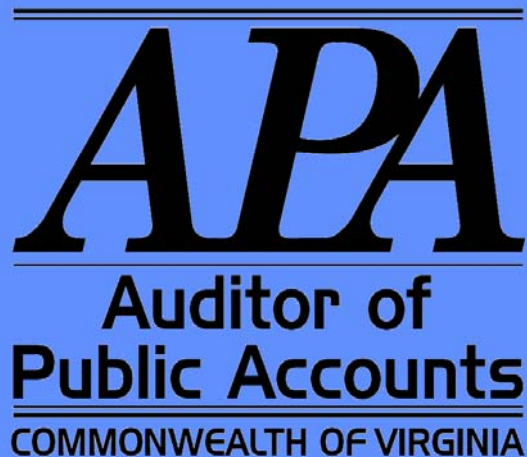


**JANE L. BROWN  
CLERK OF THE CIRCUIT COURT  
FOR THE  
COUNTY OF NOTTOWAY**

**REPORT ON AUDIT  
FOR THE PERIOD  
OCTOBER 1, 2008 THROUGH DECEMBER 31, 2009**



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# Commonwealth of Virginia

**Walter J. Kucharski, Auditor**

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

June 7, 2010

The Honorable Jane L. Brown  
Clerk of the Circuit Court  
County of Nottoway

Board of Supervisors  
County of Nottoway

Audit Period: October 1, 2008 through December 31, 2009  
Court System: County of Nottoway

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.

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: clj

cc: The Honorable James F. D'Alton, Jr., Chief Judge  
Ronald E. Roark, 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.

### Improve Accounting of Funds Being Held for Others

The Clerk does not keep accurate records of funds held for others as required by the Code of Virginia. We observed the following situations.

- The banking information for two trust accounts had balances different than the amount on the automated financial system because the Clerk was not properly recording interest earnings to the accounts.
- The Clerk inappropriately recorded four law deposit accounts as trust funds which have a separate liability account in the automated financial system.

As a result, the Clerk filed an inaccurate 2009 Annual Report with the court. The Clerk should follow the procedures for recording and maintaining liability accounts as outlined in the Financial Management System User's Guide, including reconciling system balances to bank balances to ensure the timely recording of interest earned.

HON. THOMAS V. WARREN  
CHIEF CIRCUIT JUDGE  
P.O. Box 62  
Nottoway, VA 23955  
Phone: 434-645-7784  
Fax: 434-645-8383

JANE L. BROWN, CLERK  
Cynthia F. Black, Deputy Clerk  
Leigh R. Hart, Deputy Clerk

## Circuit Court Clerk's Office

Nottoway County  
328 W. Courthouse Road  
P.O. Box 25  
Nottoway, VA 23955

Terms of Court:

First Tuesday in January, March

May, July, September, and

November

May 21, 2010

Mr. Walter J. Kucharski  
Auditor of Public Accounts  
ATTN: Tracy Vaughan  
Senior Specialist – Southside Team Leader  
24 Woodmere Dr. Apt. E.  
Petersburg, VA 23805

In Re: Audit report: October 1, 2008, through December 31, 2009

Dear Mr. Kucharski:

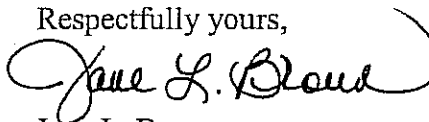
As a result of the recent audit conducted in this office, please be advised that corrective actions have been taken in order to comply with the laws and regulations as required of this office.

Two (2) of the trust accounts being held by this office reflected different balances in the Financial Management System (FMS) compared to the most recent bank statements on file. In reviewing the bank statements, it appears that FMS was updated to reflect the "estimated" interest that would be earned upon renewal of the certificates of deposit, as opposed to the "actual" interest earned after renewal. These accounts have been updated in FMS and now reflect the correct balances per the most recent bank statements.

Four (4) law deposit accounts were incorrectly being held under "trust account" codes (511) as opposed to "highway condemnation account" codes (517.) All four (4) accounts have been updated to reflect the appropriate account codes.

I would like to thank you and your staff for your courtesy extended to this office during the audit process. Please contact me if there are any further concerns. I am,

Respectfully yours,



Jane L. Brown

/JLB

Phone: 434-645-9043 \* Fax: 434-645-2201  
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Email: jlbrown@courts.state.va.us \* cblack@courts.state.va.us \* mlhart@courts.state.va.us