

COMPLIANCE AUDIT

Clerk of the Court of Common
Pleas/Prothonotary/
Clerk of Orphans' Court/Recorder of
Deeds/Register of Wills/Probation &
Parole Department
Cameron County, Pennsylvania
For the Period
January 1, 2019 to December 31, 2022

May 2024



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



**Commonwealth of Pennsylvania
Department of the Auditor General
Harrisburg, PA 17120-0018
Facebook: Pennsylvania Auditor General
Twitter: @PAAuditorGen
www.PaAuditor.gov**

**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/Recorder of Deeds/Register of Wills, and the Chief Probation Officer of Cameron County, Pennsylvania (County Officers), for the period January 1, 2019 to December 31, 2022, 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.

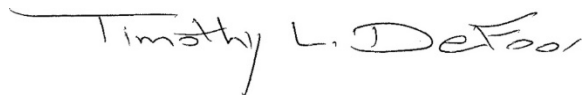
Based on our audit procedures, we conclude that, for the period January 1, 2019 to December 31, 2022, the County Officers, in all significant respects, complied with state laws and regulations applicable to the collection of moneys on behalf of the Commonwealth, including whether they have been correctly 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 & Parole Department - Recurring.

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, register of wills, recorder of deeds, 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 Cameron County Clerk of the Court of Common Pleas/Prothonotary/Clerk of Orphans' Court/Recorder of Deeds/Register of Wills and the Probation and Parole 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
April 25, 2024

CONTENTS

	<u>Page</u>
Background.....	1
Summaries Of Receipts And Disbursements:	
Clerk Of The Court Of Common Pleas	6
Prothonotary	7
Clerk Of Orphans' Court	8
Recorder Of Deeds	
Realty Transfer Taxes	9
Writ Taxes And Judicial Computer System/Access To Justice Fees.....	10
Register Of Wills	11
Finding And Recommendation:	
Finding - Inadequate Internal Controls Over Manual Receipts - Probation & Parole Department - Recurring	12
Summary Of Prior Audit Recommendations	14
Report Distribution	15

CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/
CLERK OF ORPHANS' COURT/RECORDER OF DEEDS/
REGISTER OF WILLS/PROBATION AND PAROLE DEPARTMENT
CAMERON COUNTY
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

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 and Probation and Parole 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.
- 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 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.

CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/
CLERK OF ORPHANS' COURT/RECORDER OF DEEDS/
REGISTER OF WILLS/PROBATION AND PAROLE DEPARTMENT
CAMERON COUNTY
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

- 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.

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 \$40.25 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.

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.
- Judicial Computer System/Access To Justice Fees represent a \$40.25 fee imposed on all petitions for grant of letters, and first filings in petitions concerning adoptions, incompetents' estates, minors' estates, and inter vivos trusts.

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/
 CLERK OF ORPHANS' COURT/RECORDER OF DEEDS/
 REGISTER OF WILLS/PROBATION AND PAROLE DEPARTMENT
 CAMERON COUNTY
 BACKGROUND
 FOR THE PERIOD
 JANUARY 1, 2019 TO DECEMBER 31, 2022

Total disbursements during the audit period are as follows.

Clerk Of The Court Of Common Pleas Probation and Parole Department

Probation and Parole Department checks issued to:

Department of Revenue	\$ 161,221
Office of Attorney General	205
Office of Inspector General	320
Department of Human Services	636
 Total	 \$ 162,382

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	\$ 323,872
Adminstrative Office of Pennsylvania Courts	272
 Total	 \$ 324,144

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.

Clerk Of Orphans' Court

Clerk of Orphans' Court checks issued to:

Department of Revenue	\$ 7,501
-----------------------	----------

This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue.

CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/
 CLERK OF ORPHANS' COURT/RECORDER OF DEEDS/
 REGISTER OF WILLS/PROBATION AND PAROLE DEPARTMENT
 CAMERON COUNTY
 BACKGROUND
 FOR THE PERIOD
 JANUARY 1, 2019 TO DECEMBER 31, 2022

Recorder Of Deeds

Realty Transfer Taxes

RTT Deposits into the Department of Revenue's cash management account	<u>\$ 1,003,911</u>
---	---------------------

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>\$ 100,440</u>
-----------------------	-------------------

This balance reflects a summary of monthly transmittal reports as settled by the Department of Revenue.

Register Of Wills

Inheritance Taxes

Deposits into the Department of Revenue's cash management account	\$ 1,298,747
Credits issued by the Department of Revenue	<u>9,000</u>
Total	<u>\$ 1,307,747</u>

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 THE COURT OF COMMON PLEAS/PROTHONOTARY/
CLERK OF ORPHANS' COURT/RECORDER OF DEEDS/
REGISTER OF WILLS/PROBATION AND PAROLE DEPARTMENT
CAMERON COUNTY
BACKGROUND
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

Mary Grace Olay served as the Clerk of the Court of Common Pleas/Prothonotary/Clerk of Orphans' Court/Recorder of Deeds/Register of Wills for the period January 1, 2019 to December 31, 2022.

Janette A. Burkness served as the Chief Probation Officer of the Probation and Parole Department for the period January 1, 2019 to May 1, 2020.

Andrew J. Hathorn served as the Chief Probation Officer of the Probation and Parole Department for the period May 3, 2021 to December 31, 2022.

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.

Audit Adjustment – Prothonotary Summary

The \$587 audit adjustment represents a balance due the Department of Revenue from April 2020 that was paid to in January 2024.

CLERK OF THE COURT OF COMMON PLEAS/
PROBATION AND PAROLE DEPARTMENT
CAMERON COUNTY
SUMMARY OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

Receipts:

Department of Transportation		
Title 75 Fines	\$	10,379
Department of Revenue Court Costs		5,419
Crime Victims' Compensation Costs		11,697
Crime Commission Costs/Victim Witness Services Costs		8,681
Domestic Violence Costs		1,141
Emergency Medical Services Fines		289
DUI - ARD/EMS Fees		2,010
CAT/MCARE Fund Surcharges		1,878
Judicial Computer System/Access to Justice Fees		10,403
Offender Supervision Fees		60,445
Constable Service Surcharges		559
Criminal Laboratory Users' Fees		3,166
Probation and Parole Officers' Firearm Education Costs		1,079
Substance Abuse Education Costs		7,152
Office of Victims' Services Costs		4,998
Miscellaneous State Fines and Costs		<u>33,086</u>
Total receipts		162,382
Disbursements to Commonwealth		<u>(162,382)</u>
Balance due Commonwealth (County) per settled reports		-
Audit adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2019 to December 31, 2022	\$	<u><u>-</u></u>

PROTHONOTARY
CAMERON COUNTY
SUMMARY OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

Receipts:

Writ Taxes	\$ 3,251
Divorce Complaint Surcharges	62,460
Judicial Computer System/Access To Justice Fees	258,846
Criminal Charge Information System Fees	<u>218</u>
Total Receipts	324,775
Commissions	<u>(98)</u>
Net Receipts	324,677
Disbursements to Commonwealth	<u>(324,144)</u>
Balance due Commonwealth (County) per settled reports	533
Audit adjustments	<u>(587)</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2019 to December 31, 2022	<u>\$ (54)</u>

CLERK OF ORPHANS' COURT
CAMERON COUNTY
SUMMARY OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

Receipts:

Marriage License Taxes	\$	50
Marriage License Application Surcharges		990
Marriage License Declaration Fees		990
Judicial Computer System/Access To Justice Fees		<u>5,471</u>
Total Receipts		7,501
Disbursements to Commonwealth		<u>(7,501)</u>
Balance due Commonwealth (County) per settled reports		-
Audit adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2019 to December 31, 2022	\$	<u><u>-</u></u>

RECORDER OF DEEDS
CAMERON COUNTY
REALTY TRANSFER TAXES
SUMMARY OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

Receipts:

Realty Transfer Taxes	\$ 1,003,911
Disbursements to Commonwealth	<u>(1,003,911)</u>
Balance due Commonwealth (County) per settled reports	-
Audit adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2019 to December 31, 2022	<u><u>\$ -</u></u>

RECORDER OF DEEDS
CAMERON COUNTY
WRIT TAXES AND JUDICIAL COMPUTER SYSTEM/ACCESS TO JUSTICE FEES
SUMMARY OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

Receipts:	
Writ Taxes	\$ 1,498
Judicial Computer System/Access To Justice Fees	<u>98,987</u>
Total Receipts	100,485
Commissions	<u>(45)</u>
Net Receipts	100,440
Disbursements to Commonwealth	<u>(100,440)</u>
Balance due Commonwealth (County) per settled reports	-
Audit adjustments	<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2019 to December 31, 2022	<u><u>\$ -</u></u>

REGISTER OF WILLS
CAMERON COUNTY
SUMMARY OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

Receipts:		
Inheritance Taxes	\$	1,307,747
Disbursements and credits to Commonwealth		<u>(1,307,747)</u>
Balance due Commonwealth (County) per settled reports		-
Audit adjustments		<u>-</u>
Adjusted balance due Commonwealth (County) for the period January 1, 2019 to December 31, 2022	\$	<u><u>-</u></u>

CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/
CLERK OF ORPHANS' COURT/RECORDER OF DEEDS/
REGISTER OF WILLS/PROBATION AND PAROLE DEPARTMENT
CAMERON COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

**Finding - Inadequate Internal Controls Over Manual Receipts - Probation & Parole
Department - Recurring**

We cited the issue of inadequate internal controls over manual receipts in the four prior audit reports, with the most recent for the period January 1, 2015 to December 31, 2018. Our current audit found that the office did not correct this issue.

Manual receipts are available to be issued in the event of 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. During the period under audit, the Probation and Parole Department used a combination of pre-numbered duplicate manual receipt books, purchased from a retail store, and Common Pleas Case Management System (CPCMS) manual receipts.

Of the 584 manual receipts that were available for issuance during the audit period, there were 73 CPCMS manual receipts and corresponding logs that could not be located and were unavailable for audit.

In addition, of the 25 manual receipts tested, we noted the following deficiencies in the internal controls:

- There were five instances where the computer-generated receipt was not created timely after the issuance of the corresponding manual receipt. The time lapse from the date of the manual receipt to the corresponding computer receipt ranged from two days to eight days.
- There were five instances where the manual receipt number was not entered into the computer system when the corresponding computer receipt was generated.

Good internal accounting controls ensure that:

- Manual receipts and corresponding logs are accounted for and maintained.
- Computer receipts are generated timely after the issuance of the corresponding manual receipts.
- Manual receipt numbers are entered in the manual receipt number field on the computer when the corresponding computer receipts are generated.

CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/
CLERK OF ORPHANS' COURT/RECORDER OF DEEDS/
REGISTER OF WILLS/PROBATION AND PAROLE DEPARTMENT
CAMERON COUNTY
FINDING AND RECOMMENDATION
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

Finding - Inadequate Internal Controls Over Manual Receipts - Probation & Parole Department - Recurring (Continued)

This condition existed because the office failed to establish and implement an adequate system of internal controls over manual receipts as recommended in our four prior audit reports. The office stated that during the audit period there was a change in officeholder and considerable employee turnover which contributed to the lack of controls.

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

Recommendation

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

Management's Response

The County Officer responded as follows:

We have taken steps to correct the issues included in the audit finding.

Auditor's Conclusion

We appreciate the current officeholder's efforts to correct the issue. This is a recurring finding. The risk of lost or misappropriated funds continues to exist as long as these deficiencies exist. During our next audit, we will determine if the office has complied with our recommendation.

CLERK OF THE COURT OF COMMON PLEAS/PROTHONOTARY/
CLERK OF ORPHANS' COURT/RECORDER OF DEEDS/
REGISTER OF WILLS/PROBATION AND PAROLE DEPARTMENT
CAMERON COUNTY
SUMMARY OF PRIOR AUDIT RECOMMENDATIONS
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

Summary Of Prior Audit Recommendations

During our prior audit, we recommended that the office:

- Establish and implement an adequate system of internal controls over manual receipts.
- Provide for greater segregation of duties within the office by cross-training personnel and rotating job functions that include the handling of cash and maintaining the accounting records for the cash.

During our current audit, we noted that the office 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/
CLERK OF ORPHANS' COURT/RECORDER OF DEEDS/
REGISTER OF WILLS/PROBATION AND PAROLE DEPARTMENT
CAMERON COUNTY
REPORT DISTRIBUTION
FOR THE PERIOD
JANUARY 1, 2019 TO DECEMBER 31, 2022

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

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

The Honorable Mary Grace Olay
Clerk of the Court of Common Pleas/Prothonotary/
Clerk of Orphans' Court/Recorder of Deeds/Register of Wills

The Honorable Shawn T. McMahon
President Judge

The Honorable Jessica Herzing
Chairperson of the Board of Commissioners

Mr. Andrew J. Hathorn
Chief Probation Officer
Probation and Parole Department

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.