

Recorder of Deeds Audit Report

For the period of January 1, 2018 through December 31, 2019



Brian K. Hurter, CPA
Lancaster County Controller

**Lancaster County Recorder of Deeds Audit
For the period of January 1, 2018 through December 31, 2019**

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Controller's Office

150 North Queen Street
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Lancaster, PA 17603
Phone: 717-299-8262
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Controller
Brian K. Hurter, CPA

March 22, 2021

Ann Hess
Lancaster County Recorder of Deeds
150 North Queen Street
Lancaster, PA 17603

Dear Ms. Hess:

Attached is the audit report for the Lancaster County Recorder of Deeds, prepared by the Lancaster County Controller's Office. Our examination procedures were performed covering the period of January 1, 2018 through December 31, 2019. We tested and audited the financial and procedural affairs pertaining to fees computer generated receipts, e-recording, non-sufficient funds checks (NSFs), writ tax, commission fees, PA surcharges and timeliness of deposits. We hope to provide recommendations for improvement to internal control and efficiency over the Recorder of Deeds operations. It is the responsibility of the Recorder of Deeds management to ensure the operations and financial affairs are in compliance with applicable laws. We do not express an opinion or provide any assurance on the information examined because the limited procedures executed do not provide us with sufficient evidence to express an opinion.

Per Pennsylvania Statutes Title 16 P.S. Counties § 1703, 1720 and 1720.1, we have a responsibility to audit the Recorder of Deed's Office. The report of the audit results will be provided to the Lancaster County Recorder of Deeds Administration.

We acknowledge the cooperation and assistance that we received from the Lancaster County Recorder of Deeds personnel. Their help was instrumental to the performance of this audit.

This report is intended for the information and use of the Lancaster County Recorder of Deeds Administration, and it not intended and should not be used by anyone other than these specified parties without consent. However, public policy dictates that this report is a matter of public record and its distribution is not limited.

Sincerely,

Brian K. Hurter, CPA
Lancaster County Controller
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**Lancaster County Recorder of Deeds
Relevant Audit Notes
For the period January 1, 2018 through December 31, 2019**

Note A – RECORDER OF DEEDS MISSION STATEMENT

The mission of the Lancaster County Recorder of Deeds Office is to create a government operation that is effective, cost efficient and customer friendly. The Recorder of Deeds Office believes a customer-focused approach is the best way to achieve success, and success is never final.¹

Note B – DESCRIPTION OF RECORDER OF DEEDS OFFICE

The Lancaster County Recorder of Deeds Office is located at the Lancaster County Government Center, 150 N. Queen St., Lancaster, PA. The Recorder is elected to a four-year term. Ms. Ann Hess' current term began on or about January 1, 2018 and is through on or about December 31, 2021. During the period of audit, Ms. Hess served as the Recorder of Deeds, and Joseph Sharpe served as Chief Deputy.

The office handles many documents, including deeds, mortgages, mortgage satisfactions, mortgage assignments, Powers of Attorney, leases, Uniform Commercial Code filings, real estate agreements, charters of non-profit corporations, notary commissions, elected official commissions, and veterans' discharge documents. These documents are recorded for safekeeping and to establish an accurate official record of real property ownership.²

Per the Recorder of Deeds' website, all documents except military service discharges are public record and are available online, and in the office for view and scrutiny. The records in the Recorder of Deeds' Office provide data about real estate transactions, and historical prospective. Deeds, mortgages, releases, easements, land plans, restrictions and road rights-of-way are examples of such documents.

¹ Taken directly from Recorder of Deeds website (<https://www.lancasterdeeds.com/about>)

² Taken directly from Recorder of Deeds website (<https://www.lancasterdeeds.com/>)

**Lancaster County Recorder of Deeds
Relevant Audit Notes (*Continued*)
For the period January 1, 2018 through December 31, 2019**

Note C – SCOPE AND PROCEDURES OF AUDIT

The period of review is January 1, 2018 through December 31, 2019, which covers the 2018 and 2019 fiscal years. Under the current audit procedures and policies in place, the Lancaster County Recorder of Deeds has not yet been audited by the Lancaster County Controller's Office.

Procedures were performed to test the accuracy, proper approval, account coding, compliance with laws and regulations and allowability of transactions.

We tested and audited the financial and procedural affairs pertaining to computer generated receipts, e-recording, NSF's, writ tax, commission fees, PA surcharges and timeliness of deposits.

Note D – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Recorder of Deeds Office reports on the cash basis of accounting. Under the cash basis of accounting, revenues are recognized when received, and expenses are recognized when the disbursement is made.

**Note E – OBSERVATIONS, FINDINGS, RECOMMENDATIONS, AND
MANAGEMENT'S RESPONSES**

The Controller reported no findings or observations during the examination performed over the transactions of the Recorder of Deeds office.

Lancaster County Recorder of Deeds
Audit Summary of Facts
For the period January 1, 2018 through December 31, 2019

We have performed specific procedures to assist in evaluating internal control and effectiveness of the Lancaster County Recorder of Deeds Office for the 2018 and 2019 fiscal years. In accordance with Pennsylvania Statutes Title 16 P.S. Counties § 1703, 1720 and 1720.1, we have a responsibility to audit the Recorder of Deed's Office.

Reportable conditions involved issues coming to our attention relating to significant deficiencies or non-compliance that could adversely affect the Recorder of Deeds Office records. These conditions could adversely affect their ability to record and report financial data consistent with those standards of management. While conducting our audit, we did not note any findings, observations or issues of non-compliance.

We sampled transactions from specific accounts to ensure they are executed in accordance with management's approval. Inherent limitations in any internal control structure can cause errors or irregularities to occur and not be detected. Our testing would not necessarily disclose all matters in the internal control structure that might be reportable conditions.

We conducted our audit to obtain a reasonable understanding about whether the accounts tested are free of material misstatement. We did not express an opinion or provide any assurance on the information examined because the limited procedures executed do not allow us sufficient evidence to express an opinion.

**Lancaster County Recorder of Deeds
Controller's Office Summary
For the period January 1, 2018 through December 31, 2019**

Controller's Office Summary:

We are pleased to report that there were no findings or observations noted during this audit period. This is a direct result of the Recorder of Deeds, Ann Hess, and her staff's diligence in making sure the office accurately reports, collects and records all documents and fees appropriately to the fullest extent possible.