

# COMPLIANCE AUDIT

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## Clerk of the Court of Common Pleas/Prothonotary/ Collections Department Bradford County, Pennsylvania For the Period January 1, 2016 to December 31, 2019

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June 2021



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/Collections Department, of Bradford County, Pennsylvania (County Officer), for the period January 1, 2016 to December 31, 2019, pursuant to the requirements of Section 401(b) of *The Fiscal Code*, 72 P.S. § 401(b).

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 Officer's account. 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 Officer is 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 Officer is 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.

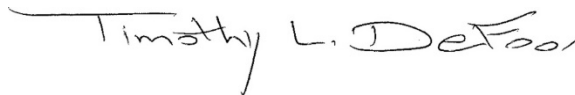
Based on our audit procedures, we conclude that, for the period January 1, 2016 to December 31, 2019, the County Officer, in all significant respects, complied with state laws and regulations applicable to the collection of moneys on behalf of the Commonwealth, including whether they have been correctly assessed, reported, and promptly remitted, except as noted in the finding listed below and discussed later in this report:

- Inadequate Outstanding Check Procedures - Collections Department - Recurring.

This report includes a summary of the County Officer's receipts and disbursements of funds collected on behalf of the Commonwealth (summary). We obtained data representing the County Officer's receipts and disbursements from the Pennsylvania Department of Revenue, which obtains data from each of the Commonwealth's clerk of court of common pleas offices, and used the data to create the summary in the format required by the Department of Revenue. We also evaluated the accuracy of the data as part of our audit to conclude on the County Officer's 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 summary; however, the scope of our audit does not include the issuance of an opinion on the accuracy of the amounts reported in the summary.

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 Officer and, where appropriate, their response has been included in the report. We appreciate the courtesy extended to us by the Clerk of the Court of Common Pleas/ Prothonotary/Collections Department, of Bradford County, 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

June 3, 2021

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CLERK OF THE COURT OF COMMON PLEAS/  
PROTHONOTARY/COLLECTIONS DEPARTMENT  
BRADFORD COUNTY  
BACKGROUND  
FOR THE PERIOD  
JANUARY 1, 2016 TO DECEMBER 31, 2019

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/COLLECTIONS DEPARTMENT  
 BRADFORD COUNTY  
 BACKGROUND  
 FOR THE PERIOD  
 JANUARY 1, 2016 TO DECEMBER 31, 2019

Total disbursements during the audit period are comprised as follows

Clerk Of The Court Of Common Pleas/Collections Department

Collections Department checks issued to:

Department of Revenue	\$ 1,318,201
Liquor Control Board	362
Game Commission	1,500
State Police	1,127
Parole Board	141
Commossion on Crime and Delinquency	72
Department of General Services	435
Department of Human Services	1,031
Department of Transportation	293
Department of Public Welfare	539
Labor and Industry	270
Total	\$ 1,323,972

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

Prothonotary checks issued to:

Department of Revenue	\$ 183,816
Adminstrative Office of Pennsylvania Courts	3,628
Total	\$ 187,444

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.

CLERK OF THE COURT OF COMMON PLEAS/  
PROTHONOTARY/COLLECTIONS DEPARTMENT  
BRADFORD COUNTY  
BACKGROUND  
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Dawn Close served as the Clerk of the Court of Common Pleas/Prothonotary for the period January 1, 2016 to December 31, 2019.

Daniel Thorp served as the Fiscal Director of the Collections Department for the period January 1, 2016 to December 31, 2019.

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/COLLECTIONS DEPARTMENT  
 BRADFORD COUNTY  
 SUMMARY OF RECEIPTS AND DISBURSEMENTS  
 FOR THE PERIOD  
 JANUARY 1, 2016 TO DECEMBER 31, 2019

Receipts:

Department of Transportation		
Title 75 Fines	\$	134,776
Overweight Fines		300
Department of Revenue Court Costs		38,979
Crime Victims' Compensation Costs		110,928
Crime Commission Costs/Victim Witness Services Costs		75,677
Domestic Violence Costs		9,050
Emergency Medical Services Fines		4,005
DUI - ARD/EMS Fees		13,037
CAT/MCARE Fund Surcharges		26,132
Judicial Computer System/Access to Justice Fees		109,437
Offender Supervision Fees		398,409
Constable Service Surcharges		123
Criminal Laboratory Users' Fees		23,987
Probation and Parole Officers' Firearm Education Costs		8,231
Substance Abuse Education Costs		85,293
Office of Victims' Services Costs		51,804
Miscellaneous State Fines and Costs		<u>233,804</u>
 Total receipts		 1,323,972
 Disbursements to Commonwealth		 <u>(1,323,972)</u>
 Balance due Commonwealth (County) per settled reports		 -
 Audit adjustments		 <u>-</u>
 Adjusted balance due Commonwealth (County) for the period January 1, 2016 to December 31, 2019	 \$	 <u><u>-</u></u>



PROTHONOTARY  
BRADFORD COUNTY  
SUMMARY OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD  
JANUARY 1, 2016 TO DECEMBER 31, 2019

Receipts:

Writ Taxes	\$ 3,482
Divorce Complaint Surcharges	6,850
Judicial Computer System/Access To Justice Fees	173,363
Protection From Abuse Surcharges and Contempt Fines	225
Criminal Charge Information System Fees	<u>3,628</u>
Total Receipts	187,548
Commissions	<u>(104)</u>
Net Receipts	187,444
Disbursements to Commonwealth	<u>(187,444)</u>
Balance due Commonwealth (County) per settled reports	-
Audit adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2016 to December 31, 2019	<u><u>\$ -</u></u>

CLERK OF THE COURT OF COMMON PLEAS/  
PROTHONOTARY/COLLECTIONS DEPARTMENT  
BRADFORD COUNTY  
FINDING AND RECOMMENDATION  
FOR THE PERIOD  
JANUARY 1, 2016 TO DECEMBER 31, 2019

**Finding - Inadequate Outstanding Check Procedures - Collections Department - Recurring**

We cited the issue of inadequate outstanding check procedures in the three previous audits with the most recent being for the period January 1, 2011 to December 31, 2015. Our current examination found that the office did not correct this issue.

Our current audit of the office checking account disclosed that the office was carrying 125 outstanding checks totaling \$3,984.03, dated from January 10, 2019 to June 6, 2019, that were still outstanding as of December 31, 2019.

This condition existed because the office failed to establish adequate internal controls over its outstanding check procedures as recommended in the three previous audit reports.

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, efforts should be made to locate the payee. If efforts to locate the payee are unsuccessful, the amount of the check should be 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.

**Recommendation**

We strongly recommend that the office establish and implement a procedure whereby outstanding checks are reviewed 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 amount of outstanding checks to the checking account, and subsequently hold these monies in escrow for unclaimed escheatable funds.

**Management's Response**

The County Officer responded as follows:

Collection personnel review outstanding checks on a quarterly basis. Follow up letters are issued, and any stale dated checks are reissued. For any checks that are greater than 180 days from original issue date that remain outstanding, stop payments are requested, and checks are escheated. Policy will be to escheat checks after 150 days or 5 months.

CLERK OF THE COURT OF COMMON PLEAS/  
PROTHONOTARY/COLLECTIONS DEPARTMENT  
BRADFORD COUNTY  
FINDING AND RECOMMENDATION  
FOR THE PERIOD  
JANUARY 1, 2016 TO DECEMBER 31, 2019

**Finding - Inadequate Outstanding Check Procedures - Collections Department - Recurring  
(Continued)**

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 recommendation.

CLERK OF THE COURT OF COMMON PLEAS/  
PROTHONOTARY/COLLECTIONS DEPARTMENT  
BRADFORD COUNTY  
SUMMARY OF PRIOR AUDIT RECOMMENDATIONS  
FOR THE PERIOD  
JANUARY 1, 2016 TO DECEMBER 31, 2019

Summary Of Prior Audit Recommendations

During our prior audit, we recommended that:

- The office establish and implement a procedure whereby outstanding checks are reviewed monthly to determine if there are any long outstanding checks. If checks remain outstanding and attempts to contact payees after 90 days are unsuccessful, the office should reinstate the amount of outstanding checks to the checking account and subsequently hold these monies in escrow for unclaimed escheatable funds.
- The Collections Department establish and implement an adequate system of internal controls over computer downtime manual receipts.

During our current audit, we noted that the Collections Department complied with our second bulleted recommendation. However, the office did not comply with our first bulleted recommendation. Please see the current year finding for additional information.

CLERK OF THE COURT OF COMMON PLEAS/  
PROTHONOTARY/COLLECTIONS DEPARTMENT  
BRADFORD COUNTY  
REPORT DISTRIBUTION  
FOR THE PERIOD  
JANUARY 1, 2016 TO DECEMBER 31, 2019

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 Close**  
Clerk of the Court of Common Pleas/Prothonotary

**Mr. Daniel Thorp**  
Fiscal Director of the Collections Department

**The Honorable Daryl Miller**  
Chairperson of the Board of Commissioners

**The Honorable Maureen Beirne**  
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).