



MARK W. SCARCE
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF PITTSYLVANIA

FOR THE PERIOD
JANUARY 1, 2019 THROUGH MARCH 31, 2020

Auditor of Public Accounts
Martha S. Mavredes, CPA
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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.

Retain Voided Receipts

Repeat: No

For two of six voided receipts tested, the Clerk did not retain all printed copies of the receipt. Voided transactions pose an increased risk for fraudulent activity and, as such, must be monitored and controlled closely. The Clerk should retain all copies of voided receipts.

File Annual Trust Fund Report

Repeat: No

The Clerk did not file an annual report with the Court of trust funds held at June 30, 2019. 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 1st of each year and record the report in the court's automated recording system.

The Clerk should immediately file the fiscal year 2019 trust fund report with the court and record the same in the court's automated recording system. Additionally, the Clerk must file an annual trust fund report each year in accordance with Code of Virginia requirements.

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Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

April 6, 2020

The Honorable Mark W. Scarce
Clerk of the Circuit Court
County of Pittsylvania

Robert "Bob" Warren, Board Chairman
County of Pittsylvania

Audit Period: January 1, 2019 through March 31, 2020
Court System: County of Pittsylvania

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 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.

The Clerk has taken adequate corrective action with respect to the internal control findings reported in the prior year that are not repeated in this report.

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

Martha S. Mavredes
AUDITOR OF PUBLIC ACCOUNTS

MSM: clj

cc: The Honorable James J. Reynolds, Chief Judge
David M. Smitherman, 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



Mark W. Scarce
Clerk of Court

Ann Roach
Chief Deputy

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Pittsylvania County Circuit Court

P.O. Drawer 31
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April 21, 2020

Deputies:

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Kathy K. Jones
Leecy Painter
Jane Marsh
Suzanne Meadows
Katie Owen
Judy W. Pierce
Arlene Worley*

Martha Mavredes
Auditor of Public Accounts

Dear Ms. Mavredes:

This letter is in response to the Audit Report for the recently completed audit in this Court. The audit period was from January 1, 2019 through March 31, 2020.

Clerk and staff were made aware that all printed copies of voided receipts should be retained in this office. In the future more diligence will be done to ensure all copies of voided receipts are retained.

Clerk has filed the fiscal year 2019 trust fund report with the court and has recorded same in the court's automated recording system. Additionally, calendar scheduling has been put in place to ensure the annual trust fund report is filed each year in accordance with the Code of Virginia requirements.

Yours truly,

Mark W. Scarce

MWS/jwp