

April 20, 2001

The Honorable V. Earl Stanley, Jr.
Clerk of the Circuit Court
County of Brunswick

Board of Supervisors
County of Brunswick

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of the County of Brunswick 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.

Properly Assess and Record Criminal Fees and Costs

In four of five criminal cases tested that required the Drug Offender Fee, the Clerk did not assess the fees as set forth in Section 17.1-275.5(8) of the Code of Virginia.

The Clerk needs to be more diligent when assessing fees and costs. Regardless of the size of his staff, the Clerk must assess fines and costs in accordance with the Code of Virginia. The Clerk should ensure he and his staff understand all fees and costs, and keep abreast of any changes that may occur in the fee structure.

Properly Manage Accounts Receivable

The Clerk has not implemented consistent procedures to establish, monitor, and collect accounts receivable. Specifically, we found the following conditions:

- The Clerk does not properly document due date changes as required by the Code of Virginia Section 19.2-354. In four of 15 cases tested, the Clerk altered the due date without appropriate supporting documentation. All fines and costs are payable immediately upon final disposition unless otherwise ordered by the court or evidenced by a written payment plan. Court staff should not alter due dates unless they have an established or revised payment agreement.
- 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 11 of 15 unpaid cases tested, the Clerk did not enter judgments until up to 76 days after disposition. To maximize collections, the Clerk should promptly record all unpaid fines and costs in the Judgment Lien Docket Book.
- The Clerk still does not establish an account receivable on the court's automated accounting system immediately after the final disposition of the case. In three of 15 criminal cases tested, the Clerk did not set up the accounts receivable for up to 18 days after the final disposition. The Clerk should immediately establish receivables to facilitate collection procedures and increase the collection of court revenue.

These weaknesses greatly inhibit the court's collection of state fines, costs, and fees. The Clerk should immediately implement procedures to ensure that the receivables of his court are properly established, monitored, and collected.

We discussed these comments with the Clerk on April 20, 2001 and we acknowledge the cooperation extended to us by the court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:aom

cc: The Honorable Robert G. O'Hara, Jr., Chief Judge
 Gerald Vincent, 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