

March 16, 2001

The Honorable Robert W. Conner
Clerk of the Circuit Court
County of Halifax

Board of Supervisors
County of Halifax

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of the County of Halifax for the period July 1, 1998 through December 31, 2000.

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. However, we noted weaknesses in internal controls and noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

Improve Receivables Management

The Clerk does not adequately manage the court's receivables, which greatly hinders unpaid fines and costs collections. We found the following weaknesses:

- The Clerk does not establish accounts receivable on the accounting system immediately after the final disposition of the case. In four of 20 cases tested, the Clerk set up accounts receivable on the system up to 75 days after final case disposition.
- The Clerk does not promptly enter all unpaid fines and costs in the Judgment Lien Docket as required by the Code of Virginia Section 8.01-446. In seven of 20 unpaid cases tested, the Clerk entered judgments up to 78 days later.

The Clerk should immediately implement procedures to properly establish receivables, which will enhance collection efforts.

We discussed these comments with the Clerk on March 16, 2001 and we acknowledge the cooperation extended to us by the court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:aom

cc: The Honorable William L. Wellons, Chief Judge
Joe Morgan, County Administrator
Bruce Haynes, Executive Secretary
Compensation Board
Don Lucido, Director of Technical Assistance
Supreme Court of Virginia
Martin Watts, Court Analyst
Supreme Court of Virginia
Paul Delosh, Technical Assistance
Supreme Court of Virginia