

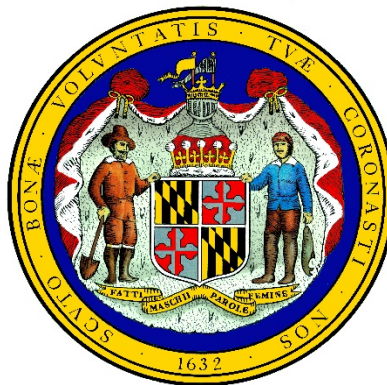
# Audit Report

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## Office of the Register of Wills Howard County, Maryland

April 2024

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**OFFICE OF LEGISLATIVE AUDITS**  
DEPARTMENT OF LEGISLATIVE SERVICES  
MARYLAND GENERAL ASSEMBLY

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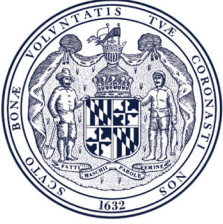
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Victoria L. Gruber  
Executive Director

DEPARTMENT OF LEGISLATIVE SERVICES  
OFFICE OF LEGISLATIVE AUDITS  
MARYLAND GENERAL ASSEMBLY

Gregory A. Hook, CPA  
Legislative Auditor

April 29, 2024

Senator Clarence K. Lam, M.D., Senate Chair, Joint Audit and Evaluation Committee  
Delegate Jared Solomon, House Chair, Joint Audit and Evaluation Committee  
Members of Joint Audit and Evaluation Committee  
Annapolis, Maryland

Ladies and Gentlemen:

We have conducted a fiscal compliance audit of the Office of the Register of Wills for Howard County, Maryland for the period beginning February 24, 2020 and ending November 15, 2023. The Office oversees the administration of decedents' estates within Howard County and assists individuals who administer estates.

Our audit did not disclose any findings.

We wish to acknowledge the cooperation extended to us during the audit by the Office.

Respectfully submitted,

Gregory A. Hook, CPA  
Legislative Auditor



## **Background Information**

### **Agency Responsibilities and Financial Information**

The Office of the Register of Wills is a public office established under the Constitution of Maryland. An office is established in each of the 24 Maryland subdivisions. These offices oversee the administration of decedents' estates within their jurisdictions and provide assistance (such as providing the proper forms) to individuals administering estates. The offices collect inheritance taxes and other fees as provided by law.

Inheritance tax collections (less the commissions earned by an office on those collections) are remitted to the State's General Fund. The fees collected and commissions earned by an office are first used to finance the operating expenses it is responsible for paying directly. Generally, the remaining balance of fees and commissions is periodically remitted to the Comptroller of Maryland to finance other operating expenses (such as payroll) that the Comptroller pays on behalf of the offices. On a collective basis, the offices' fees and commissions that exceed their operating expenses are credited to the General Fund.

According to the records of the Office of the Register of Wills for Howard County, its fiscal year 2023 gross receipts totaled \$4,982,041, which consisted of inheritance tax collections (net of commissions) of \$3,427,357 and fees and commissions of \$1,554,684. As shown in Figure 1 on the following page, the Office's fiscal year 2023 operating expenses totaled \$1,601,900 (primarily salaries and wages), the majority of which represents costs paid directly by the Comptroller, as noted above.

**Figure 1**  
**Office of the Register of Wills for Howard County**  
**Positions, Expenditures, and Funding Sources**

<b>Full-Time Equivalent Positions as of June 30, 2023</b>		
	<b>Positions</b>	<b>Percent</b>
Filled	11	100.0%
Vacant	0	0.0%
<b>Total</b>	<b>11</b>	
<b>Fiscal Year 2023 Expenditures</b>		
	<b>Expenditures</b>	<b>Percent</b>
Salaries, Wages, and Fringe Benefits	\$1,411,156	88.1%
Operating Expenses	190,744	11.9%
<b>Total</b>	<b>\$1,601,900</b>	
<b>Fiscal Year 2023 Funding Sources</b>		
	<b>Funding</b>	<b>Percent</b>
Non-Budgeted Fund <sup>1</sup>	\$4,982,041	100.0%
<b>Total</b>	<b>\$4,982,041</b>	

Source: State financial and personnel records

## Findings and Recommendations

Our audit did not disclose any deficiencies in the design or operation of the Office's internal control. Our audit also did not disclose any instances of noncompliance with applicable laws, rules, or regulations.

A draft copy of this report was provided to the Office. Since there are no recommendations in this report, a written response was not necessary.

<sup>1</sup> The Office's funding consisted of inheritance tax collections (net of commissions) of \$3,427,357 and fees and commissions of \$1,554,684.

## **Audit Scope, Objectives, and Methodology**

We have conducted a fiscal compliance audit of the Office of the Register of Wills for Howard County, Maryland for the period beginning February 24, 2020 and ending November 15, 2023. The audit was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

As prescribed by the State Government Article, Section 2-1221 of the Annotated Code of Maryland, the objectives of this audit were to examine the Office's financial transactions, records, and internal control, and to evaluate its compliance with applicable State laws, rules, and regulations.

In planning and conducting our audit, we focused on the major financial-related areas of operations based on assessments of significance and risk. The areas addressed by the audit included cash receipts, disbursements, bank accounts, and administration of estates.

Our audit did not include a review of certain support services (such as human resources, maintenance of accounting records, and related fiscal functions) provided to the Office by the Comptroller of Maryland – Office of the Comptroller. These support services are included within the scope of our audits of the Office of the Comptroller.

Our assessment of internal controls was based on agency procedures and controls in place at the time of our fieldwork. Our test of transactions and other auditing procedures were generally focused on the transactions occurring during our audit period of February 24, 2020 to November 15, 2023 but may include transactions before or after this period, as we considered necessary to achieve our audit objectives.

To accomplish our audit objectives, our audit procedures included inquiries of appropriate personnel, inspections of documents and records, tests of transactions, and to the extent practicable, observations of the Office's operations. Generally, transactions were selected for testing based on auditor judgment, which primarily considers risk, the timing or dollar amount of the transaction, or the significance of the transaction to the area of operation reviewed. As a matter of course, we do not normally use sampling in our tests, so unless otherwise specifically indicated, neither statistical nor non-statistical audit sampling was used to select the

transactions tested. Therefore, unless sampling is specifically indicated in a finding, the results from any tests conducted or disclosed by us cannot be used to project those results to the entire population from which the test items were selected. We also performed other auditing procedures that we considered necessary to achieve our audit objectives. The reliability of data used in this report for background or informational purposes was not assessed.

The Office's management is responsible for establishing and maintaining effective internal control. Internal control is a process designed to provide reasonable assurance that objectives pertaining to the reliability of financial records; effectiveness and efficiency of operations, including safeguarding of assets; and compliance with applicable laws, rules, and regulations are achieved. As provided in *Government Auditing Standards*, there are five components of internal control: control environment, risk assessment, control activities, information and communication, and monitoring. Each of the five components, when significant to the audit objectives, and as applicable to the Office, were considered by us during the course of this audit.

Because of inherent limitations in internal control, errors or fraud may nevertheless occur and not be detected. Also, projections of any evaluation of internal control to future periods are subject to the risk that conditions may change or compliance with policies and procedures may deteriorate.

Our reports are designed to assist the Maryland General Assembly in exercising its legislative oversight function and to provide constructive recommendations for improving State operations. As a result, our reports generally do not address activities we reviewed that are functioning properly.



AUDIT TEAM

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