



HAYDEN H. HORNEY
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF WYTHE

REPORT ON AUDIT
FOR THE PERIOD
OCTOBER 1, 2014 THROUGH SEPTEMBER 30, 2016

Auditor of Public Accounts
Martha S. Mavredes, CPA
www.apa.virginia.gov
(804) 225-3350



COMMENTS TO MANAGEMENT

We noted the following matter involving internal control and its operation that has led or could lead to noncompliance with laws and regulations.

File Annual Trust Fund Report

The Clerk did not file an annual report of trust funds held at June 30, 2016, with the Court. Section 8.01-600 of the Code of Virginia requires the Clerk to file an annual trust fund report with the Court no later than October 1 of each year and record the report in the court's trust fund order book.

The Clerk should immediately file the fiscal year 2016 trust fund report with the court and record the same in the court's trust fund order book. Additionally, the Clerk must file an annual trust fund report each year in accordance with Code of Virginia requirements.

–TABLE OF CONTENTS–

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



Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

October 20, 2016

The Honorable Hayden H. Horney
Clerk of the Circuit Court
County of Wythe

Timothy A. Reeves, Sr., Board Chairman
County of Wythe

Audit Period: October 1, 2014 through September 30, 2016
Court System: County of Wythe

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of this locality 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

MSM:alh

cc: The Honorable Josiah T. Showalter, Jr., Chief Judge
Stephen D. Bear, 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



Hayden H. Horney, Clerk
Janet R. Hancock, Chief Deputy

Clerk of the Circuit Court

Circuit Court Building - 225 South Fourth Street, Room 105
Wytheville, VA 24382-2598
Telephone: 276/223-6050
FAX: 276/223-6057

Frankie Akers, Deputy
Ashley King, Deputy
Dorinda L. Elliott, Deputy
Chelsea K. Musick, Deputy
Lori Kincer, Deputy

October 31, 2016

Martha S. Mavredes, CPA
P. O. Box 1295
Richmond, VA 23218

Ms Mavredes,

I received Ms Watkins auditor's memo regarding our failure to file the annual trust fund report with the court. I hereby concur that we did not file it timely this year, but have now filed the report with Judge Showalter.

Ms Janet Hancock, my chief deputy, formally retired June 30th of this year and passed her duties to Ms Frances Akers. Ms Akers was not aware that the report had to be signed by me and filed with the court. Now that she is aware of this requirement there will be no delays in filing the report with the court. Therefore, I do not believe that this one time error needs to be pointed out in our audit report.

Your consideration of our circumstances is appreciated.

Respectfully yours,

Hayden H. Horney, Clerk