

**V. EARL STANLEY
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF BRUNSWICK**

**REPORT ON AUDIT
FOR THE PERIOD
APRIL 1, 2011 THROUGH MARCH 31, 2012**



–TABLE OF CONTENTS–

	<u>Pages</u>
COMMENTS TO MANAGEMENT	1
AUDIT LETTER	2
CLERK’S RESPONSE AND CORRECTIVE ACTION PLAN	3-4

COMMENTS TO MANAGEMENT

We noted the following matters involving internal control and its operation that has led or could lead to the loss of revenues, assets, or otherwise compromise the Clerk's fiscal accountability.

Properly Record Court-Appointed Attorney Fees

In five of 19 cases tested, the Clerk failed to properly record court-appointed attorney fees as required by Section 19.2-163 of the Code of Virginia. These errors resulted in a potential loss of revenue to the state totaling \$2,051. In one case, the Clerk recorded an amount different from the approved amount.

We recommend the Clerk research all similar cases, including those from the district court; make the appropriate corrections to case paperwork, and properly record court-appointed attorney fees into the court's financial management system.

Report Unclaimed Property

The Clerk did not report and submit unclaimed property to the State Treasurer as required by Section 55-210.12 of the Code of Virginia. The Clerk continues to improperly hold a criminal bond, overpayments, and restitution funds totaling \$1,818. Court reports showed that the above funds appeared as property potentially eligible for escheatment to the Commonwealth.

Additionally, the Clerk did not escheat restitution funds totaling \$634 that the Clerk had transferred to a specific account for escheatment over three years ago. The Clerk should monitor and disburse liabilities on a continuous basis. When the Clerk cannot locate account owners, the Clerk should remit the funds to the state as unclaimed property in accordance with Sections 55-210.9:1, 55-210.12 and 19.2-305.1 (F) of the Code of Virginia.



Commonwealth of Virginia

Auditor of Public Accounts

Walter J. Kucharski
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

August 28, 2012

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

Welton Tyler, Chairman Board of Supervisors
County of Brunswick

Audit Period: April 1, 2011 through March 31, 2012
Court System: County of Brunswick

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court for this Court System and 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 matters involving internal control and its operation necessary to bring to management's attention. These matters are discussed in the section titled Comments to Management. Any response and written corrective action plan to remediate these matters provided by the Clerk are included as an enclosure to this report.

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

AUDITOR OF PUBLIC ACCOUNTS

WJK:tmv

cc: The Honorable W. Allan Sharrett, Chief Judge
Charlette T. Woolridge, 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

BRUNSWICK COUNTY
Office of the Circuit Court Clerk

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V. EARL STANLEY, JR., CLERK
ANN M. CONNELL, CHIEF DEPUTY

ESTHER C. STEMPEL, DEPUTY
JACQUELINE S. MORGAN, DEPUTY

August 20, 2012

Walter J. Kucharski
Auditor of Public Accounts
Commonwealth of Virginia
Post Office Box 1295
Richmond, Virginia 23218

Audit Period: April 1, 2011 through March 31, 2012
Court System: County of Brunswick

Dear Mr. Kucharski,

Tracy Vaughan, Senior Specialist/Team Leader performed the audit of my office for the above-stated period. Pursuant to her instructions, I am sending this letter as my response and corrective action plan to the "COMMENTS TO MANAGAMENT" section of the audit report.

First Comment: Properly Record Court Appointed Attorney Fees

The five cases with issues were resolved, with no loss of revenue, before the audit was concluded. Subsequently, similar cases were reviewed, including district court cases. Corrections, if needed were made and properly recorded in the financial management system.

I have assigned a deputy clerk to check behind the deputy clerk handling criminal cases, after each court date. The purpose of this assignment is to ensure all financial data, for each case, has been entered into the system.

Second Comment: Report Unclaimed Property

I am aware unclaimed property is to be reported and submitted to the Treasurer of Virginia. Subsequent to the audit, before this letter was sent, the funds in question have been escheated to the Commonwealth.

In the instances, which are the subject matter of the second management comment, funds to be escheated were identified. We began a final, additional effort of due diligence to locate the recipients of the funds. However, during the process, escheatment was continually pushed to the back burner, until it was, obviously, overlooked.

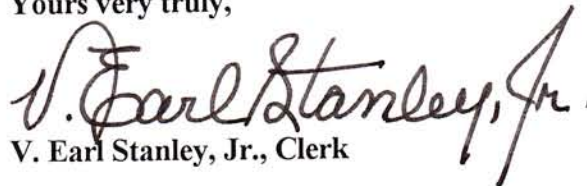
Walter J. Kucharski, APA
August 20, 2012
Page 2

My chief deputy and I lament the oversight. We have discussed this issue. Both of us have programmed tickler notices into our computers as future reminders, when funds must be escheated.

I appreciate the professional and courteous manner in which Tracy Vaughan conducted our audit. She is an asset to your staff.

We shall work diligently to correct the concerns set forth in the audit.

Yours very truly,


V. Earl Stanley, Jr., Clerk

VESjr/s