

COMPLIANCE AUDIT

Clerk of the Court of Common Pleas/
Prothonotary/ Clerk of Orphans' Court/
Adult Probation

Lawrence County, Pennsylvania

For the Period

January 1, 2018 to December 31, 2021

January 2024



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

The Honorable Pat Browne
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 and Chief Probation Officer, Lawrence County, Pennsylvania (County Officers), for the period January 1, 2018 to December 31, 2021, 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.

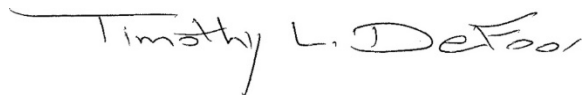
Based on our audit procedures, we conclude that, for the period January 1, 2018 to December 31, 2021, the County Officers, in all significant respects, complied with state laws and regulations applicable to the collection of moneys on behalf of the Commonwealth, including whether they have been correctly assessed, reported, and promptly remitted, except as noted in the finding listed below and discussed later in this report:

- Inadequate Stale Check Procedures - Clerk of Courts.

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, prothonotary, 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 County Officers' management. We appreciate the courtesy extended to us by the Lawrence County Clerk of the Court of Common Pleas/Prothonotary/Clerk of Orphans' Court and Probation Department 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.

A handwritten signature in black ink that reads "Timothy L. DeFoor". The signature is written in a cursive style with a horizontal line above the first name.

Timothy L. DeFoor
Auditor General
November 8, 2023

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CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/
CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT
LAWRENCE COUNTY
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

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/Probation 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/PROBATION DEPARTMENT
 LAWRENCE COUNTY
 BACKGROUND
 FOR THE PERIOD
 JANUARY 1, 2018 TO DECEMBER 31, 2021

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

Clerk of the Court checks issued to:

Department of Revenue	\$ 1,194,471
Department of Environmental Protection	1,464
Attorney General	25,982
State Police	3,346
Office of Inspector General	20,354
Commission on Crime and Delinquency	32
Department of Labor and Industry	375
Board of Probation and Parole	117
Liquor Control Board	97
Department of Insurance	<u>100</u>
 Total	 <u>\$ 1,246,338</u>

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. It does not reflect adjustments disclosed by our audit.

CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/
CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT
LAWRENCE COUNTY
BACKGROUND
FOR THE PERIOD
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Prothonotary

Prothonotary checks issued to:

Department of Revenue	\$ 206,030
Administrative Office of Pennsylvania Courts	<u>3,236</u>
Total	<u>\$ 209,266</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. It does not reflect adjustments disclosed by our audit.

Clerk Of Orphans' Court

Clerk of Orphans' Court checks issued to:

Department of Revenue	<u>\$ 57,206</u>
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This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue. It does not reflect adjustments disclosed by our audit.

Jodi Klabon-Esoldo served as the Clerk of the Court of Common Pleas/Prothonotary/Clerk of Orphans' Court for the period January 1, 2018 to December 31, 2021.

James R. Jendrysik served as the Chief Probation Officer for the period January 1, 2018 to December 31, 2021.

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/PROTHONOTARY/
CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT
LAWRENCE COUNTY
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

Audit Adjustment - Clerk of Court of Common Pleas

The \$11,144 audit adjustment represents a \$2,485 balance due the Department of Revenue for a prior audit period of January 1, 2007 to December 31, 2009 that was remitted in May 2019; a \$294 balance due the Department of Revenue for a prior audit period of January 1, 2014 to December 31, 2017 that was remitted in May 2019; \$202 in Emergency Medical Services fines that was due to the Department of Revenue and was remitted to the County in error and \$8,163 in outstanding restitution due to the Department of Revenue.

Audit Adjustment - Prothonotary

The \$167 audit adjustment represents a balance due the Department of Revenue for the prior audit period of January 1, 2014 to December 31, 2017 that was remitted in May 2019.

Audit Adjustment - Clerk Of Orphans' Court

The \$21 audit adjustment represents a balance due the Department of Revenue for the prior audit period of January 1, 2014 to December 31, 2017 that was remitted in May 2019.

CLERK OF THE COURT OF COMMON PLEAS/PROBATION DEPARTMENT
LAWRENCE COUNTY
SUMMARY OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

Receipts:

Department of Transportation		
Title 75 Fines	\$	77,434
Overweight Fines		935
Department of Revenue Court Costs		37,515
Crime Victims' Compensation Costs		100,322
Crime Commission Costs/Victim Witness Services Costs		69,048
Domestic Violence Costs		6,385
Emergency Medical Services Fines		4,787
DUI - ARD/EMS Fees		17,921
CAT/MCARE Fund Surcharges		11,490
Judicial Computer System/Access to Justice Fees		89,039
Offender Supervision Fees		380,224
Constable Service Surcharges		10
Criminal Laboratory Users' Fees		10,597
Probation and Parole Officers' Firearm Education Costs		7,371
Substance Abuse Education Costs		81,164
Office of Victims' Services Costs		24,864
Miscellaneous State Fines and Costs		<u>324,452</u>
 Total receipts		 1,243,558
 Disbursements to Commonwealth		 <u>(1,246,338)</u>
 Balance due Commonwealth (County) per settled reports		 (2,780)
 Audit adjustments		 <u>11,144</u>
 Adjusted balance due Commonwealth (County) for the period January 1, 2018 to December 31, 2021	 \$	 <u><u>8,364</u></u>

PROTHONOTARY
LAWRENCE COUNTY
SUMMARY OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

Receipts:

Writ Taxes	\$	3,226
Divorce Complaint Surcharges		8,080
Judicial Computer System/Access To Justice Fees		193,654
Protection From Abuse Surcharges and Contempt Fines		1,000
Criminal Charge Information System Fees		<u>3,289</u>
Total Receipts		209,249
Commissions		<u>(95)</u>
Net Receipts		209,154
Disbursements to Commonwealth		<u>(209,266)</u>
Balance due Commonwealth (County) per settled reports		(112)
Audit adjustments		<u>167</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2018 to December 31, 2021	\$	<u><u>55</u></u>

CLERK OF ORPHANS' COURT
LAWRENCE COUNTY
SUMMARY OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

Receipts:

Marriage License Taxes	\$	818
Marriage License Application Surcharges		16,350
Marriage License Declaration Fees		16,350
Judicial Computer System/Access To Justice Fees		<u>23,667</u>
Total Receipts		57,185
Disbursements to Commonwealth		<u>(57,206)</u>
Balance due Commonwealth (County) per settled reports		(21)
Audit adjustment		<u>21</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2018 to December 31, 2021	\$	<u><u>-</u></u>

CLERK OF THE COURT OF COMMON PLEAS/ PROTHONOTARY/
CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT
LAWRENCE COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

Finding - Inadequate Stale Check Procedures - Clerk of Courts

Our audit of the Clerk of Courts' checking account disclosed that the office was carrying 363 outstanding checks totaling \$20,462, dated from March 12, 2012 to June 30, 2021, that were still outstanding as of December 31, 2021. Included in the checks were 76 checks totaling \$8,163 in restitution due the Commonwealth that were sent directly to other state agencies instead of the Department of Revenue.

Good internal accounting controls require that the office follow-up on all outstanding checks. If a check is outstanding for a period over 180 days, effort should be made to locate the payee. If effort to locate the payee is unsuccessful, the check should be properly voided, removed from the outstanding checklist, added back to the checkbook balance, and subsequently held in escrow for unclaimed escheatable funds.

The failure to follow these procedures results in a weakening of internal controls over the cash account and inefficiency caused by the needless record-keeping of outstanding checks.

This condition existed because the office failed to establish adequate internal controls over its outstanding check procedures. The office holder stated that she was unaware that outstanding checks were not being properly monitored and controlled including stale dating, escheating, and reissuing checks for amounts due the Commonwealth.

Recommendation

We recommend that the office establish and implement a procedure reviewing outstanding checks monthly to determine if there are any long outstanding checks. If checks remain outstanding and attempts to contact payees after 180 days are unsuccessful, the office should reinstate the amounts of outstanding checks to the checking account and subsequently hold these monies in escrow for unclaimed escheatable funds.

CLERK OF THE COURT OF COMMON PLEAS/ PROTHONOTARY/
CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT
LAWRENCE COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

Finding - Inadequate Stale Check Procedures - Clerk of Courts (Continued)

Management's Response

The County Officer responded as follows:

As the Clerk of Courts, Prothonotary, and Clerk of Orphans' Court, the proper and timely reconciliation of our bank accounts, including outstanding checks is taken very seriously. Personnel changes have been made and additional training has been implemented to ensure the proper and timely oversight of outstanding checks as part of the reconciliation process.

Specifically, regarding the Clerk of Courts bank account and outstanding restitution checks to state, I have been in contact with the Administrative Office of Pennsylvania Courts (AOPC) to address and correct this issue posthaste. The state's mandatory Common Pleas Case Management System (CPCMS) does allow for direct payments to state agencies; however, I have requested the involvement of the AOPC and am currently working on having state amounts that remain due to be disbursed through the monthly report(s).

Additionally, I am working with the AOPC to have ALL state disbursements, moving forward, included within the monthly reports, and disbursed accordingly. This will better enable my office to greatly reduce the incredible number of checks that must be issued monthly, including direct checks to the state, and the incredible amount of work that goes into tracking, voiding, re-issuing and/or escheating uncashed checks.

Auditor's Conclusion

We appreciate the officeholder's efforts to correct this issue. 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/PROBATION DEPARTMENT
LAWRENCE COUNTY
SUMMARY OF PRIOR AUDIT RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

Summary Of Prior Audit Recommendation

During our prior audit, we recommended that the office:

- Review the laws to ensure that fines, costs, fees, and surcharges are assessed as mandated by law.

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

CLERK OF THE COURT OF COMMON PLEAS/ PROTHONOTARY/
CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT
LAWRENCE COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2018 TO DECEMBER 31, 2021

This report was initially distributed to:

The Honorable Pat Browne
Secretary
Pennsylvania Department of Revenue

The Honorable Andrea Tuominen
Court Administrator of Pennsylvania
Supreme Court of Pennsylvania
Administrative Office of Pennsylvania Courts

The Honorable Stacy Garrity
Pennsylvania State Treasurer

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

The Honorable Jodi Klabon-Esoldo
Clerk of the Court of Common Pleas/
Prothonotary/Clerk of Orphans' Court

Mr. James R. Jendrysik
Chief Probation Officer

The Honorable David Prestopine
Controller

The Honorable Daniel J. Vogler
Chairperson of the Board of Commissioners

The Honorable Dominick Motto
President Judge

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.