

**SUSAN M. HERRINGTON
CLERK OF THE CIRCUIT COURT
OF THE
COUNTY OF GRAYSON**

**REPORT ON AUDIT
FOR THE PERIOD
OCTOBER 1, 2008 THROUGH DECEMBER 31, 2009**



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Commonwealth of Virginia

Walter J. Kucharski, Auditor

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

March 5, 2010

The Honorable Susan M. Herrington
Clerk of the Circuit Court
County of Grayson

Board of Supervisors
County of Grayson

Audit Period: October 1, 2008 through December 31, 2009
Court System: County of Grayson

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.

The Clerk has taken adequate corrective action with respect to the internal control finding reported in the prior year that is not repeated in this letter.

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:alh

cc: The Honorable Colin R. Gibb, Chief Judge
Jonathan Sweet, 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.

Properly Bill Court Costs

The Clerk is not properly billing and collecting court appointed attorney fees as required by Section 19.2-163 of the Code of Virginia. Auditor tested 22 cases and noted the following errors.

- In one local case, the Clerk did not properly bill the locality for the court-appointed attorney fees resulting in a loss of revenue to the Commonwealth totaling \$158.
- In two local cases, the Clerk incorrectly entered the defendants' payments as state court-appointed attorney fees instead of local causing a loss of revenue to the locality totaling \$316.

We recommend the Clerk research all similar cases, make the appropriate corrections case paperwork, and where appropriate, bill the localities for the applicable court-appointed attorney fees. Further, we recommend the Clerk bill and collect court costs in accordance with the Code of Virginia.



SUSAN M. HERRINGTON
CLERK

COMMONWEALTH OF VIRGINIA
CIRCUIT COURT OF GRAYSON COUNTY

P.O. BOX 130 • 129 DAVIS STREET
INDEPENDENCE, VIRGINIA 24348
(276) 773-2231 • (276) 236-8149



DEPUTIES
DEBRA P. HENSLEY
SHARON A. HALE
EVELYN B. OSBORNE

March 29, 2010

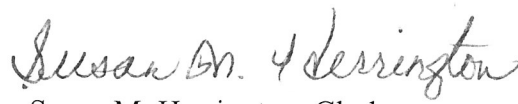
Mr. Walter J. Kucharski
Auditor of Public Accounts
P.O. Box 1295
Richmond, VA 23218-1295

Dear Mr. Kucharski:

Please be advised that I have written the Director of Finance for the City of Galax requesting payment in the amount of \$158.00 (see copy of letter attached). To date, these funds have not been received in my office.

Further, I have corrected the individual accounts affected by this error. However, please be advised that these two individuals still owe these amounts; therefore, the locality has not suffered a loss of revenue.

Sincerely,


Susan M. Herrington, Clerk

Attachment



SUSAN M. HERRINGTON
CLERK

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CIRCUIT COURT OF GRAYSON COUNTY
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DEPUTIES
DEBRA P. HENSLEY
SHARON A. HALE
EVELYN B. OSBORNE

March 16, 2010

City of Galax
Director of Finance
Attn: Judy Taylor-Gallimore
111 E. Grayson Street
Galax, VA 24333

Dear Ms. Gallimore:

My office recently underwent an audit from the Auditor of Public Accounts. During this audit, they discovered that I had erroneously billed the Commonwealth of Virginia for court appointed attorney fees that should have been billed to the City of Galax.

Therefore, as directed by the Auditor of Public Accounts, please find enclosed a copy of DC-40 filed on behalf of The Law Office, who represented George Albert Harper, II, on a criminal charged appealed to us from the Galax General District Court. Please forward the \$158.00 to this office, since The Law Office has already been paid by the state. The funds will then be receipted so that the Commonwealth will be reimbursed.

Thank you for your assistance in this matter.

Sincerely,

Susan M. Herrington, Clerk