

May 16, 2003

The Honorable Stuart B. Fallen
Clerk of the Circuit Court
County of Charlotte

Board of Supervisors
County of Charlotte

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of the County of Charlotte 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 material weaknesses in the internal controls. However, we noted noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

Transfer State Collections Promptly

The Clerk did not transfer state collections promptly. In six instances the Clerk delayed transfer up to one week late and three of the late transfers exceeded \$5,000. Section 2.2-806 of the Code of Virginia requires Clerks to transfer state monies into an account of the state treasury twice each week, unless the amount is under \$5,000, and then the transfer is once a week. The Clerk should transfer state collections into Treasury's account in accordance with state law.

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We discussed these comments with the Clerk on May 16, 2003 and we acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK/cam

cc: The Honorable William L. Wellons, Chief Judge
R.B. Clark, 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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