

**JENNIFER SIMS
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF WARREN**

**REPORT ON AUDIT
FOR THE PERIOD
APRIL 1, 2009 THROUGH MARCH 31, 2010**



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Commonwealth of Virginia

Walter J. Kucharski, Auditor

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

July 27, 2010

The Honorable Jennifer Sims
Clerk of the Circuit Court
County of Warren

Board of Supervisors
County of Warren

Audit Period: April 1, 2009 to March 31, 2010
Court System: County of Warren

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.

We noted a matter involving internal control and its operation necessary to bring to management's attention. The matter is discussed in the section titled Comments to Management. Any response and written corrective action plan to remediate this matter provided by the Clerk are included as an enclosure to this report.

We discussed this comment 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 James V. Lane, Chief Judge
Douglas P. Stanley, 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

We noted the following matter 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.

Improve Will and Fiduciary Management

A test of ten wills and fiduciary documents found issues with four of them as follows:

- The Clerk did not collect taxes and fees of \$1,454 as required by Section 58.1-1715/1712 of the Code of Virginia.
- The Clerk incorrectly charged a qualification fee for a small estate that should have been charged in the amount of \$20; instead, the court charged a \$16 fee for recording an order.
- For one of the wills tested, \$16 was over charged for recording an order on a small estate .

Additionally, since April, 2009, the Clerk and her staff have not indexed and imaged wills or other fiduciaries documents and reports as required by Section 17.1-231 of the Code of Virginia.

WARREN COUNTY CIRCUIT COURT

Jennifer R. Sims, Clerk

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JUDGES

Hon. Dennis L. Hupp
Hon. John E. Wetsel, Jr.
Hon. John R. Prosser
Hon. James V. Lane
Hon. Thomas J. Wilson, IV

DEPUTY CLERKS
Sheila F. Kaufman
Mary C. Sealock
Sharon A. Hartley
Cynthia G. Howard
Barbara E. Cameron
Kaitlin Struckmann
Angela M. Moore

To: Linda A. Gray, Judicial Systems Senior Specialist and Shenandoah Valley Team Leader

From: Jennifer R. Sims, Clerk of the County of Warren Circuit Court

Date: June 19, 2010

Subject: Audit Finding

Response to Improve Will and Fiduciary Management

1. Five of ten wills tested with an unsigned court order –
My current procedure has been to check the probate clerk's order prior to scanning into our permanent records for errors or omissions. I admit that I am not up-to-date with this procedure and I plan to train another staff member to assist with fiduciary matters to catch up the delay in indexing and scanning these records.
2. Delayed collection of recording fees –
One of the delayed collections of recordation fees was a qualification by a bank officer. In our probate training, we were advised that billing a bank for the fees was acceptable, even though I am aware of the Virginia statute that requires payment at the time of qualification. The other delayed collection was for a qualification by our former sheriff, who has qualified on numerous estates while in office and after his retirement. In both cases, our office did not feel that payment would be avoided or uncollectible. However, since this is considered a management fault, I plan on requiring payment the date of qualification in the future.
3. Small Estate computations –
I have reviewed the fee schedule with the probate clerk who now has a better understanding on how to compute the recording fees on small estates.