



CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/  
RECORDER OF DEEDS/REGISTER OF WILLS/CLERK OF ORPHANS' COURT  
AND PROBATION/PAROLE OFFICE

CAMERON COUNTY

EXAMINATION REPORT

FOR THE PERIOD

JANUARY 3, 2006 TO DECEMBER 31, 2007



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## Independent Auditor's Report

Mr. C. Daniel Hassell  
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/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court and Probation/Parole Office, Cameron County, Pennsylvania (County Officers), for the period January 3, 2006 to December 31, 2007, 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.

Except as discussed in the fourth paragraph, 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)

As discussed in Finding No. 2, the 2006 receipts were missing and not available for the examination. Without these records, we could not perform our standard examination procedures. As a result, the scope of our examination of Cameron County Clerk of The Court of Common Pleas and Probation/Parole Office Statement was limited, and we were unable to satisfy ourselves by other examination procedures.

In our opinion, except for the effects, if any, of the matter noted in the preceding paragraph, 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 Commonwealth for the period ended December 31, 2007, 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 Officers' 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 Officers' Statements that is more than inconsequential will not be prevented or detected by the County Officers' internal control. We consider the deficiencies described in the findings below to be significant deficiencies in internal control over the reporting on the Statements:

- Inadequate Accountability Over Funds Held In Escrow - Prothonotary/Recorder Of Deeds/Register Of Wills/Clerk Of Orphans' Court And Probation/Parole Office.

Independent Auditor's Report (Continued)

- Inadequate Internal Controls Over Receipts - Prothonotary/Recorder Of Deeds/Register Of Wills/Clerk Of Orphans' Court And Probation/Parole Office.
  
- Inadequate Segregation Of Duties - Probation/Parole Office.

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 Officers' 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. We consider all the significant deficiencies described above to be 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*.

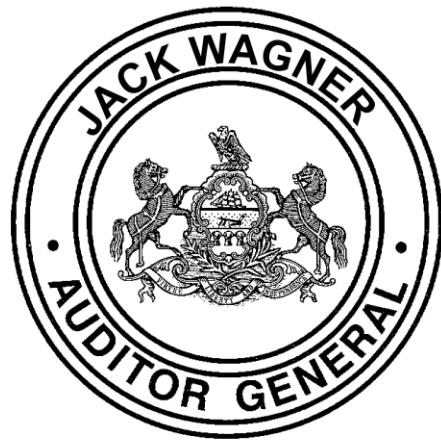
We are concerned in light of the County Officers failure to correct previously reported findings regarding inadequate receipt and escrow procedures. Additionally, during our current examination, we noted several significant weaknesses in the internal controls over segregation of duties that need corrective action. These significant deficiencies increase the risk for funds to be lost or misappropriated. The County Officers should strive to implement the recommendations and corrective action noted in this examination report.

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

May 19, 2009

JACK WAGNER  
Auditor General





CLERK OF THE COURT OF COMMON PLEAS AND PROBATION/PAROLE OFFICE  
CAMERON COUNTY  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

Receipts:

Department of Transportation		
Title 75 Fines	\$ 3,286	
Department of Revenue Court Costs	1,222	
Crime Victims' Compensation Costs	3,738	
Crime Commission Costs/Victim Witness Services Costs	1,910	
Department of Public Welfare		
Domestic Violence Costs	411	
Costs	402	
Emergency Medical Services Fines	131	
DUI - ARD/EMS Fees	295	
CAT/MCARE Fund Surcharges	1,486	
Judicial Computer System/Access to Justice Fees	833	
Offender Supervision Fees	11,989	
Constable Service Surcharges	263	
Criminal Laboratory Users' Fees	786	
Probation and Parole Officers' Firearm Education Costs	284	
Substance Abuse Education Costs	1,228	
Office of Victims' Services Costs	2,028	
Miscellaneous State Fines and Costs	<u>984</u>	
 Total receipts (Note 2)		 \$ 31,276
 Disbursements to Commonwealth (Note 4)		 <u>(31,276)</u>
 Balance due Commonwealth (County) per settled reports (Note 5)		 -
 Examination adjustments		 <u>-</u>
 Adjusted balance due Commonwealth (County) for the period January 3, 2006 to December 31, 2007		 <u><u>\$ -</u></u>

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

PROTHONOTARY  
CAMERON COUNTY  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

Receipts:

Writ Taxes	\$ 3,670
Divorce Complaint Surcharges	71,160
Judicial Computer System/Access To Justice Fees	72,760
Criminal Charge Information System Fees	<u>161</u>
Total Receipts (Note 2)	147,751
Commissions (Note 3)	<u>(110)</u>
Net Receipts	147,641
Disbursements to Commonwealth (Note 4)	<u>(147,641)</u>
Balance due Commonwealth (County) per settled reports (Note 5)	-
Examination adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 3, 2006 to December 31, 2007	<u><u>\$ -</u></u>

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

RECORDER OF DEEDS  
CAMERON COUNTY  
REALTY TRANSFER TAXES  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

Receipts:

Realty Transfer Taxes (Note 2)	\$ 217,642
Disbursements to Commonwealth (Note 4)	<u>(217,642)</u>
Balance due Commonwealth (County) per settled reports (Note 5)	-
Examination adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 3, 2006 to December 31, 2007	<u><u>\$ -</u></u>

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

RECORDER OF DEEDS  
 CAMERON COUNTY  
 WRIT TAXES AND JUDICIAL COMPUTER SYSTEM/ACCESS TO JUSTICE FEES  
 STATEMENT OF RECEIPTS AND DISBURSEMENTS  
 FOR THE PERIOD  
 JANUARY 3, 2006 TO DECEMBER 31, 2007

Receipts:

Writ Taxes	\$ 1,073
Judicial Computer System/Access To Justice Fees	<u>18,360</u>
Total Receipts (Note 2)	19,433
Commissions (Note 3)	<u>(32)</u>
Net Receipts	19,401
Disbursements to Commonwealth (Note 4)	<u>(19,401)</u>
Balance due Commonwealth (County) per settled reports (Note 5)	-
Examination adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 3, 2006 to December 31, 2007	<u><u>\$ -</u></u>

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

REGISTER OF WILLS  
CAMERON COUNTY  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

Receipts:

Inheritance Taxes	\$ 286,984
Disbursements to Commonwealth (Note 4)	<u>(286,984)</u>
Balance due Commonwealth (County) per settled reports (Note 5)	-
Examination adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 3, 2006 to December 31, 2007	<u><u>\$ -</u></u>

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

CLERK OF ORPHANS' COURT  
CAMERON COUNTY  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

Receipts:

Marriage License Taxes	\$	49
Marriage License Application Surcharges		970
Marriage License Declaration Fees		970
Judicial Computer System/Access To Justice Fees		<u>400</u>
Total Receipts (Note 2)		2,389
Disbursements to Commonwealth (Note 4)		<u>(2,389)</u>
Balance due Commonwealth (County) per settled reports (Note 5)		-
Examination adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 3, 2006 to December 31, 2007	\$	<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/  
RECORDER OF DEEDS/REGISTER OF WILLS/  
CLERK OF ORPHANS' COURT AND PROBATION/PAROLE OFFICE  
CAMERON COUNTY  
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

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 And Probation/Parole Office

Receipts are comprised of fines, costs, fees, and surcharges collected on behalf of the Commonwealth. These fines, costs, fees, and surcharges represent collections made on summary and criminal cases filed with the Clerk of the Court of Common Pleas' Office.

Prothonotary

Receipts are comprised of taxes, surcharges, fees and fines collected on behalf of the Department of Revenue and the Administrative Office of Pennsylvania Courts. These include monies collected for the following taxes, surcharges, fees, and fines:

- Writ Taxes represent a \$.50 or \$.25 tax imposed on taxable instruments filed with the Prothonotary.
- Divorce Complaint Surcharges represent a \$10 surcharge imposed on all divorce decrees.
- Judicial Computer System/Access To Justice Fees represent a \$10 fee imposed for the filing of any legal paper to initiate a civil action or proceeding.



CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/  
RECORDER OF DEEDS/REGISTER OF WILLS/  
CLERK OF ORPHANS' COURT AND PROBATION/PAROLE OFFICE  
CAMERON COUNTY  
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

2. Receipts (Continued)

Prothonotary (Continued)

- 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. The statement of receipts and disbursements only reflects the portion collected on behalf of the AOPC.

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 \$10 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 \$10 fee imposed for the initiation of any civil action or legal proceeding, including the filing of petitions for grants of letters, and first filing in petitions concerning adoptions, incompetents' estates, minors' estates, and inter vivos trusts.

CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/  
RECORDER OF DEEDS/REGISTER OF WILLS/  
CLERK OF ORPHANS' COURT AND PROBATION/PAROLE OFFICE  
CAMERON COUNTY  
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

2. Receipts (Continued)

Register Of Wills (Continued)

For the purpose of reporting the collection of Judicial Computer System/Access To Justice Fees to the Department of Revenue, the office combined the Register of Wills and Clerk of Orphans' Court collections and reported them on the Clerk of Orphans' Court's monthly report. Therefore, the amount reported on the Clerk of Orphans' Court's statement of receipts and disbursements includes the fees collected for the office of the Register of Wills.

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.
- 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.

CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/  
RECORDER OF DEEDS/REGISTER OF WILLS/  
CLERK OF ORPHANS' COURT AND PROBATION/PAROLE OFFICE  
CAMERON COUNTY  
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

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 Commonwealth.

Recorder Of Deeds/Register Of Wills

Acting in the capacity of an agent for the Commonwealth, the Recorder of Deeds/Register of Wills is authorized to collect a commission on the Commonwealth portion of taxes as follows:

<u>Tax</u>	<u>Commission</u>
Realty Transfer	1%
Writ	3%
Inheritance	4.25% \$1.00 to \$200,000.00 1.75% next \$800,000.00 .50% thereafter

Recorder of Deeds commissions of \$2,176 for Realty Transfer Taxes and Register of Wills commissions of \$12,197 for Inheritance Taxes were paid to the County by the Department of Revenue, which are not reflected in the Statements.

CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/  
 RECORDER OF DEEDS/REGISTER OF WILLS/  
 CLERK OF ORPHANS' COURT AND PROBATION/PAROLE OFFICE  
 CAMERON COUNTY  
 NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS  
 FOR THE PERIOD  
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4. Disbursements

Clerk Of The Court Of Common Pleas And Probation/Parole Office

Total disbursements are comprised as follows:

Probation/Parole office checks issued to:

Department of Revenue	\$	30,874
Department of Welfare		402
Total	\$	31,276

Prothonotary

Total disbursements are comprised as follows:

Prothonotary checks issued to:

Department of Revenue	\$	147,480
Adminstrative Office of Pennsylvania Courts		161
Total	\$	147,641

Recorder Of Deeds

**Realty Transfer Taxes**

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.

CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/  
RECORDER OF DEEDS/REGISTER OF WILLS/  
CLERK OF ORPHANS' COURT AND PROBATION/PAROLE OFFICE  
CAMERON COUNTY  
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

4. Disbursements (Continued)

**Realty Transfer Taxes (Continued)**

Total disbursements are comprised as follows:

Deposits into the Department of Revenue's cash management account	\$ 217,642
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**Writ Taxes And Judicial Computer System/Access To Justice Fees**

Total disbursements are comprised as follows:

Recorder of Deeds checks issued to:

Department of Revenue	\$ 19,401
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Register Of Wills

**Inheritance Taxes**

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.

Total disbursements are comprised as follows:

Deposits into the Department of Revenue's cash management account	\$ 286,984
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CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/  
RECORDER OF DEEDS/REGISTER OF WILLS/  
CLERK OF ORPHANS' COURT AND PROBATION/PAROLE OFFICE  
CAMERON COUNTY  
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
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4. Disbursements To Commonwealth (Continued)

Clerk Of Orphans' Court

Total disbursements are comprised as follows:

Clerk of Orphans' Court checks issued to:

Department of Revenue	\$	2,389
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5. Balance Due Commonwealth (County) For The Period January 3, 2006 To December 31, 2007

Clerk Of The Court Of Common Pleas And Probation/Parole Office/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.

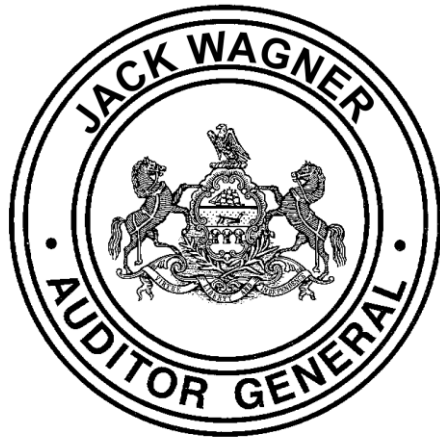
Recorder Of Deeds/Register Of Wills/Clerk Of Orphans' Court

This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue.

6. County Officers Serving During Examination Period

Mary Grace Olay served as Clerk of the Court of Common Pleas/Prothonotary/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court during the period January 3, 2006 to December 31, 2007.

Janette Burkness served as the Chief Probation Officer of the Probation/Parole Office during the period January 3, 2006 to December 31, 2007.



PROTHONOTARY/RECORDER OF DEEDS/REGISTER OF WILLS/  
CLERK OF ORPHANS' COURT AND PROBATION/PAROLE OFFICE  
CAMERON COUNTY  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

Finding No. 1 - Inadequate Accountability Over Funds Held In Escrow - Prothonotary/  
Recorder Of Deeds/Register Of Wills/Clerk Of Orphans' Court And  
Probation/Parole Office

Our examination of the accounting records for the Prothonotary/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court and Probation/Parole Office disclosed the following deficiencies:

- There was not adequate accountability over undisbursed funds:
  - In the Prothonotary/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court Courtesy Checking bank account, there was an adjusted bank balance of \$21,743 as of December 31, 2007 without a corresponding liabilities report indicating to whom the monies were due.
  - An unidentified liability of \$527 existed in the Probation/Parole Office account as of December 31, 2007. This balance appeared as a "Bank Account Adjustment – Unknown Recipient" on their escrow report at December 31, 2007.

These conditions existed because the offices failed to establish and implement an adequate system of internal controls over funds held in escrow.

Good internal accounting control procedures ensure that all obligations are accounted for and reconciled with the bank account monthly. Since the bank accounts of the County Offices are essentially escrow accounts on behalf of the Commonwealth, county, and other participating entities, all available cash on hand should equal unpaid obligations. Without this control, the potential for errors or irregularities in the distribution of funds held in escrow to remain undetected increases.

The condition listed above that pertains to the inadequate accountability over undisbursed funds in the Prothonotary/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court account was cited in our last two audit periods, the most recent ending December 31, 2003.

Recommendations

We again recommend that the Prothonotary/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court reconcile the ending adjusted bank balances with the liabilities on a monthly basis and any differences should be investigated and resolved immediately. We further recommend that the Probation/Parole Office investigate and resolve the "Bank Account Adjustment – Unknown Recipient" balance on their escrow report.



PROTHONOTARY/RECORDER OF DEEDS/REGISTER OF WILLS/  
CLERK OF ORPHANS' COURT AND PROBATION/PAROLE OFFICE  
CAMERON COUNTY  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

Finding No. 1 - Inadequate Accountability Over Funds Held In Escrow - Prothonotary/  
Recorder Of Deeds/Register Of Wills/Clerk Of Orphans' Court And  
Probation/Parole Office (Continued)

Management's Response

The Prothonotary/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court responded as follows:

This issue has been addressed. The balances are accounted for on a monthly basis.

The Chief Probation Officer of the Probation/Parole Office responded as follows:

The balance was left over money when we changed to CPCMS [Common Pleas Case Management System] from checks that were not cashed.

Auditor's Conclusion

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

We recommend that the Probation/Parole Office investigate and resolve any unidentified liabilities on their escrow report. Any unidentified funds should be accounted for under normal escheat procedures.

PROTHONOTARY/RECORDER OF DEEDS/REGISTER OF WILLS/  
CLERK OF ORPHANS' COURT AND PROBATION/PAROLE OFFICE  
CAMERON COUNTY  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

Finding No. 2 - Inadequate Internal Controls Over Receipts - Prothonotary/  
Recorder Of Deeds/Register Of Wills/Clerk Of Orphans' Court And  
Probation/Parole Office

Our examination of receipts and deposits for the Prothonotary/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court and Probation/Parole Office disclosed the following deficiencies:

- The Prothonotary/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court all use separate receipting systems that are combined into one deposit. These receipts were not always deposited on the same day as collected. Of the 30 deposits tested, 13 contained receipts that 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 seven days.
- The Reality Transfer Tax account receipts were not always deposited on the same day as Collected. Of 23 receipts tested, 8 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 seven days.
- The Prothonotary's manual receipts did not disclose the method of payment (cash, check or money order). This limitation diminishes the audit trail of the receipt.
- The Prothonotary's office did not document the civil case file number on the receipts.
- In the probation/parole office, manual receipts issued during 2006 were missing and not available for our examination.
- The office copy of the bank deposit slip was not validated by the bank for the probation/parole office.

A good system of internal controls ensures that:

- All monies collected are deposited in the bank at the end of every day.
- Receipts are recorded in the same manner as payments are received (i.e., cash, check, money order). Any discrepancies should be immediately investigated and resolved.

PROTHONOTARY/RECORDER OF DEEDS/REGISTER OF WILLS/  
CLERK OF ORPHANS' COURT AND PROBATION/PAROLE OFFICE  
CAMERON COUNTY  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

Finding No. 2 - Inadequate Internal Controls Over Receipts - Prothonotary/  
Recorder Of Deeds/Register Of Wills/Clerk Of Orphans' Court And  
Probation/Parole Office (Continued)

- Receipts are completed to include all required information, including the case file number.
- Manual receipts are accounted for and maintained.
- 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.

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

The conditions listed in the first three bullets above were cited in our last two audit periods, the most recent ending December 31, 2003.

Recommendation

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

Management's Response

The Prothonotary/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court responded as follows:

These conditions have been addressed. The deposits are made daily and the type and manner of payment is listed on the receipt and ledger.

The Chief Probation Officer of the Probation/Parole Office responded as follows:

The deposit slips are now validated at the bank and the manual receipts book will no longer be used.

Auditor's Conclusion

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

PROBATION/PAROLE OFFICE  
CAMERON COUNTY  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

Finding No. 3 - Inadequate Segregation Of Duties - Probation/Parole Office

Our examination disclosed that one employee in the Probation/Parole Office was responsible for performing the following functions:

- Opening mail.
- Voiding receipts.
- Collecting cash, entering collection information into the computer system, and issuing receipts.
- Posting case file information into computer.
- Summarizing accounting records.
- Preparing deposit slips.
- Taking the deposit to the bank.
- Reconciling the bank account.
- Preparing and signing checks.

A good system of internal control requires adequate segregation of duties.

One employee should not have custody of cash and at the same time maintain the accounting records for the cash. These duties should be segregated and rotated daily. As an alternative control, someone independent from maintaining the accounting records and handling cash should review the employee's work daily. The reviewer should sign and date the records and documents reviewed.

Without adequate segregation of duties, the possibility of funds being lost or misappropriated increases significantly.

Recommendation

We recommend that the Probation/Parole Office provide for greater segregation of duties within the office if possible. This can be done by cross-training personnel and rotating job functions that include the handling of cash and maintaining the accounting records for the cash. As an alternative and/or additional control, someone independent from the handling of cash and the accounting records should review the employee's work at the end of each day. The reviewer should sign and date the records and documents reviewed.

PROBATION/PAROLE OFFICE  
CAMERON COUNTY  
FINDINGS AND RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

Finding No. 3 - Inadequate Segregation Of Duties – Probation/Parole Office (Continued)

Management's Response

The Chief Probation Officer of the Probation/Parole Office responded as follows:

Due to a very small staff and complexity of CPCMS [Common Pleas Case Management System], segregation is not feasible.

Auditor's Conclusion

Although we acknowledge the Probation/Parole Office's point of view, the office should implement our recommendation.

CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/  
RECORDER OF DEEDS/REGISTER OF WILLS/  
CLERK OF ORPHANS' COURT AND PROBATION/PAROLE OFFICE  
CAMERON COUNTY  
REPORT DISTRIBUTION  
FOR THE PERIOD  
JANUARY 3, 2006 TO DECEMBER 31, 2007

This report was initially distributed to:

Mr. C. Daniel Hassell  
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 Mary Grace Olay

Clerk of the Court of Common Pleas/  
Prothonotary/Recorder of Deeds/  
Register of Wills/Recorder of Deeds/

The Honorable JoAnn Smith

Chairperson of the Board of Commissioners

Ms. Janette Burkness

Chief Probation Officer, Probation/Parole Office

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