

May 23, 2003

The Honorable Roy C. Mayo III
Clerk of the Circuit Court
County of Amherst

Board
County of Amherst

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of the County of Amherst for the period April 1, 2002 through March 31, 2003.

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. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system; and no instances of noncompliance with applicable laws, regulations, and policies. However, we noted a weakness in internal controls that the Clerk needs to address as described below.

Properly Reconcile Bank Account

The Clerk does not properly resolve differences when reconciling the bank account to the Court's automated financial system. Specifically, we found returned checks not recorded in the system, deposit errors not corrected, and an unrecorded daily cash shortage, which the clerk used to offset one of the deposit errors. Monthly bank reconciliations are essential for determining the proper recording of all transactions, detecting errors, and identifying and resolving differences between the bank balance and the system's cash balance. Failure to properly resolve differences between the bank account and the Court's automated financial system could lead to errors and irregularities going undetected.

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We discussed these comments with the Clerk on May 23, 2003 and we acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK/cam

cc: The Honorable J. Leyburn Mosby, Chief Judge
Brian David, County Administrator
Bruce Haynes, Executive Secretary
Compensation Board
Paul Delosh, Technical Assistance
Supreme Court of Virginia
Martin Watts, Court Analyst
Supreme Court of Virginia
Don Lucido, Director of Technical Assistance
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