COUNTY OF DELAWARE

Independent Auditor's Report for the period January 1 to December 31, 2024

Register of Wills Custodian Fund

Joanne Phillips, Esq., Controller
COUNTY OF DELAWARE

County of Delaware
Register of Wills, Clerk of Orphans' Court

CONTROLLER OF DELAWARE COUNTY
GOVERNMENT CENTER BUILDING
201 W. FRONT STREET
MEDIA, PENNSYLVANIA 19063

PHONE 610-891-4441
FAX NUMBER 610-566-3256

Joanne Phillips, Esq.
CONTROLLER

Winifred M. Branton, Esq.
SOLICITOR

Jeffrey J. Powers, C.P.A.
FIRST DEPUTY CONTROLLER

Judy A. Drake
DEPUTY CONTROLLER PAYROLL

Independent Auditor's Report

Hon. Vincent A. Rongione Esq.
Register of Wills, Clerk of Orphans' Court
County of Delaware
201 W. Front St., Media PA 19063

Report on the Financial Statements

Opinion

We have audited the accompanying cash basis financial statements of the Office of the Register of Wills, Clerk of the Orphans' Court (Register) as of and for the year ended December 31, 2024, which comprise the statements of assets and liabilities arising from cash transactions and the related statements of receipts, disbursements, and cash balances (the "financial statements") and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of the Register as of December 31, 2024, and its cash receipts, disbursements, and cash balances for the year then ended, in accordance with the cash basis of accounting described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (*GAAS*) and the Government Auditing Standards issued by the Comptroller General of the United States (*GAS*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Register and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matters - Basis of Accounting and Not Full County of Delaware Financial Statements

We draw attention to the basis of accounting described under Responsibilities of Management for the Financial Statement section. The financial statements were prepared by the Register on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

As discussed in Note 1, the financial statements present only the activity of the Register and do not purport to, and do not, present fairly the financial position or results of operations of the County of Delaware, for the year ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The Register's management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting practices prescribed or permitted by *GAS*, this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Register's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with *GAAS* and *GAS* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with *GAAS* and *GAS*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit;
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Register's internal control. Accordingly, no such opinion is expressed;
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements; and
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Register's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, Internal Audit has also issued a separate report dated November 3, 2025 on our consideration of the Register's internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Register's internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Register's internal control over financial reporting and compliance.

Joanne Phillips, Esq.
Controller

November 3, 2025

Office of the Register of Wills, Clerk of Orphans' Court
County of Delaware, Pennsylvania
Statement of Assets and Liabilities - Cash Basis
For the period January 1 to December 31, 2024

Assets:	
Cash in Bank Operating Account	$236,549
Due from County:	
Electronic Copies Fees	$8,435
Estate and Refunds	$2,008
Total	**$246,993**
Liabilities:	
Due to County:	
County Fees	$50,159
Inheritance Tax Commission	$82,969
Credit Card and Other Fees	$92,136
Commonwealth Fees	$14,705
Due to Register of Wills:	
Computer Fees	$5,623
Due to Orphans' Court:	
Computer Fees	$1,402
Total	**$246,993**

The accompanying notes are an integral part of these financial statements.

Office of the Register of Wills, Clerk of Orphans' Court
County of Delaware, Pennsylvania
Statement of Receipts and Disbursements - Cash Basis
For the period January 1 to December 31, 2024

Receipts	
County Fees	$1,816,209
Register of Wills Computer Fees	$43,139
Orphans' Court Computer Fees	$9,434
Commonwealth Fees	$182,817
Inheritance Tax Commission	$734,510
Electronic Copies Fees	$147,322
Credit Card and Other Fees	$0
Total Receipts	$2,933,430
Disbursements	
County Fees	$2,582,962
Register of Wills Computer Fees	$40,131
Orphans' Court Computer Fees	$8,428
Electronic Copies Fees	$136,839
Inheritance Tax Commission Paid	$684,531
Commonwealth Fees	$170,493
Estate and Refunds	$178
Total Disbursements	$3,623,562
Excess of cash disbursements over cash receipts	($690,131)
Account balance at December 31, 2023	$926,681
Account balance at December 31, 2024	**$236,549**

The accompanying notes are an integral part of these financial statements.

Note 1 - Summary of Significant Accounting Principles

Background and Reporting Entity

The financial transactions in the Office of the County of Delaware (County) Register of Wills, Clerk of Orphans' Court (Register) is custodial in nature. The Register collects the following fees and taxes: inheritance taxes for the Commonwealth of Pennsylvania Department of Revenue (Commonwealth); marriage license fees and taxes for the Commonwealth; Orphans' Court fees for both the County and Commonwealth; and Register of Wills, Clerk of Orphans' Court fees for both the County and Commonwealth. Inheritance taxes are deposited directly into a bank account held by the Commonwealth. All other fees and taxes collected are deposited into the Register's operating bank account maintained outside of the County Treasurer's Office. The Register office is responsible for remitting these collections to the County Treasurer and/or the Pennsylvania Department of Revenue. Commissions on inheritance taxes are remitted by the Commonwealth to the Register; electronically into the Register's operating bank account. The Register issues checks for commission from these inheritance taxes from the operating bank account to the Treasurer's Office for deposit into the County's General Fund.

Vincent A. Rongione, Esq. has served as Register of Wills, Clerk of Orphans' Court since January 1, 2024 up to the present.

The Register acts as a conduit for the Commonwealth of Pennsylvania, the County, and the citizens it serves to collect fees related to Register. Consequently, the Register's cash balance at any point in time represents undisbursed funds to one (or all) of these parties with the exception of the automation fund. For financial statement purposes, these undisbursed funds are included as a liability of the Register.

The actual operating expenses of the Register are paid by the County through the County's General Fund. These costs include the salaries and wages of Register employees, fringe benefits, occupancy expenses, postage, telephone, office supplies, computer use, and furniture and equipment. These costs are not included in the audited Statement of Receipts and Disbursements.

Basis of Accounting

The books and records of the Register are maintained on the cash basis of accounting. Consequently, receipts are recognized when received rather than when assessed or otherwise due and disbursements are recognized when paid rather than when the obligation is incurred. Accordingly, the accompanying statements do not present the assets, liabilities, receipts, disbursements, and cash balances in accordance with generally accepted accounting principles.

Financial Reporting Entity

This report is intended to represent only those transactions for the administration and services delivered by the Register of Wills, Clerk of Orphans' Court (Register). This report is not intended to represent the financial position or results of operations of the County or to encompass all County receipt and disbursement activity.

Note 2 - Fees Collected and Automation Fund

The receipts under the Register of Wills, includes monies collected on behalf of the County and for the Commonwealth. The monies collected for the Commonwealth includes the following taxes and fees: a) Inheritance taxes are based on inheritance tax returns filed with Register of Wills and b) Judicial Computer Systems represent a $40.25 fee imposed for the initiation of any civil action or legal proceeding, including the filing of petitions for grants of letters, and first filing in petitions concerning adoptions, incompetent estates, minor estates, and intervivos trusts. The Orphan's Court collects monies on behalf of the Commonwealth for the following: a) Marriage License tax of $0.50 and a Marriage License Application Surcharge of $10 on all marriage licenses filed with Orphan's Court and b) $13 fee for the issuance of a marriage license (of which $0.50 goes to Commonwealth while $12.50 goes to County).

The Register established a fund pursuant to the Court of Common Pleas, Pennsylvania Orphans' Court Division Fee Bill: 42 P.S. 21022.1 and 210321.1. To bring the Register into line with the automation/modernization efforts of the other court-related offices, a $10.00 automation fee was charged on all initial filings. Effective February 1, 2023 the fee increased from $10.00 to $15.00. The fees collected under this automation fund are used by the Register solely for the purpose of automation, computerization, and document reproduction within the offices of same.

The Register accepts orders for copies and processing of credit card payments online for both marriage records and probate records. The Register utilizes the CountyFusion Recording System (CountyFusion), an online record management system and marriage/civil union license kiosk. This system provides online capabilities to search recorded records and to purchase copies. For 2024, the CountyFusion successfully processed 11,817 transactions and generated for the County fees a total amount of $2,051,137.78 comprised of County Fees, Register of Will Fees, and Orphans' Court Fees. Furthermore, there were 143 voided transactions totaling $35,522.90.

The disbursement of County Fees of $2,582,962 is the audited amount as compared with the book balance of $2,586,478 or a difference of $3,516 due to in-transit items.

Revenue from Electronic Copies (E-Copies) was processed via Converge Payment Gateway, a platform enabling payment acceptance through debit and credit cards, PayPal, electronic checks, and digital wallets.

County commissions derived from Inheritance Tax were directly credited to the Register's account by the Commonwealth Department of Revenue.

Payments for filing fees were done through the Administrative Office of Pennsylvania Courts (AOPC) Guardianship Tracking System (GTS). Under the AOPC GTS, payment of any associated fees is accepted at the time a filing is submitted and may be made with a Visa, MasterCard, Discover, American Express, or ATM card. Upon the completion of a filing, it will be transmitted to the applicable court for processing.

Note 3 - Court Ordered Escrow

In the matter of contested estates, the Clerk of Orphans' Court is required to hold any collected funds in escrow until they are released by order of the court. The Clerk of Orphans' Court is permitted by statute, court-approved fee schedule, and court order to deduct poundage fees on any monies held in escrow. The estate escrow is held as certificates of deposit or in a separate money market account titled to the name of the estate. The escrow continues to earn interest until the court orders distribution of the funds. There were no contested estates wherein escrow was held by order of the court during 2024.

Note 4 - Inheritance Taxes

The Register of Wills, Clerk of Orphans' Court (Register) collected inheritance taxes in the amount of $142,930,139.52 and processed 4,458 related transactions during the period ending December 31, 2024, which is not reflected in the financial schedules. The Register deposits all inheritance tax payments into the Commonwealth's account daily. The Register received commissions in the total amount of $734,510 for inheritance tax collections in 2024 out of which $684,531 was paid to the County.

Note 5 - Custodial Credit Risk

A governmental entity in Pennsylvania may deposit its monies in a financial institution only if the financial institution pledges collateral for the deposit to the extent the deposit exceeds the Federal Deposit Insurance Corporation (FDIC) insurance limits. This requirement applies to any public deposits, including, for example, deposits in a checking or savings account and certificates of deposit. The Pennsylvania Legislature enacted Act 72 in 1971 (PA Act 72), and amended it in 2000, to enable financial institutions to pledge collateral on a pooled basis to secure public deposits in excess of the FDIC insurance limits.

The Register's policy for minimizing credit risk for bank balances exceeding Federal Deposit Insurance Corporation's insured limits relies upon PA Act 72. For deposits, custodial credit risk is the risk that in the event of bank failure, the Register's deposits may not be recovered. During the twelve-month period 2024, the Register's average daily balance of $1.092 million exceeded the individual account limits covered by the FDIC of $250,000. However, the Register's audited cash ending balance on December 31, 2024 was brought down to $236,549 mainly due to the remittance of $832.985 on November 14, 2024.

CONTROLLER OF DELAWARE COUNTY
GOVERNMENT CENTER BUILDING
201 W. FRONT STREET
MEDIA, PENNSYLVANIA 19063

PHONE 610-891-4441
FAX NUMBER 610-566-3256

Joanne Phillips, Esq.
CONTROLLER

Winifred M. Branton, Esq.
SOLICITOR

Jeffrey J. Powers, C.P.A.
FIRST DEPUTY CONTROLLER

Judy A. Drake
DEPUTY CONTROLLER PAYROLL

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

November 3, 2025

Hon. Vincent A. Rongione Esq.
Register of Wills and Clerk of Orphans' Court
County of Delaware
201 W. Front St., Media PA 19063

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of assets and liabilities arising from cash transactions as of December 31, 2024, and the related statement of cash receipts, disbursements, and cash balances for the year then ended and the related notes to the financial statements of the Register of Wills, Clerk of Orphans' Court (Register) and have issued our report thereon dated November 3, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Register's internal control over financial reporting (internal control) as a basis for designing our audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Register's internal control. Accordingly, we do not express an opinion on the effectiveness of the Register's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies in internal control to be a material weakness:

Need to improve financial reporting

As a part of the audit process, the auditors prepared the financial schedules from information provided by the Register of Wills, Clerk of Orphans' Court (Register). The financial schedules were subsequently reviewed by management to ensure that the data was accurately presented. However, at the time of the audit, management did not have a process in place to ensure that it can produce complete cash basis financial schedules without the assistance of an auditor. As such, there is a risk that the financial schedules prepared by management would not contain all cash receipts collected by the Register. For example, the Register provided the auditor with schedules of County Fees that could not be reconciled against the subsidiary ledger and source documents due to the non-uniform timing of payments to the County and lump sum SAP entries that lacked the necessary breakdowns (e.g., Electronic copy, and Commonwealth fees) for verification.

Furthermore, the cash receipts collected through online credit card payments were maintained in a separate system that was not reconciled with the general ledger. In addition, the Register received inheritance tax commissions from the Commonwealth throughout the year, which was also not included within the general ledger detail. To address these weaknesses, the Register engaged a consultant in August 2024 to strengthen their financial reporting capabilities. The Register anticipates achieving full compliance with reporting requirements by the time of the 2025 financial statements.

Need to establish balancing and reconciliation procedures

Monthly bank to book reconciliations should be performed regularly and accurately to identify any variances. These reconciliations must account for all receipts and disbursements involving the Commonwealth and County, with adjustments promptly recorded and corrections made in a timely manner. Management approval is essential for finalizing reconciliations. However, reconciliations in 2024 were not performed, leading to unidentified variances and unaccounted funds. Key issues include:

- Disbursement to County: A check for $832,985.31, issued on November 14, 2024, and described as a "Post COVID Audit Reconciliation," was processed without details, supporting documentation, or written management approval. The Register acknowledged the transaction was based on a consultant's recommendation, with justification and documentation to be provided by the consultant upon the request of the auditors;
- General Fund Reconciliation Delays: Remittances totaling $2,748,342.94 took an excessive amount of time to reconcile with recorded receipts. This significant delay was attributed to incomplete documentation and inconsistencies in remittance schedules.

Need to improve accountability over custodial funds

Effective internal accounting controls require that accountability over custodial funds should be in place. Key issues identified to provide opportunities for enhanced controls include:

- Lack of formal review for cancelled checks (illustrated by three high-value checks totaling over $445,000 being voided without documented approval);
- Lack of segregation of duties where multiple staff can void transactions without proper oversight; and
- Physical security deficiencies such as leaving the safe open all day and deposits in an unsecured communal tray, including the absence of an access log to the safe to track secure storage accountability.

We recommend that the Register of Wills, Clerk of Orphans' Court's management:

1. Develop procedures to ensure: a) the accuracy of transactions, verified against source documents at the end of the business day; and b) the timely posting of transactions in the subsidiary and general ledger (SAP).
2. Perform monthly bank to book reconciliations to promptly identify and correct errors.
3. Coordinate with the Treasurer's and Controller's Offices to reconcile all accounts and post necessary adjustments in a timely manner.
4. Implement documented, segregated approval for voided transactions, strictly enforce physical security via mandatory access logs, and verify all deposits for completeness.
5. Develop procedures to ensure that payments to the County are accurate and reviewed by designated individual for completeness.
6. Establish procedures to ensure timely transfers of funds to the County and Commonwealth.; and
7. In coordination with the Treasurer's Office and Budget Management, create additional SAP accounts that align with the Register's subsidiary ledger accounts to ensure a complete and accurate reconciliation between SAP and the Register's bank account.

An exit conference was held with the Register on October 30, 2025 and the Register expressed full agreement with the above cited audit recommendations.

Management's response: "The Register will meet as a team to start putting the recommended plans of action and appreciates the partnership moving forward."

The Register's written responses to the material weakness and other matters identified in our audit have not been subjected to the auditing procedures applied in the audits of the financial statements and, accordingly, we express no opinion on them.

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended for the information of the County of Delaware Council, County of Delaware Court of Common Pleas, the Auditor General of Pennsylvania, and all other political affiliates served by the Register. This report is, however, a matter of public record, and its distribution is not limited.

Joanne Phillips, Esq.
Controller