary of any collections remitted directly to other state agencies.

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/PROBATION OFFICE
CLINTON COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
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6. County Officers Serving During Examination Period

Sherry L. Yarrison served as the Clerk of the Court of Common Pleas/Prothonotary for the period January 1, 2007 to December 31, 2011.

Gerald Rosamilie served as Director of Court Services, Probation Office, for the period January 1, 2007 to October 1, 2009. Jason Foltz served as Director of Court Services, Probation Office, for the period October 1, 2009 to December 31, 2011.

PROTHONOTARY
CLINTON COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2007 TO DECEMBER 31, 2011

Finding No. 1 - Inadequate Internal Controls Over Receipts - Prothonotary

Our examination of the accounting records for the office disclosed the following deficiencies in the internal controls over receipts. We noted that:

- Of 70 receipts tested, 45 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.
- Of 70 deposits tested, 43 did not have a bank deposit slip validated by the bank. The office received a validated receipt, but this only confirmed the total amount deposited and not the actual make up of the deposit (i.e. cash and check mix).

It should be noted that the testing of the receipts indicated that the total amount receipted equaled the total amount deposited.

A good system of internal controls ensures that:

- All monies collected are deposited intact at the bank on the same day as collected.
- The amount of each check and the total amount of cash deposited are identified on the deposit slip. The office copy of each deposit should be brought to the bank to be validated. If the bank cannot validate the deposit slip, the office should obtain a deposit ticket from the bank that validates total cash and the total deposit. After the office receives the validation from the bank, it should be reconciled to the receipts by someone other than the person preparing or making the deposit.

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

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

The condition noted in bullet number one above was also cited in our prior examination.

Recommendation

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

PROTHONOTARY
CLINTON COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2007 TO DECEMBER 31, 2011

Finding No. 1 - Inadequate Internal Controls Over Receipts – Prothonotary (Continued)

Management's Response

No formal response was offered at this time.

Auditor's Conclusion

We strongly recommend that the Prothonotary take corrective action to comply with our recommendations.

PROBATION OFFICE
CLINTON COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2007 TO DECEMBER 31, 2011

Finding No. 2 - Inadequate Internal Controls Over Receipts - Probation Office

Our examination of the accounting records for the office disclosed the following deficiencies in the internal controls over receipts. We noted that:

- Of 50 receipts tested, 17 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 two days to eight days.
- Of 50 days tested, 50 did not have a bank deposit slip validated by the bank. The office received a validated receipt, but this only confirmed the total amount deposited and not the actual make up of the deposit (i.e. cash and check mix).

Our examination further disclosed that required manual receipt procedures were not always followed. 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. Of 25 receipts tested, we noted the following:

- There were three 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 2 days to 16 days.
- There were 11 instances in which the manual receipt number was not entered into the computer system when the corresponding computer receipt was generated.

It should be noted that the testing of the receipts indicated that the total amount received equaled the total amount deposited.

A good system of internal controls ensures that:

- All monies collected are deposited intact at the bank on the same day as collected.
- The amount of each check and the total amount of cash deposited are identified on the deposit slip. The office copy of each deposit should be brought to the bank to be validated. If the bank cannot validate the deposit slip, the office should obtain a deposit ticket from the bank that validates total cash and the total deposit. After the office receives the validation from the bank, it should be reconciled to the receipts by someone other than the person preparing or making the deposit.

PROBATION OFFICE
CLINTON COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
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Finding No. 2 - Inadequate Internal Controls Over Receipts - Probation Office (Continued)

- Computer receipts are generated timely after the issuance of the corresponding manual receipts.
- Manual receipt numbers are entered in the manual receipt number field on the computer when the corresponding computer receipts are generated.

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

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

Recommendation

We recommend that the office 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

We strongly recommend that the probation office take corrective action to comply with our recommendation.

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/PROBATION OFFICE
CLINTON COUNTY
COMMENT
FOR THE PERIOD
JANUARY 1, 2007 TO DECEMBER 31, 2011

Comment - Compliance With Prior Examination Recommendation

During our prior examination, we recommended:

- That the office assessed the DNA cost as mandated by law.

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

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/PROBATION OFFICE
CLINTON COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2007 TO DECEMBER 31, 2011

This report was initially distributed to:

The Honorable Daniel P. Meuser
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 Marie J. Vilello

Clerk of the Court of Common Pleas/
Prothonotary

The Honorable Jeffrey Snyder

Chairperson of the Board of Commissioners

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