

# COMPLIANCE AUDIT

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Clerk of the Court of  
Common Pleas/Prothonotary/Recorder of  
Deeds/Register of Wills/Clerk of Orphans'  
Court/Probation Office  
Forest County, Pennsylvania  
For the Period  
January 1, 2017 to December 31, 2020

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April 2022



Commonwealth of Pennsylvania  
Department of the Auditor General

Timothy L. DeFoor • Auditor General



**Commonwealth of Pennsylvania  
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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/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court/Probation Department, Forest County, Pennsylvania (County Officers), for the period January 1, 2017 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.

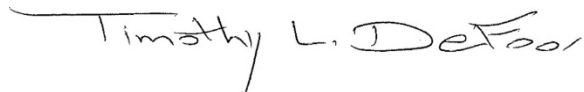
Based on our audit procedures, we conclude that, for the period January 1, 2017 to December 31, 2020, the County Officers, in all significant respects, complied with state laws and regulations applicable to the collection of moneys on behalf of the Commonwealth, including whether they have been correctly assessed, reported, and promptly remitted, except as noted in the finding listed below and discussed later in this report:

- Inadequate Internal Controls Over Manual Receipts - Probation Department.

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, recorder of deeds, register of wills offices 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 Offices' 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 response has been included in the report. We appreciate the courtesy extended by the Clerk of the Court of Common Pleas/Prothonotary/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court/Probation Department, Forest 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.

A handwritten signature in black ink that reads "Timothy L. DeFoor". The signature is written in a cursive style with a long horizontal line extending to the left of the first letter.

Timothy L. DeFoor  
Auditor General  
February 22, 2022

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CLERK OF THE COURT OF COMMON PLEAS/  
PROTHONOTARY/RECORDER OF DEEDS/  
REGISTER OF WILLS/CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT  
FOREST COUNTY  
BACKGROUND  
FOR THE PERIOD  
JANUARY 1, 2017 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 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, 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 \$35.50 imposed on all petitions for grant of letters, and first filings in petitions concerning adoptions, incompetents' estates, minors' estates, and inter vivos trusts. Effective October 30, 2017, Act 40 and Act 44 increased the fee to \$40.25.
- 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/RECORDER OF DEEDS/  
REGISTER OF WILLS/CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT  
FOREST COUNTY  
BACKGROUND  
FOR THE PERIOD  
JANUARY 1, 2017 TO DECEMBER 31, 2020

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 of \$.50 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 of \$35.50 imposed on all petitions for grant of letters, and first filings in petitions concerning adoptions, incompetents' estates, minors' estates, and inter vivos trusts. Effective October 30, 2017, Act 40 and Act 44 increased the fee to \$40.25.

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 filed with the Register of Wills.
- Judicial Computer System/Access To Justice Fees represent a \$35.50 fee imposed on all petitions for grant of letters, and first filings in petitions concerning adoptions, incompetents' estates, minors' estates, and inter vivos trusts. Effective October 30, 2017, Act 40 and Act 44 increased the fee to \$40.25.
- 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 THE COURT OF COMMON PLEAS/  
 PROTHONOTARY/RECORDER OF DEEDS/  
 REGISTER OF WILLS/CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT  
 FOREST COUNTY  
 BACKGROUND  
 FOR THE PERIOD  
 JANUARY 1, 2017 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.
- Marriage License Declaration Fees of \$13 imposed for the issuance of a marriage license or declaration of which the Commonwealth's portion \$10.
- Judicial Computer System/Access To Justice Fees represent a \$35.50 fee imposed on all petitions for grant of letters, and first filings in petitions concerning adoptions, incompetents' estates, minors' estates, and inter vivos trusts. Effective October 30, 2017, Act 40 and Act 44 increased the fee to \$40.25.

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	\$	185,228
State Police		547
Office of Inspector General		13,155
Total	\$	198,930

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/RECORDER OF DEEDS/  
 REGISTER OF WILLS/CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT  
 FOREST COUNTY  
 BACKGROUND  
 FOR THE PERIOD  
 JANUARY 1, 2017 TO DECEMBER 31, 2020

Prothonotary

Prothonotary checks issued to:

Department of Revenue	\$	8,839
Adminstrative Office of Pennsylvania Courts		73
 Total	 \$	 <u>8,912</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 that were disbursed directly to the Administrative Office of Pennsylvania Courts.

Recorder Of Deeds

Realty Transfer Taxes

Deposits into the Department of Revenue's cash management account	\$	<u>712,121</u>
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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. This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue

Writ Taxes And Judicial Computer System/Access To Justice Fees

Recorder of Deeds checks issued to:

Department of Revenue	\$	<u>200,645</u>
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This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue.



CLERK OF THE COURT OF COMMON PLEAS/  
PROTHONOTARY/RECORDER OF DEEDS/  
REGISTER OF WILLS/CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT  
FOREST COUNTY  
BACKGROUND  
FOR THE PERIOD  
JANUARY 1, 2017 TO DECEMBER 31, 2020

Register Of Wills

Inheritance Taxes

Deposits into the Department of Revenue's cash management account	<u>\$ 919,122</u>
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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. This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue.

Clerk Of Orphans' Court

Clerk of Orphans' Court checks issued to:

Department of Revenue	<u>\$ 6,873</u>
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This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue.

Dawn M. Millin served as the Clerk of the Court of Common Pleas/Prothonotary/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court for the period January 1, 2017 to December 31, 2020.

Steven T. Barnett served as Chief Probation Officer of the Probation Department for the period January 1, 2017 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  
FOREST COUNTY  
SUMMARY OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2017 TO DECEMBER 31, 2020

Receipts:

Department of Transportation		
Title 75 Fines	\$	21,291
Department of Revenue Court Costs		5,459
Crime Victims' Compensation Costs		12,411
Crime Commission Costs/Victim Witness Services Costs		11,515
Domestic Violence Costs		1,099
Emergency Medical Services Fines		1,226
DUI - ARD/EMS Fees		3,275
CAT/MCARE Fund Surcharges		3,302
Judicial Computer System/Access to Justice Fees		10,458
Offender Supervision Fees		51,253
Criminal Laboratory Users' Fees		3,185
Probation and Parole Officers' Firearm Education Costs		1,114
Substance Abuse Education Costs		9,597
Office of Victims' Services Costs		740
Miscellaneous State Fines and Costs		<u>63,005</u>
 Total receipts		 198,930
 Disbursements to Commonwealth		 <u>(198,930)</u>
 Balance due Commonwealth (County) per settled reports		 -
 Audit adjustments		 <u>-</u>
 Adjusted balance due Commonwealth (County) for the period January 1, 2017 to December 31, 2020	 \$	 <u><u>-</u></u>

PROTHONOTARY  
FOREST COUNTY  
SUMMARY OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2017 TO DECEMBER 31, 2020

Receipts:

Writ Taxes	\$	110
Divorce Complaint Surcharges		320
Judicial Computer System/Access To Justice Fees		8,012
Protection From Abuse Surcharges and Contempt Fines		400
Criminal Charge Information System Fees		<u>73</u>
Total Receipts		8,915
Commissions		<u>(3)</u>
Net Receipts		8,912
Disbursements to Commonwealth		<u>(8,912)</u>
Balance due Commonwealth (County) per settled reports		-
Audit adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2017 to December 31, 2020	\$	<u><u>-</u></u>

RECORDER OF DEEDS  
FOREST COUNTY  
REALTY TRANSFER TAX  
SUMMARY OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2017 TO DECEMBER 31, 2020

Receipts:

Realty Transfer Taxes	\$ 712,121
Disbursements to Commonwealth	<u>(712,121)</u>
Balance due Commonwealth (County) per settled reports	-
Audit adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2017 to December 31, 2020	<u><u>\$ -</u></u>

RECORDER OF DEEDS  
FOREST COUNTY  
WRIT TAXES AND JUDICIAL COMPUTER SYSTEM/ACCESS TO JUSTICE FEES  
SUMMARY OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2017 TO DECEMBER 31, 2020

Receipts:

Writ Taxes	\$ 3,189
Judicial Computer System/Access To Justice Fees	<u>197,552</u>
Total Receipts	200,741
Commissions	<u>(96)</u>
Net Receipts	200,645
Disbursements to Commonwealth	<u>(200,645)</u>
Balance due Commonwealth (County) per settled reports	-
Audit adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2017 to December 31, 2020	<u><u>\$ -</u></u>

REGISTER OF WILLS  
FOREST COUNTY  
SUMMARY OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2017 TO DECEMBER 31, 2020

Receipts:

Inheritance Taxes	\$ 919,122
Disbursements and credits to Commonwealth	<u>(919,122)</u>
Balance due Commonwealth (County) per settled reports	-
Audit adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2017 to December 31, 2020	<u>\$ -</u>

CLERK OF ORPHANS COURT  
FOREST COUNTY  
SUMMARY OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2017 TO DECEMBER 31, 2020

Receipts:

Marriage License Taxes	\$	72
Marriage License Application Surcharges		1,430
Marriage License Declaration Fees		1,430
Judicial Computer System/Access To Justice Fees		<u>3,941</u>
Total Receipts		6,873
Disbursements to Commonwealth		<u>(6,873)</u>
Balance due Commonwealth (County) per settled reports		-
Audit adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2017 to December 31, 2020	\$	<u><u>-</u></u>

CLERK OF THE COURT OF COMMON PLEAS/  
PROTHONOTARY/RECORDER OF DEEDS/  
REGISTER OF WILLS/CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT  
FOREST COUNTY  
FINDING AND RECOMMENDATION  
FOR THE PERIOD  
JANUARY 1, 2017 TO DECEMBER 31, 2020

**Finding - Inadequate Internal Controls Over Manual Receipts - Probation Department**

Manual receipts are issued in the event 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. Both the manual receipt and the computer-generated receipt are maintained.

The Forest County Probation Department used manual receipts generated through the Common Pleas Case Management System (CPCMS) for field collections of fines, fees, costs, and restitution payments received on behalf of the Forest County Clerk of the Court of Common Pleas Office. The Probation Department staff recorded the field collections on manual receipts. Once the probation staff return to the office, they submit the manual receipts and collections to the Probation Clerk. The Probation Clerk is responsible for recording the payment information into the CPCMS system, which generated a corresponding computer-generated receipt for each manual receipt issued. The Probation Clerk then delivered the collections to the Clerk of Courts office for deposit into their account.

Our audit disclosed deficiencies in the internal controls over manual receipts. Of 585 manual receipts available during our audit period, we noted the following deficiencies in the internal controls over manual receipts:

- There were 103 manual receipts which could not be located and were not available for audit.
- Manual receipts were not always issued in numerical sequence.
- A manual receipt log was not maintained.

Good internal accounting controls ensure that:

- Manual receipts are accounted for and maintained.
- Manual receipts are issued in numerical sequence.
- A manual receipts log is maintained to document information that is recorded on the manual receipt, including date issued, date filed, case number, signature of the person receiving the payment, remitter name, payment source, and payment method. This will provide an audit trail on the issuance of the manual receipt.



CLERK OF THE COURT OF COMMON PLEAS/  
PROTHONOTARY/RECORDER OF DEEDS/  
REGISTER OF WILLS/CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT  
FOREST COUNTY  
FINDING AND RECOMMENDATION  
FOR THE PERIOD  
JANUARY 1, 2017 TO DECEMBER 31, 2020

**Finding - Inadequate Internal Controls Over Manual Receipts - Probation Department  
(Continued)**

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

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

These conditions existed because the office disclosed that manual receipts were disbursed in batches of 20 to probation officers responsible for making field collections. However, the receipts were not always issued in numerical order nor were they recorded on a manual receipt log.

Recommendation

We recommend that the Probation Department establish and implement an adequate system of internal controls over manual receipts as noted above.

Management's Response

The Clerk of Court responded as follows:

Both the Probation Office and this office have adopted new procedures regarding the manual receipts issued. [The Chief Probation Officer] and I feel confident that the new procedures will more than adequately address the finding of the most recent audit.

Auditor's Conclusion

We appreciate the officeholder's efforts to correct these issues. During our next audit, we will determine if the office complied with our recommendation.

CLERK OF THE COURT OF COMMON PLEAS/  
PROTHONOTARY/RECORDER OF DEEDS/  
REGISTER OF WILLS/CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT  
FOREST COUNTY  
SUMMARY OF PRIOR AUDIT RECOMMENDATION  
FOR THE PERIOD  
JANUARY 1, 2017 TO DECEMBER 31, 2020

Summary Of Prior Audit Recommendation

During our prior audit, we recommended that the Prothonotary's office:

- Establish and implement an adequate system of internal controls over the bank and escrow accounts.

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

CLERK OF THE COURT OF COMMON PLEAS/  
PROTHONOTARY/RECORDER OF DEEDS/  
REGISTER OF WILLS/CLERK OF ORPHANS' COURT/PROBATION DEPARTMENT  
FOREST COUNTY  
REPORT DISTRIBUTION  
FOR THE PERIOD  
JANUARY 1, 2017 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 Dawn M. Millin**  
Clerk of the Court of Common Pleas/Prothonotary/  
Recorder of Deeds/Register of Wills/Clerk of Orphans' Court

**Mr. Steven T. Barnett**  
Chief Probation Officer

**The Honorable Mark Kingston**  
Chairperson of the Board of Commissioners

**The Honorable Maureen Skerda**  
President Judge

This report is a matter of public record and is available online at [www.PaAuditor.gov](http://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](mailto:news@PaAuditor.gov).