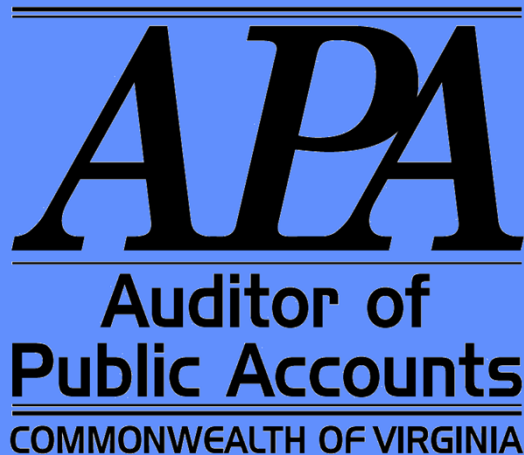


**ANN S. MCREYNOLDS
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF RUSSELL**

**REPORT ON AUDIT
FOR THE PERIOD
JANUARY 1, 2010 THROUGH MARCH 31, 2011**



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Commonwealth of Virginia

Auditor of Public Accounts

Walter J. Kucharski
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

June 27, 2011

The Honorable Ann S. McReynolds
Clerk of the Circuit Court
County of Russell

Board of Supervisors
County of Russell

Audit Period: January 1, 2010 through March 31, 2011
Court System: County of Russell

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 findings reported in the prior year that are not repeated in 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:alh

cc: The Honorable Patrick R. Johnson, Chief Judge
Marycarol C. White, 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

In 12 of 28 cases tested, the Clerk did not bill the defendants for court-appointed attorney fees totaling \$1440. In one case, the Clerk erroneously billed the defendant for a "Tried in Absence" fee of \$20. The Clerk should make any necessary corrections to the case papers and bill the defendants for the court-appointed attorney fees. The Clerk should bill and collect court costs in accordance with the Code of Virginia.

County of Russell

Kerry R. Williams
Judge

Michael L. Moore
Judge

Henry A. Vanover
Judge

Teresa M Chafin
Judge



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Ann S. McReynolds
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Kendra Cook

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

Dear Mr. Kucharski:

In regard to the recent audit of our office, Russell County Circuit Court, we would like to notify you of the actions we have taken.

In regard to the management point on Properly Billing Court Costs, this matter has now been resolved. Our office had added the court appointed attorney fees back to 10 of the 12 cases tested. The other two cases were already paid, so we could not add the cost to these files. We have noted this mistake and will continue to add the court appointed attorney fees to all cases in the future.

In regard to the management point on Properly Billing Court Costs, concerning the "Tried in Absence" fee, we have noted this mistake and will continue to only charge this fee as part of General District Court fees.

If we can be of further assistance to your office, please do not hesitate to contact us.

Sincerely,

Ann S. McReynolds
Clerk

10-14-2008