

**CLERK OF THE
COMBINED GENERAL DISTRICT COURT
OF THE
COUNTY OF DICKENSON**

**REPORT ON AUDIT
FOR THE PERIOD
APRIL 1, 2007 THROUGH MARCH 31, 2008**





Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295

Richmond, Virginia 23218

Walter J. Kucharski, Auditor

August 15, 2008

The Honorable Jack S. Hurley, Jr.
Chief Judge
County of Dickenson
General District Court
P. O. Box 566
Tazewell, VA 24651

The Honorable Henry A. Barringer
Chief Judge
County of Dickenson Juvenile and
Domestic Relations District Court
P. O. Box 613
Tazewell, VA 24651

The Honorable Karl Hade, Executive Secretary
Magistrate Supervising Authority
Twenty-Ninth Judicial District
100 North 9th Street, 8th Floor
Richmond, VA 24651

Audit Period: April 1, 2007 through March 31, 2008
Court System: County of Dickenson
Judicial District: Twenty-Ninth

We have audited the cash receipts and disbursements of the Clerk of the Combined General District Court and the associated Magistrates for this locality. Our primary objectives for both the Court and the Magistrates were to test the accuracy of financial transactions recorded on the applicable financial management system; evaluate internal controls; and test its compliance with significant state laws, regulations, and policies.

Management's Responsibility

Court and Magistrate 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.

Financial Matters

We noted no instances of improper recording and reporting of financial transactions in the Court's financial management system.

Additionally, we noted no instances of improper recording and reporting of financial transactions in the Magistrates' financial management records.

Internal Controls

We noted no matters involving internal control and its operation necessary to bring to Court management's attention.

However, we noted matters involving internal control and its operation necessary to bring to Magistrate management's attention.

Compliance

The results of our tests of compliance with applicable laws and regulations disclosed no instances of noncompliance in the Court that are required to be reported.

In addition, the results of our tests of compliance with applicable laws and regulations disclosed no instances of noncompliance with the Magistrates that are required to be reported.

We acknowledge the cooperation extended to us by the Court and the Chief Magistrate during this engagement. The issues identified above are discussed in the section titled Comments to Management.

AUDITOR OF PUBLIC ACCOUNTS

WJK:kmk

cc: Deborah R. Childress, Clerk
Edward Matney, Chief Magistrate
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia

COMMENTS TO MANAGEMENT

Internal Controls

We noted the following matters involving internal control and its operation that could lead to the loss of revenues, assets, or otherwise compromise the Magistrates' fiscal accountability.

Strengthen Internal Controls over Manual Receipt Book

When the auditor requested Magistrate Mullins' receipt book for testwork purposes, the magistrate could not produce it. Based on the limited records the auditor could assemble, this receipt book has been missing since June 2007. The magistrate's lack of control over her manual receipt book has placed the Commonwealth at risk and created an opportunity for inappropriate activity.

The Magistrate needs to formally notify both the Circuit Court and Combined District Court of the missing receipts, to ensure that these Courts do not accept a potentially inappropriate document. Magistrate Mullins should then request a new receipt book from the District Court, and take steps not to lose this book.

The Chief Magistrate should regularly review the status of all magistrate records, to ensure that they are complete. Further the Chief Magistrate should also review with Magistrate Mullins Chapter 10 of the Magistrate's Manual to ensure a thorough understanding of her responsibilities regarding control over manual receipts.