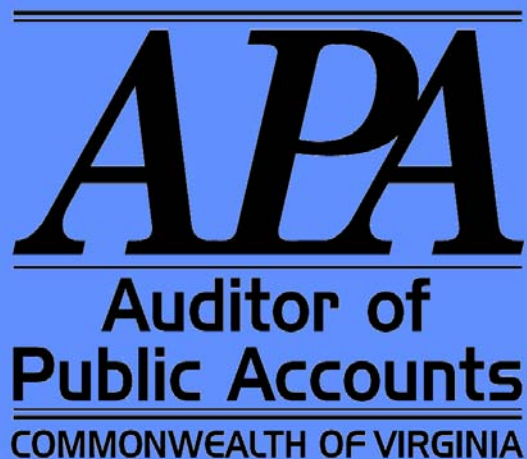


**THE HONORABLE MARIE C. DURRER
CLERK OF THE CIRCUIT COURT
of the
COUNTY OF GREENE**

**REPORT ON AUDIT
FOR THE PERIOD
APRIL 1, 2006 THROUGH DECEMBER 31, 2008**



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Commonwealth of Virginia

Walter J. Kucharski, Auditor

**Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218**

April 20, 2009

The Honorable Marie C. Durrer
Clerk of the Circuit Court
County of Greene

Board of Supervisors
County of Greene

Audit Period: April 1, 2006 through December 31, 2008
Court System: County of Greene

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.

Financial Matters

We noted instances of improper recording and reporting of financial transactions in the Court's financial management system.

Internal Controls

We noted no matters involving internal control and its operation necessary to bring to management's attention.

Compliance

The results of our tests of compliance with applicable laws and regulations disclosed instances of noncompliance that are required to be reported.

The issues identified above are discussed in the section titled Comments to Management. Any response and written corrective action plan to remediate these issues 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:alh

cc: The Honorable Timothy K. Sanner, Chief Judge
Barry Clark, 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

COMMENTS TO MANAGEMENT

Compliance

The results of our tests of compliance with applicable laws and regulations disclosed the following instances of noncompliance.

Improve Trust Fund Management

The Clerk does not properly manage the Court's trust fund accounts as required by Section 8.01-600 of the Code of Virginia. Specifically, auditors observed the following.

- The Clerk did not invest one account for \$24,530 until three months after receipt.
- The Clerk did not post interest of \$10,871 to any of the accounts.
- The Clerk has not filed the required Annual Reports for 2008 and 2007 with the Court.

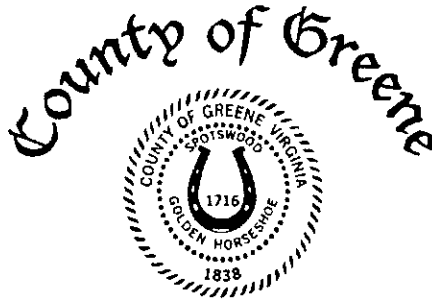
Sections 58.1-3177 and 8.01-600 of the Code of Virginia make the Clerk personal responsible for the loss of any income for the untimely deposit of funds. Further by not allocating interest in a timely manner, the Clerk incurs the risk of improperly disbursing trust funds.

Finally, the purpose of the annual report is a record for the court to help assist in the management, investment and disbursement of trust funds. The Chief Judge should work with the Clerk to determine what processes the Clerk should implement to comply with the Code of Virginia requirements for the proper management of trust funds.

Improve Accounts Receivable Management

The Clerk cannot use the Commonwealth's debt offset collection program to collect delinquent fines and cost, since she has no one certified to use the Integrated Revenue Management System (IRMS). Section 58.1-520 of the Code of Virginia directs that all state agencies and institutions shall participate in debt offset collection program.

By having no one certified, the Clerk cannot send delinquent fines and costs to the Department of Taxation, so anyone, who owes money will have the amount deducted from their refund. The Clerk should immediately seek certification and follow all procedures for properly handling tax set off accounts to collect delinquent debts owed to the court.



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16TH JUDICIAL CIRCUIT
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CHARLOTTESVILLE, VA 22901

JUDGE F. W. HARKRADER
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March 19, 2009

Walter J. Kucharski, Auditor
Commonwealth of Virginia
Auditor of Public Accounts
P O Box 1295
Richmond, Virginia 23218

Dear Mr. Kucharski:

I am in receipt of a draft letter in reference to the audit for 2006-2008 in this office. I have to agree to the report, however, I would like you to know some of reasons behind the reasons for this problem.

As you are aware of I only have three deputies in my office. Brenda has had back surgery twice resulting in her being out on medical leave 71 days in 2006 and 94 days in 2007; part of 2007 was also due to the sudden death of her husband. Anita was out in 2008 for 7 weeks with surgery and I was out 5 weeks in 2007 with surgery. Susan has small children which has resulted in more than normal time out. This doesn't include normal sicknesses and vacation.

In 2006, December we started a new indexing and imaging system for our deeds and judgements which has taken longer than I had any idea of.

As a rural area we gave local citizens coming in to look-up their deeds et al that don't know how to use a computer or either look in the indexes to find what they want. This requires more time. We are public servants to the citizens of Greene County.

I was and still am working nine to ten hour days to just keep my work and the others who were out at different times up. I made the choice to let the trust funds stay in the cabinet; it may not have been the best decision, but I could not do everything that needed attention.

As to the Integrated Revenue Management Systems (IRMS), I have attached a copy where Mrs. Compton had completed her training in 2005. Frankly, I just forgot about it as it was one of her obligations and due to her illnesses she just forgot.

We have started working on the trust fund accounts slowly, little by little as we get a couple of minutes here and there. This office has been short handed for years and will not increase in the near future. I can not pay my deputies overtime, therefore, they won't be asked to so without pay.

Again, I chose to make the decision to not take the time from something else I felt was much more important or urgent than the trust funds. We may have to let something else go (back slide) to be able to get the IRMS and Trust Funds work done. Frankly, I don't believe I am the only Clerk in this position where something has to be put off.

Sincerely,



Marie C. Durrer, Clerk

Att: