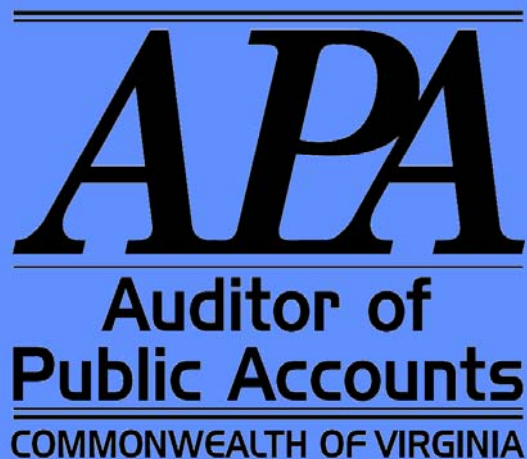


**H. F. HAYMORE, JR.**  
**THE CLERK OF THE CIRCUIT COURT**  
**FOR THE**  
**COUNTY OF PITTSYLVANIA**

**REPORT ON AUDIT**  
**FOR THE PERIOD**  
**APRIL 1, 2008 THROUGH JUNE 30, 2009**



-TABLE OF CONTENTS-

	<u>Pages</u>
AUDIT LETTER	1-2
COMMENTS TO MANAGEMENT	3
CLERK’S RESPONSE AND CORRECTIVE ACTION PLAN	4-5



# Commonwealth of Virginia

**Walter J. Kucharski, Auditor**

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

October 27, 2009

The Honorable H. F. Haymore, Jr  
Clerk of the Circuit Court  
County of Pittsylvania

Board of Supervisors  
County of Pittsylvania

Audit Period: April 1, 2008 through June 30, 2009  
Court System: County of Pittsylvania

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 no 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: clj

cc: The Honorable Joseph W. Milam, Jr., Chief Judge  
William D. Sleeper, 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

### Properly Record Disbursements and Reconcile Invested Funds

Since disbursing an invested bond in February 2008, the Clerk has not recorded the payment of the bond correctly and the accounting system still shows the bond as a liability in as due to others. This transaction has shown as an unresolved item on the monthly reports including the bank reconciliation since March 2008.

We recommend the Clerk immediately record the disbursement of the bond in the accounting system. Further, the clerk should begin reconciling his invested funds in the bank with the balances per the automated accounting system on a monthly basis.



# Clerk of Court

PITTSYLVANIA COUNTY CIRCUIT COURT

P. O. DRAWER 31

CHATHAM, VIRGINIA 24531

H. F. HAYMORE, JR., CLERK  
CHATHAM, VIRGINIA 24531  
434-432-7894

CHARLES J. STRAUSS, JUDGE  
CHATHAM, VIRGINIA 24531  
434-432-7845

October 27, 2009

Mr. Walter Kucharski  
Auditor of Public Accounts  
P. O. Box 1295  
Richmond, VA 23218

Dear Mr. Kucharski:

This correspondence will acknowledge and reply to Mr. Johnson's draft report dated September 25, 2009. The improper recording and reporting of a financial transaction in the financial system has been corrected with the assistance of Martin Watts of the Supreme Court. I am enclosing a copy of Mr. Watts' instructions dated October 27, 2009. The improper recording of a bond payout was made in February 2008 by a bookkeeper that was terminated on May 22, 2009 for gross insubordination. As stated to Mr. Johnson during the audit I had no intentions of bringing this matter to the attention of a terminated employee and assured him the matter would be corrected once my new bookkeeper had time to review the entire transaction. I provided Mr. Johnson a copy of the court order ordering the bond, deposit slip to the bank, cashier's check for withdrawal of funds, deposit slip to office checking, and office check payable to the Humane Society, to show the entire transaction was properly and timely handled with the exception of the clerical error relating to the account code.

The entire situation has been very troubling to me as this is the first time in my 25 years as Clerk that I have been confronted with a corrective action plan. Secondly, this matter should have been resolved in my previous audit, which was completed May 18, 2008 during the tenure of my previous bookkeeper.

I trust the above information will be sufficient concerning my corrective action in this matter; however should you need additional information do not hesitate to contact me.

It was pleasure to work with both Ms. Watkins and Mr. Farley.

Yours truly,

H. F. Haymore, Jr.

HFH,jr/jwp  
Enclosure

