



SUSAN W. MINARCHI
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF CAROLINE

FOR THE PERIOD
JULY 1, 2018 THROUGH SEPTEMBER 30, 2019

Auditor of Public Accounts
Martha S. Mavredes, CPA
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(804) 225-3350



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.

Retained Voided Receipts

Repeat: No

For six of ten 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 any receipts that are voided.

Properly Bill and Collect Court Costs

Repeat: Yes (First issued in 2017)

The Clerk did not properly bill and collect court costs. In two of three expert vouchers tested, defendants were not billed a total of \$800 in psychological evaluation fees. The Clerk should correct the specific accounts noted and should establish a system of review to minimize the likelihood of billing errors going undetected. In all cases, the Clerk should bill and collect court costs in accordance with Code of Virginia.

Properly Manage System Access

Repeat: No

The Clerk does not follow the principle of least privilege when granting access to the court's automated financial and case information systems. Having individuals with access levels not consistent with their job responsibilities could compromise the integrity of the system and the data it contains. The Clerk should promptly review her employees' access levels and update them to ensure they are consistent with their job responsibilities.

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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

November 7, 2019

The Honorable Susan W. Minarchi
Clerk of the Circuit Court
County of Caroline

Clayton Forehand, Board Chairman
County of Caroline

Audit Period: July 1, 2018 through September 30, 2019
Court System: County of Caroline

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.

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

Martha S. Mavredes
AUDITOR OF PUBLIC ACCOUNTS

MSM: clj

cc: The Honorable Charles S. Sharp, Chief Judge
Charles M. Culley, Jr., 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

CAROLINE COUNTY CIRCUIT COURT
CLERKS'S OFFICE
P. O. Box 309
Bowling Green, Virginia 22427
Susan W. Minarchi Clerk
804-633-1095

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Martha Mavredes
Auditor of Public Accounts
P.O. Box 1295
Richmond, VA 23218

November 21, 2019

Dear Ms. Mavredes,

Thank you for your letter dated November 20, 2019 regarding the draft copy of the audit report for the County of Caroline Circuit Court. I have initiated the following corrective actions:

1. All personnel have been advised that we must have all three original receipts if a receipt must be voided. If we do not have all three receipts the transaction may not be voided. The cashier/deputy clerk who made the void must sign the receipts and the clerk will review and sign as well. The voided receipts and copies of any corrections will be kept in an audit file folder by year, month and day order. Additional training regarding alternate system entries for corrections will be given as classes are offered by OES.
2. All personnel who enter any information regarding fees received on a DC-40 have been given additional instruction regarding assessing these fees correctly specifically fees charged for a psychological exam and billed on a DC-40. Per discussion with the auditor during the audit this office has done a good job of assessing fees including processing attorney fees with waivers. However, the fees for the psychological exam were missed due to a training issue and that has been addressed. Additional training will be given as classes are offered by OES.
2. The Clerk of this office periodically reviews the System Access regarding staff security levels assigned. This office has been diligent regarding removing or adjusting personal security levels as changes are needed. As in any small office, members of the staff must fill in for others when needed and those staff members must have the needed security level to perform the task indicated. The security Access levels have been reviewed and any changes needed have been made.

Every effort will be made to ensure that the billing and collection of court costs, fines and fees will be in accordance with the Code of Virginia. Additional attention will be given to voided receipts and DC-40 fees submitted regarding evaluations. Additional training will be provided as it becomes available. The Clerk will continue to review and adjust System Access as needed.

Sincerely,



Susan W Minarchi, Clerk