

COMPLIANCE AUDIT

Clerk of the Court of Common
Pleas/Prothonotary/
Clerk of Orphans' Court/Costs, Fines,
and Restitution Collection Department
Blair County, Pennsylvania
For the Period
January 1, 2018 to December 31, 2020

May 2022



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

The Honorable C. Daniel Hassell
Secretary
Pennsylvania Department of Revenue
Harrisburg, PA 17128

We have conducted a compliance audit of the Clerk of the Court of Common Pleas/Prothonotary/Clerk of Orphans' Court/Costs, Fines, and Restitution Collection Department, Blair County, Pennsylvania (County Officers), for the period January 1, 2018 to December 31, 2020, pursuant to the requirements of Sections 401(b) and 401(d) of *The Fiscal Code*, 72 P.S. § 401(b) and § 401(d).

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

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

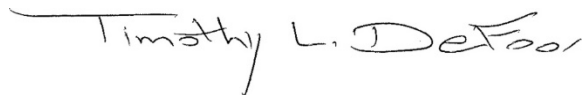
Based on our audit procedures, we conclude that, for the period January 1, 2018 to December 31, 2020, the County Officers, in all significant respects, complied with state laws and regulations applicable to the collection of moneys on behalf of the Commonwealth, including whether they have been correctly assessed, reported, and promptly remitted, except as noted in the findings listed below and discussed later in this report:

- Inadequate Internal Controls Over The Bank Account - Prothonotary - Recurring.
- Inadequate Assessment of JCS/ATJ Fees & State Writ Tax - Prothonotary and Clerk of the Orphans' Court.

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

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

The contents of this report were discussed with the management of the County Officers and, where appropriate, their responses have been included in the report. We appreciate the courtesy extended by the Clerk of the Court of Common Pleas/Prothonotary/Clerk of Orphans' Court/Costs, Fines, and Restitution Collection Department, Blair County, to us during the course of our audit. If you have any questions, please feel free to contact the Bureau of County Audits at 717-787-1363.



Timothy L. DeFoor
Auditor General
April 7, 2022

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CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/CLERK OF ORPHANS' COURT/
COSTS, FINES AND RESTITUTION COLLECTION DEPARTMENT
BLAIR COUNTY
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2020

The Department of Auditor General is mandated by Article IV, Section 401(b) and (d) of *The Fiscal Code* (Act of April 9, 1929, P.L.343, No. 176), to audit the accounts of each county officer to determine whether all moneys collected on behalf of the Commonwealth have been correctly assessed, reported and promptly remitted.

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

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

- Writ Taxes of \$.50 or \$.25 imposed on taxable instruments filed with the Prothonotary.
- Divorce Complaint Surcharges of \$10 imposed on all divorce decrees.
- Judicial Computer System/Access To Justice Fees of \$40.25 imposed on all petitions for grant of letters, and first filings in petitions concerning adoptions, incompetents' estates, minors' estates, and inter vivos trusts.
- Protection From Abuse Surcharges of \$100 imposed against defendants when a protection order is granted as a result of a hearing. Protection From Abuse Contempt Fines of not less than \$300 nor more than \$1,000 imposed against a defendant who is found to be in violation of a protection from abuse order.
- Criminal Charge Information System Fees imposed on all custody cases. Of the fee imposed, 80% is payable to the Administrative Office of Pennsylvania Courts (AOPC) and 20% is payable to the County in which the action took place. The statement of receipts and disbursements only reflects the portion collected on behalf of the AOPC.

CLERK OF THE COURT OF COMMON PLEAS/
 PROTHONOTARY/CLERK OF ORPHANS' COURT/
 COSTS, FINES AND RESTITUTION COLLECTION DEPARTMENT
 BLAIR COUNTY
 BACKGROUND
 FOR THE PERIOD
 JANUARY 1, 2018 TO DECEMBER 31, 2020

Clerk of Orphans' Court receipts consist of monies collected on behalf of the Commonwealth. These include monies collected for the following taxes, surcharges, and fees:

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

Total disbursements during the audit period are comprised as follows

Clerk Of The Court Of Common Pleas and Costs, Fines and Restitution Collection Department

Clerk of the Court and Costs, Fines and Restitution Collection Department
 checks issued to:

Department of Revenue	2,632,213
Office of Attorney General	486
Lottery Commission	110
State Police	1,769
Department of Environmental Protection	242
Department of Transportation	47
Liquor Control Board	287
Total	\$ 2,635,154

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 THE COURT OF COMMON PLEAS/
PROTHONOTARY/CLERK OF ORPHANS' COURT/
COSTS, FINES AND RESTITUTION COLLECTION DEPARTMENT
BLAIR COUNTY
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2020

Prothonotary

Prothonotary checks issued to:

Department of Revenue	\$ 225,264
Administrative Office of Pennsylvania Courts	<u>3,846</u>
Total	<u>\$ 229,110</u>

This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue. The balance also reflects a summary of receipts disbursed directly to the Administrative Office of Pennsylvania Courts.

Clerk Of Orphans' Court

Clerk of Orphans' Court checks issued to:

Department of Revenue	<u>\$ 52,452</u>
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This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue.

Robin G. Patton served as the Clerk of the Court of Common Pleas/Prothonotary/Clerk of Orphans' Court for the period January 1, 2018 to December 31, 2020.

Sally J. Adams and Amber D. Phillips served as County-Administrators for the Costs, Fines and Restitution Collection Department for the period January 1, 2018 to May 22, 2020.

Sally J. Adams served as Director for the Costs, Fines and Restitution Collection Department for the period May 23, 2020 to December 31, 2020.

The summaries of receipts and disbursements provide a summary of receipts and disbursements by category. The categories and the amounts of fines, costs, fees, taxes, and surcharges assessed are based on Pennsylvania laws and regulations.

The summaries were prepared in accordance with reporting requirements prescribed by the Pennsylvania Department of Revenue. Under this method, only the Commonwealth portion of cash receipts and disbursements are presented, revenues are recognized when received, and expenditures are recognized when paid.

CLERK OF THE COURT OF COMMON PLEAS/
 COSTS, FINES AND RESTITUTION COLLECTION DEPARTMENT
 BLAIR COUNTY
 SUMMARY OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2018 TO DECEMBER 31, 2020

Receipts:

Department of Transportation		
Title 75 Fines	\$	129,366
Department of Revenue Court Costs		88,309
Crime Victims' Compensation Costs		223,553
Crime Commission Costs/Victim Witness Services Costs		156,224
Domestic Violence Costs		24,635
Emergency Medical Services Fines		9,888
DUI - ARD/EMS Fees		17,837
CAT/MCARE Fund Surcharges		30,390
Judicial Computer System/Access to Justice Fees		225,220
Offender Supervision Fees		656,112
Constable Service Surcharges		2,514
Criminal Laboratory Users' Fees		2,327
Probation and Parole Officers' Firearm Education Costs		17,019
Substance Abuse Education Costs		146,528
Office of Victims' Services Costs		48,549
Miscellaneous State Fines and Costs		<u>856,683</u>
 Total receipts		 2,635,154
 Disbursements to Commonwealth		 <u>(2,635,154)</u>
 Balance due Commonwealth (County) per settled reports		 -
 Audit adjustments		 <u>-</u>
 Adjusted balance due Commonwealth (County) for the period January 1, 2018 to December 31, 2020	 \$	 <u><u>-</u></u>

PROTHONOTARY
BLAIR COUNTY
SUMMARY OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2020

Receipts:	
Writ Taxes	\$ 5,911
Divorce Complaint Surcharges	9,300
Judicial Computer System/Access To Justice Fees	207,869
Protection From Abuse Surcharges and Contempt Fines	2,361
Criminal Charge Information System Fees	<u>3,846</u>
Total Receipts	229,287
Commissions	<u>(177)</u>
Net Receipts	229,110
Disbursements to Commonwealth	<u>(229,110)</u>
Balance due Commonwealth (County) per settled reports	-
Audit adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2018 to December 31, 2020	<u><u>\$ -</u></u>

CLERK OF ORPHANS' COURT
 BLAIR COUNTY
 SUMMARY OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2018 TO DECEMBER 31, 2020

Receipts:

Marriage License Taxes	\$	985
Marriage License Application Surcharges		19,690
Marriage License Declaration Fees		19,690
Judicial Computer System/Access To Justice Fees		<u>12,087</u>
Total Receipts		52,452
Disbursements to Commonwealth		<u>(52,452)</u>
Balance due Commonwealth (County) per settled reports		-
Audit adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2018 to December 31, 2020	\$	<u><u>-</u></u>

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/CLERK OF ORPHANS' COURT/
COSTS, FINES AND RESTITUTION COLLECTION DEPARTMENT
BLAIR COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2020

**Finding No. 1 - Inadequate Internal Controls Over Bank Account- Prothonotary -
Recurring**

We cited the office's lack of internal controls over the bank account in the prior five audit reports, with the most recent being for the period January 1, 2014 to December 31, 2017. Our current audit found that the office did not correct this issue.

Our audit of the accounting records for the office disclosed that there was inadequate accountability over funds held in escrow. Funds on hand exceeded recorded obligations by \$42,820 as of December 31, 2020, without a corresponding liabilities report indicating to whom the monies were due.

This condition existed because the office failed to establish and implement an adequate system of internal controls over the bank account as recommended in our prior five audit reports. The office holder stated that she inherited this issue that goes back over twenty years.

A good system of internal controls ensures that the ending adjusted bank balance is reconciled with liabilities on a monthly basis and any discrepancies are to be immediately investigated and resolved. Since the office bank account is essentially an escrow account on behalf of the Commonwealth, County, and other participating entities, all available funds on hand should equal unpaid obligations.

Without a good system of internal controls over the bank account, the possibility of funds being lost or misappropriated increases significantly.

Recommendations

We strongly recommend that the office attempt to identify all existing liabilities associated with the office bank account and take appropriate action. Any unidentified funds should be accounted for under normal escheat procedures. Furthermore, we recommend that the office should ensure that reconciled cash equals unpaid obligations monthly.

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/CLERK OF ORPHANS' COURT/
COSTS, FINES AND RESTITUTION COLLECTION DEPARTMENT
BLAIR COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2020

**Finding No. 1 - Inadequate Internal Controls Over Bank Account - Prothonotary -
Recurring (Continued)**

Management's Response

No formal response was offered at this time.

Auditor's Conclusion

This is a recurring finding. It is imperative that the office take all steps necessary to comply with our recommendations. During our next audit, we will determine if the office complied with our recommendations.

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/CLERK OF ORPHANS' COURT/
COSTS, FINES AND RESTITUTION COLLECTION DEPARTMENT
BLAIR COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2020

**Finding No. 2 - Inadequate Assessment Of JCS/ATJ Fees And State Writ Tax - Prothonotary
And Clerk of Orphans' Court**

Our audit of the Prothonotary's office revealed that Protection From Abuse (PFA) filings from January 1, 2018 to December 31, 2020, were not properly assessed for the Judicial Computer System/Access To Justice (JCS/ATJ) Fee and the State Writ Tax.

In addition, our audit of the Clerk of Orphan's Court office revealed that Petition to Settle a Small Estate filings from January 1, 2018 to December 31, 2020 were not properly assessed for the Judicial Computer System/Access To Justice (JCS/ATJ) Fee.

The following state statutes address the assessment of taxes and fees that were not properly assessed:

- Title 42 Pa. C.S.A. § 3733 provides for the collection of Judicial Computer System/Access to Justice (JCS/ATJ) Fees.
- Section 3172 of the Fiscal Code, 72 P.S. § 3172, provides that Writ Taxes of \$.50 be imposed on taxable instruments filed with the Prothonotary.

Our audit identified 1,346 Protection From Abuse cases during the period under audit in which the JCS/ATJ fee and State Writ Tax were not properly assessed, resulting in a loss of revenue to the Commonwealth totaling \$54,849.50. Additionally, we identified 149 Petition to Settle a Small Estate filing during the period under audit in which the JCP/ATJ fee was not properly assessed, resulting in a loss of revenue to the Commonwealth totaling \$5,997.25.

These improper assessments occurred because the office was not aware or up-to-date on laws and regulations regarding the proper assessment of Commonwealth taxes and fees. The office holder continued the collection practices from the prior administration and was unaware that there was an issue.

Recommendation

We recommend that the office review the laws and regulations noted above to ensure that taxes and fees are assessed as mandated by law.

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/CLERK OF ORPHANS' COURT/
COSTS, FINES AND RESTITUTION COLLECTION DEPARTMENT
BLAIR COUNTY
FINDINGS AND RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2020

**Finding No. 2 - Inadequate Assessment Of JCS/ATJ Fees And State Writ Tax - Prothonotary
And Clerk of Orphans' Court (Continued)**

Management's Response

No formal response was offered at this time.

Auditor's Conclusion

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

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/CLERK OF ORPHANS' COURT/
COSTS, FINES AND RESTITUTION COLLECTION DEPARTMENT
BLAIR COUNTY
SUMMARY OF PRIOR AUDIT RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2020

Summary Of Prior Audit Recommendations

During our prior audit, we recommended that:

- The Clerk of Courts, and the Costs, Fines, And Restitution Collection Department establish an adequate system of internal controls over the bank account.
- The Prothonotary office establish and adequate system of internal controls over the bank account.
- The office transmits the summary of collections report and payment of the Commonwealth's portion of fines and costs as required by the Department of Revenue.

During our current audit, we noted that the office complied with our first and third bulleted recommendations. However, the office did not comply with our second bulleted recommendation. Please see the current year Finding No. 1 for additional information.

CLERK OF THE COURT OF COMMON PLEAS/
PROTHONOTARY/CLERK OF ORPHANS' COURT/
COSTS, FINES AND RESTITUTION COLLECTION DEPARTMENT
BLAIR COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2020

This report was initially distributed to:

The Honorable C. Daniel Hassell
Secretary
Pennsylvania Department of Revenue

The Honorable H. Geoffrey Moulton, Jr.
Court Administrator of Pennsylvania
Supreme Court of Pennsylvania
Administrative Office of Pennsylvania Courts

Mr. Thomas J. Dougherty
Director
Division of Grants and Standards
Pennsylvania Board of Probation and Parole

The Honorable Robin Patton
Clerk of the Court of Common Pleas/
Prothonotary/Clerk of Orphans' Court

Ms. Sally J. Adams
Director of the Costs, Fines And Restitution Collection Department

The Honorable A.C. Stickel, IV
Controller

The Honorable Bruce R. Erb
Chairperson of the Board of Commissioners

This report is a matter of public record and is available online at www.PaAuditor.gov. Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 229 Finance Building, Harrisburg, PA 17120; via email to: news@PaAuditor.gov.