



Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295

Richmond, Virginia 23218

Walter J. Kucharski, Auditor

January 15, 2004

The Honorable Alice S. Hall
Clerk of the Circuit Court
County of Franklin

Board of Supervisors
County of Franklin

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of the County of Franklin for the period October 1, 2002 through September 30, 2003.

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. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system, and no material weaknesses in the internal controls. However, we noted noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

Promptly Docket and Index Judgments

The Clerk does not promptly record judgments in the judgment lien index and imaging system. In 15 of 20 unpaid cases reviewed, the Clerk recorded the judgments up to 36 days after the Judge signed the order. The Clerk should record all judgments in the judgment lien index and imaging system promptly as required by Section 8.01-446 of the Code of Virginia.

Improve Accounts Receivable Review

The Clerk does not review and retain the monthly automated accounts receivable report as required by the Financial Management System User Guide, section 7-39. Failure to review these reports could result in inaccurate reporting and lost revenues to the Commonwealth.

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We discussed these comments with the Clerk on January 15, 2004 and we acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:cam

cc: The Honorable Charles J. Strauss, Chief Judge
Richard E. Huff II, County Administrator
Bruce Haynes, Executive Secretary
Compensation Board
Paul Delosh, Technical Assistance
Supreme Court of Virginia
Martin Watts, Court Analyst
Supreme Court of Virginia
Don Lucido, Director of Technical Assistance
Supreme Court of Virginia
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