

**CHARLES L. FRALEY, III
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF GILES**

**REPORT ON AUDIT
FOR THE PERIOD
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010**

APA

**Auditor of
Public Accounts**

COMMONWEALTH OF VIRGINIA

- TABLE OF CONTENTS -

	<u>Pages</u>
AUDIT LETTER	1-2
COMMENTS TO MANAGEMENT	3
CLERK'S RESPONSE AND CORRECTIVE ACTION PLAN	4



Commonwealth of Virginia

Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218

Walter J. Kucharski, Auditor

March 31, 2011

The Honorable Charles L. Fraley, III
Clerk of the Circuit Court
County of Giles

Board of Supervisors
County of Giles

Audit Period: January 1, 2010 through December 31, 2010
Court System: County of Giles

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court for this Court System and for the period noted above. Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies.

Management's Responsibility

Court management has responsibility for establishing and maintaining internal controls and complying with applicable laws and regulations. Internal control is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Deficiencies in internal controls could possibly lead to the loss of revenues or assets, or otherwise compromise fiscal accountability.

We noted a matter involving internal control and its operation necessary to bring to management's attention. The matter is discussed in the section titled Comments to Management. Any response and written corrective action plan to remediate this matter provided by the Clerk are included as an enclosure to this report.

The Clerk has taken adequate corrective action with respect to the internal control findings reported in the prior year that are not repeated in this letter.

We discussed this comment with the Clerk and we acknowledge the cooperation extended to us by the court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK: alh

cc: The Honorable Colin R. Gibb, Chief Judge
Chris McKlarney, County Administrator
Robyn M. de Socio, Executive Secretary
Compensation Board
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia
Director, Admin and Public Records
Department of Accounts

COMMENTS TO MANAGEMENT

We noted the following matter involving internal control and its operation that has led or could lead to the loss of revenues, assets, or otherwise compromise the Clerk's fiscal accountability.

Properly Bill Court Costs

In five of 20 cases tested, the Clerk did not properly bill the defendants for court appointed attorney expenses totaling \$147. We recommend the Clerk review all other similar cases and bill the defendants for any approved court appointed attorney expenses. The Clerk should bill and collect court costs in accordance with the Code of Virginia.

Office of the Giles County Circuit Court Clerk

PO Box 502
Pearisburg, Virginia 24134

Charles L. Fraley, III, Clerk
PO Box 502
Pearisburg, VA. 24134
(540) 921-1722
(540) 921-3825



Sherry E. Gautier, Chief Deputy
Amanda D. Blankenship, Deputy
L. Diane Buckland, Deputy
Angela J. Monday, Deputy

Properly Bill Court Costs Corrective Action Plan

April 11, 2011

Walter J. Kucharski
Auditor of Public Accounts
PO Box 1295
Richmond, VA 23218

Dear Mr. Kucharski:

It was brought to my attention by Louise Edmiston and Randy Johnson, auditors, that our office did not properly bill Court costs in certain situations where there was a fee cap. As a means of correcting this mistake, I have set up a Corrective Action Plan.

First of all, I have spoken with my Deputy regarding the mistake and she fully understands what she needs to do. Second, we will go back through our records and locate any similar mistakes in billing during our audit period of January 1, 2010 through December 31, 2010. For any mistakes found, we will properly bill and collect court costs in accordance with the Code of Virginia.

I apologize for this mistake, but I can assure you our office will do everything in its power to rectify the situation.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Charles L. Fraley, III".

Charles L. Fraley, III
Circuit Court Clerk
Giles County