

ATTESTATION ENGAGEMENT

Clerk of the Court of Common Pleas
and Adult Probation Department/
Prothonotary/Recorder of
Deeds/Register of Wills/Clerk of
Orphans' Court
Sullivan County, Pennsylvania
For the Period
January 1, 2015 to December 31, 2018

June 2020



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



Commonwealth of Pennsylvania
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EUGENE A. DePASQUALE
AUDITOR GENERAL

Independent Auditor's Report

The Honorable C. Daniel Hassell
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 and Adult Probation Department/Prothonotary/Recorder of Deeds/Register of Wills/Clerk of Orphans' Court, Sullivan County, Pennsylvania (County Officers), for the period January 1, 2015 to December 31, 2018, pursuant to the requirements of Sections 401(b) and 401(d) of *The Fiscal Code*, 72 P.S. § 401(b) and § 401(d). The county officers' management are responsible for presenting these statements in accordance with the criteria set forth in Note 1. Our responsibility is to express an opinion on these Statements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Statements are presented in accordance with the criteria described above, in all material respects. An examination involves performing procedures to obtain evidence about the statements of receipts and disbursements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material misstatement to the Statements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are mandated by Sections 401(b) and 401(d) of *The Fiscal Code* to audit the accounts of each county officer to determine whether all moneys collected on behalf of the Commonwealth have been correctly assessed, reported and promptly remitted. *Government Auditing Standards* issued by the Comptroller General of the United States include attestation engagements as a separate type of audit. An attestation engagement performed pursuant to *Government Auditing Standards* involves additional standards that exceed the standards provided by the American Institute of Certified Public Accountants. Accordingly, this attestation engagement complies with both *Government Auditing Standards* and Sections 401(b) and 401(d) of *The Fiscal Code*.

Independent Auditor's Report (Continued)

In our opinion, the Statements referred to above, for the period January 1, 2015 to December 31, 2018, are presented in accordance with the criteria set forth in Note 1, in all material respects.

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the Statements; and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the Statements. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. 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 internal control over reporting on the Statements or on compliance and other matters; accordingly, we express no such opinions.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose of expressing an opinion on whether the Statements are presented in accordance with the criteria described above and was not designed to identify all deficiencies in internal control over reporting on the Statements that might be material weaknesses or significant deficiencies. Given these limitations, during our engagement we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

As part of obtaining reasonable assurance about whether the Statements are free from material misstatement, we performed tests of the County Officer's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of Statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our engagement, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Independent Auditor's Report (Continued)

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.

We appreciate the courtesy extended by the Clerk of the Court of Common Pleas/Prothonotary/Recorder of Deeds/Register of Wills/Clerk of the Orphans' Court and The Adult Probation Department, Sullivan County, to us during the course of our examination. If you have any questions, please feel free to contact the Bureau of County Audits at 717-787-1363.



Eugene A. DePasquale
Auditor General

June 4, 2020

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CLERK OF THE COURT OF COMMON PLEAS AND
ADULT PROBATION DEPARTMENT
SULLIVAN COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Receipts:

Department of Transportation		
Title 75 Fines	\$	17,943
Department of Revenue Court Costs		3,853
Crime Victims' Compensation Costs		6,733
Crime Commission Costs/Victim Witness Services Costs		4,677
Domestic Violence Costs		926
Emergency Medical Services Fines		542
DUI - ARD/EMS Fees		700
CAT/MCARE Fund Surcharges		1,441
Judicial Computer System/Access to Justice Fees		6,436
Offender Supervision Fees		36,796
Criminal Laboratory Users' Fees		2,804
Probation and Parole Officers' Firearm Education Costs		735
Substance Abuse Education Costs		6,917
Miscellaneous State Fines and Costs		<u>19,928</u>
 Total receipts (Note 2)		 110,431
 Disbursements to Commonwealth (Note 3)		 <u>(110,431)</u>
 Balance due Commonwealth (County) per settled reports (Note 4)		 -
 Examination adjustments		 <u>-</u>
 Adjusted balance due Commonwealth (County) for the period January 1, 2015 to December 31, 2018		 <u><u>\$ -</u></u>

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

PROTHONOTARY
SULLIVAN COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Receipts:

Writ Taxes	\$ 279
Divorce Complaint Surcharges	530
Judicial Computer System/Access To Justice Fees	14,827
Criminal Charge Information System Fees	<u>224</u>
Total Receipts (Note 2)	15,860
Commissions (Note 3)	<u>(8)</u>
Net Receipts	15,852
Disbursements to Commonwealth (Note 4)	<u>(15,852)</u>
Balance due Commonwealth (County) per settled reports (Note 5)	-
Examination adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2015 to December 31, 2018	<u><u>\$ -</u></u>

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

RECORDER OF DEEDS
 SULLIVAN COUNTY
 REALTY TRANSFER TAXES
 STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE PERIOD
 JANUARY 1, 2015 TO DECEMBER 31, 2018

Receipts:

Realty Transfer Taxes (Note 2)	\$	1,212,688
Commissions (Note 3)		<u>(12,127)</u>
Net Receipts		1,200,561
Disbursements to Commonwealth (Note 4)		<u>(1,200,561)</u>
Balance due Commonwealth (County) per settled reports (Note 5)		-
Examination adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2015 to December 31, 2018	\$	<u><u>-</u></u>

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

RECORDER OF DEEDS
SULLIVAN COUNTY
WRIT TAXES AND JUDICIAL COMPUTER SYSTEM/ACCESS TO JUSTICE FEES
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Receipts:

Writ Taxes	\$	3,940
Judicial Computer System/Access To Justice Fees		<u>186,550</u>
Total Receipts (Note 2)		190,490
Commissions (Note 3)		<u>(118)</u>
Net Receipts		190,372
Disbursements to Commonwealth (Note 4)		<u>(190,372)</u>
Balance due Commonwealth (County) per settled reports (Note 5)		-
Examination adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2015 to December 31, 2018	\$	<u><u>-</u></u>

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

REGISTER OF WILLS
SULLIVAN COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Receipts:

Inheritance Taxes (Note 2)	\$ 2,286,816
Disbursements and credits to Commonwealth (Note 4)	<u>(2,286,816)</u>
Balance due Commonwealth (County) per settled reports (Note 5)	-
Examination adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2015 to December 31, 2018	<u><u>\$ -</u></u>

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

CLERK OF ORPHANS' COURT
SULLIVAN COUNTY
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Receipts:

Marriage License Taxes	\$	67
Marriage License Application Surcharges		1,340
Marriage License Declaration Fees		1,340
Judicial Computer System/Access To Justice Fees		<u>5,653</u>
Total Receipts (Note 2)		8,400
Disbursements to Commonwealth (Note 4)		<u>(8,400)</u>
Balance due Commonwealth (County) per settled reports (Note 5)		-
Examination adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2015 to December 31, 2018	\$	<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 AND ADULT PROBATION
DEPARTMENT/PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
SULLIVAN COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

1. Criteria

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

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

2. Receipts

Clerk Of The Court Of Common Pleas

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

Prothonotary

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

- Writ Taxes represent a \$.50 or \$.25 tax imposed on taxable instruments filed with the Prothonotary.
- Divorce Complaint Surcharges represent a \$10 surcharge imposed on all divorce decrees.
- Judicial Computer System/Access To Justice Fees represent a \$35.50 fee imposed for the filing of any legal paper to initiate a civil action or proceeding. Effective October 30, 2017, Act 40 and Act 44 increased the fee to \$40.25.

CLERK OF THE COURT OF COMMON PLEAS AND ADULT PROBATION
DEPARTMENT/PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
SULLIVAN COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

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 \$8.00 for the period January 1, 2015 to December 31, 2018. 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 \$35.50 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. 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 represent inheritance taxes filed with the Register of Wills.

CLERK OF THE COURT OF COMMON PLEAS AND ADULT PROBATION
DEPARTMENT/PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
SULLIVAN COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

2. Receipts (Continued)

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 \$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 AND ADULT PROBATION
DEPARTMENT/PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
SULLIVAN COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

3. Commissions - 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

Register of Wills commissions of \$60,019 for Inheritance Taxes were paid to the County by the Department of Revenue, which are not reflected in the Statements.

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.

4. Disbursements

Clerk Of The Court Of Common Pleas

Total disbursements are comprised as follows:

Clerk of the Court checks issued to:

Department of Revenue	\$ <u>110,431</u>
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CLERK OF THE COURT OF COMMON PLEAS AND ADULT PROBATION
DEPARTMENT/PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
SULLIVAN COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

4. Disbursements (Continued)

Prothonotary

Total disbursements are comprised as follows:

Prothonotary checks issued to:

Department of Revenue	\$ 15,628
Adminstrative Office of Pennsylvania Courts	224
	224
 Total	 \$ 15,852

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.

Total disbursements are comprised as follows:

Deposits into the Department of Revenue's cash management account	\$ 1,200,561
	1,200,561

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	\$ 190,372
	190,372

CLERK OF THE COURT OF COMMON PLEAS AND ADULT PROBATION
DEPARTMENT/PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
SULLIVAN COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

4. Disbursements (Continued)

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	\$ 2,285,416
Credits issued by the Department of Revenue	<u>1,400</u>
Total	<u><u>\$ 2,286,816</u></u>

Clerk Of Orphans' Court

Total disbursements are comprised as follows:

Clerk of Orphans' Court checks issued to:

Department of Revenue	<u><u>\$ 8,400</u></u>
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CLERK OF THE COURT OF COMMON PLEAS AND ADULT PROBATION
DEPARTMENT/PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
SULLIVAN COUNTY
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

5. Balance Due Commonwealth (County) For The Period January 1, 2015 To December 31, 2018

Clerk Of The Court Of Common Pleas And Adult Probation Department

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.

Prothonotary/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

Kellie Carpenter 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, 2015 to December 31, 2018.

Rocky Hileman served as Chief Probation Officer of the Adult Probation Department during the period January 1, 2015 to December 31, 2018.

CLERK OF THE COURT OF COMMON PLEAS AND ADULT PROBATION
DEPARTMENT/PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
SULLIVAN COUNTY
SUMMARY OF PRIOR EXAMINATION RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

Summary Of Prior Examination Recommendations

During our prior examination, we recommended that the Clerk of Court of Common Pleas:

- Obtain a validation from the bank as to the mix of cash and checks deposited. We further recommended that the validation is reconciled to receipts by someone other than the person preparing or making the deposit.

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

CLERK OF THE COURT OF COMMON PLEAS AND ADULT PROBATION
DEPARTMENT/PROTHONOTARY/RECORDER OF DEEDS/
REGISTER OF WILLS/CLERK OF ORPHANS' COURT
SULLIVAN COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2015 TO DECEMBER 31, 2018

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 Kellie Carpenter
Clerk of the Court of Common Pleas/ Prothonotary/Recorder of Deeds/
Register of Wills/Clerk of Orphans' Court

Mr. Rocky Hileman
Chief Probation Officer, Adult Probation Department

The Honorable Russel D. Shurtleff
President Judge

The Honorable Brian Hoffman
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.