



CLERK OF THE COURT OF COMMON PLEAS/  
PROTHONOTARY

VENANGO COUNTY

EXAMINATION REPORT

FOR THE PERIOD

JANUARY 1, 2007 TO DECEMBER 31, 2009

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**Department of the Auditor General  
Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania 17120-0018**

**JACK WAGNER  
AUDITOR GENERAL**

Independent Auditor's Report

The Honorable Daniel P. Meuser  
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, Venango County, Pennsylvania (County Officer), for the period January 1, 2007 to December 31, 2009, 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.

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)

In our opinion, the Statements referred to above present, in all material respects, the operations of the County Officer as it pertains to receipts made on behalf of the Commonwealth for the period ended December 31, 2009, 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 Officer's 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 Officer's Statements that is more than inconsequential will not be prevented or detected by the County Officer's internal control. We consider the deficiency described in the finding below to be a significant deficiency in internal control over reporting on the Statements:

- Failure To Utilize Individual User ID's - Clerk Of The Court Of Common Pleas.

Independent Auditor's Report (Continued)

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 Officer's 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. However, we believe that the significant deficiency described above is a material weakness.

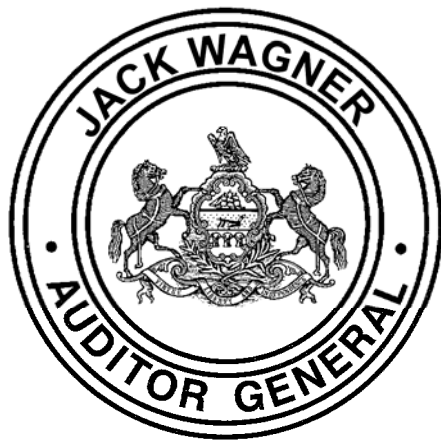
The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We are concerned in light of the County Officer's failure to correct a previously reported finding regarding the failure to utilize individual user ID's. The failure to utilize individual user ID's removes the responsibility from the employee who enters a transaction. This increases the risk for funds to be misappropriated. The County Officer should strive to implement the recommendation 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 Officer and is not intended to be and should not be used by anyone other than these specified parties.

June 7, 2012

JACK WAGNER  
Auditor General



CLERK OF THE COURT OF COMMON PLEAS  
VENANGO COUNTY  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2007 TO DECEMBER 31, 2009

Receipts:

Department of Transportation		
Title 75 Fines	\$	99,878
Overweight Fines		1,647
Department of Revenue Court Costs		37,714
Crime Victims' Compensation Costs		95,445
Crime Commission Costs/Victim Witness Services Costs		64,439
Domestic Violence Costs		14,805
Emergency Medical Services Fines		9,412
DUI - ARD/EMS Fees		10,405
CAT/MCARE Fund Surcharges		50,561
Judicial Computer System		15,851
Access to Justice Fees		4,534
Constable Service Surcharges		524
Criminal Laboratory Users' Fees		309
Probation and Parole Officers' Firearm Education Costs		7,507
Substance Abuse Education Costs		45,202
Office of Victims' Services Costs		22,216
Miscellaneous State Fines and Costs		<u>80,485</u>

Total receipts (Note 2)	\$	560,934
Disbursements to Commonwealth (Note 4)		<u>(560,934)</u>
Balance due Commonwealth (County) per settled reports (Note 5)		-
Examination adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2007 to December 31, 2009	\$	<u><u>-</u></u>

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



PROTHONOTARY  
VENANGO COUNTY  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2007 TO DECEMBER 31, 2009

Receipts:

Writ Taxes	\$	1,753
Divorce Complaint Surcharges		5,430
Judicial Computer System/Access To Justice Fees		51,349
Protection From Abuse Surcharges and Contempt Fines		964
Criminal Charge Information System Fees		<u>2,182</u>
Total Receipts (Note 2)		61,678
Commissions (Note 3)		<u>(53)</u>
Net Receipts		61,625
Disbursements to Commonwealth (Note 4)		<u>(61,635)</u>
Balance due Commonwealth (County) per settled reports (Note 5)		(10)
Examination adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2007 to December 31, 2009	\$	<u><u>(10)</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  
VENANGO COUNTY  
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2007 TO DECEMBER 31, 2009

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 \$10 fee imposed for the filing of any legal paper to initiate a civil action or proceeding. These fees were temporarily increased to \$23.50 for the period December 8, 2009 to January 7, 2012.

CLERK OF THE COURT OF COMMON PLEAS/  
PROTHONOTARY  
VENANGO COUNTY  
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2007 TO DECEMBER 31, 2009

2. Receipts (Continued)

Prothonotary (Continued)

- Protection From Abuse Surcharges represent a \$25 surcharge imposed against defendants when a protection order is granted as a result of a hearing. Effective May 9, 2006, the surcharge was increased to \$100. Protection From Abuse Contempt Fines represent fines of not less than \$100 nor more than \$1,000 imposed against a defendant who is found to be in violation of a protection from abuse order. Effective May 9, 2006, the fine was increased to a minimum of \$300 and maximum of \$1000.
- 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 and \$7.00 for the period January 1, 2008 to December 31, 2010. The statement of receipts and disbursements only reflects the portion collected on behalf of the AOPC.

3. Commissions

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.

CLERK OF THE COURT OF COMMON PLEAS/  
PROTHONOTARY  
VENANGO 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

Total disbursements are comprised as follows:

Clerk of the Court checks issued to:

Department of Revenue	\$ 558,832
Department of Public Welfare	387
Office of Inspector General	1,240
Game Commission	400
State Police	<u>75</u>
Total	<u><u>\$ 560,934</u></u>

Prothonotary

Total disbursements are comprised as follows:

Prothonotary checks issued to:

Department of Revenue	\$ 59,453
Adminstrative Office of Pennsylvania Courts	<u>2,182</u>
Total	<u><u>\$ 61,635</u></u>

5. Balance Due Commonwealth (County) For The Period January 1, 2007 To December 31, 2009

Clerk Of The Court Of Common Pleas

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  
VENANGO COUNTY  
NOTES TO THE STATEMENTS OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2007 TO DECEMBER 31, 2009

5. Balance Due Commonwealth (County) For The Period January 1, 2007 To December 31, 2009 (Continued)

Prothonotary

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.

6. County Officer Serving During Examination Period

Peggy L. Miller served as the Clerk of the Court of Common Pleas/Prothonotary for the period January 1, 2007 to December 31, 2009.

CLERK OF THE COURT OF COMMON PLEAS  
VENANGO COUNTY  
FINDING AND RECOMMENDATION  
FOR THE PERIOD  
JANUARY 1, 2007 TO DECEMBER 31, 2009

Finding - Failure To Utilize Individual User ID's - Clerk Of The Court Of Common Pleas

During our examination, we again noted that one User ID was utilized by multiple employees when processing transactions in the computer system.

This condition existed because the office failed to once again establish and implement an adequate system of internal controls over the computer system.

Good internal controls ensure that each employee utilizes his/her own individual password when entering transactions in the computer system. When the terminal is not in use, the employee should log off the system. Employee passwords should never be shared among other employees.

Without this control, there is no audit trail on who created a specific transaction. Consequently, accountability of who entered the transaction is lost.

This condition appeared as a finding in the prior examination report for the period ending December 31, 2006.

Recommendation

We again recommend that the county officer adhere to a good system of internal controls by requiring each employee to have their own individual password. Additionally, when the terminal is not in use, employees should log off of the system.

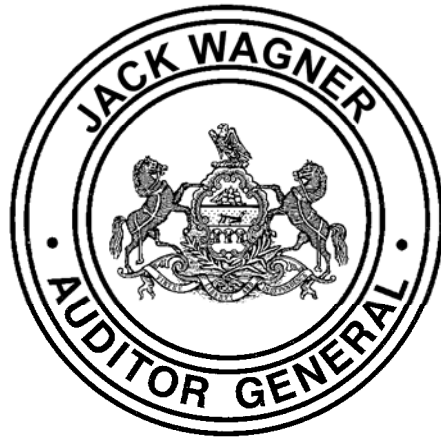
Management's Response

The County Officer responded as follows:

We have begun to update all findings brought to our attention.

Auditor's Conclusion

We appreciate the county office's effort to correct this condition. During our next examination, we will determine if the office complied with our recommendation.



CLERK OF THE COURT OF COMMON PLEAS/  
PROTHONOTARY  
VENANGO COUNTY  
REPORT DISTRIBUTION  
FOR THE PERIOD  
JANUARY 1, 2007 TO DECEMBER 31, 2009

This report was initially distributed to:

The Honorable Daniel P. Meuser  
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 Paula M. Palmer	Clerk of the Court of Common Pleas/ Prothonotary
The Honorable Oliver J. Lobaugh	Venango County President Judge
The Honorable Timothy S. Brooks	Chairperson of the Board of Commissioners

This report is a matter of public record. Copies of this report may be obtained from the Pennsylvania Department of the Auditor General, Office of Communications, 318 Finance Building, Harrisburg, PA 17120. To view this report online or to contact the Department of the Auditor General, please access our web site at [www.auditorgen.state.pa.us](http://www.auditorgen.state.pa.us).