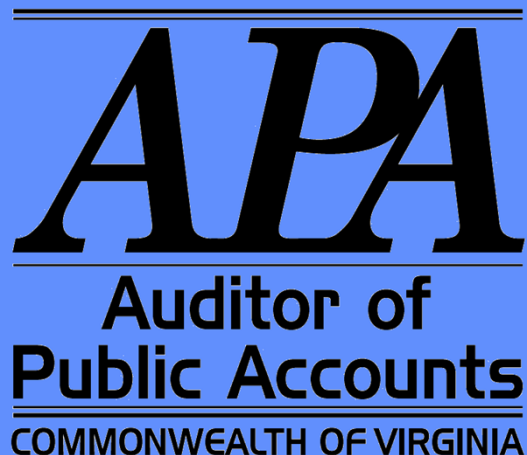


**SHARON P. OLIVER  
CLERK OF THE CIRCUIT COURT  
FOR THE  
COUNTY OF CRAIG**

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



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# Commonwealth of Virginia

**Walter J. Kucharski, Auditor**

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

February 8, 2011

The Honorable Sharon P. Oliver  
Clerk of the Circuit Court  
County of Craig

Board of Supervisors  
County of Craig

Audit Period: December 1, 2009 through December 31, 2010  
Court System: County of Craig

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 matters involving internal control and its operation necessary to bring to management's attention. These matters are discussed in the section titled Comments to Management. Any response and written corrective action plan to remediate these matters 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 Malfourd W. Trumbo, Chief Judge  
Richard Flora, 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 matters 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.

### Background Information:

The findings in this report reflect the administration of the former Clerk. We were unable to discuss our findings with the former Clerk. We have included these matters in this report, so that the new Clerk elected in November 2010 can address these findings.

### Properly Bill Court Costs

In one of 12 cases tested, the former Clerk over-charged the defendant for the court appointed attorney fees totaling \$835 and improperly billed the defendant for the "DUI" fee totaling \$100. We recommend the Clerk make the appropriate corrections to case paperwork. Further, the Clerk should bill and collect court costs in accordance with the Code of Virginia.

### Request Tax Set Off Refunds

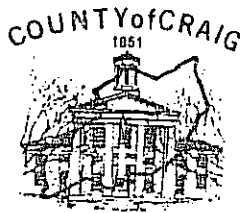
For the third consecutive audit, the former Clerk did not request the Virginia Department of Taxation (TAX) hold tax set off refunds totaling \$151 for individuals that owe delinquent court costs and fines resulting in a loss of revenue to the Commonwealth and locality. A court must request tax refunds through TAX's automated accounting system called the Integrated Revenue Management System. The Clerk should request tax set off refunds to maximize collections as required by the Code of Virginia.

### Properly Reconcile Hunting and Fishing Sales

For the third consecutive audit, the former Clerk is not properly reconciling her hunting and fishing licenses fees to the total sales per the Department of Game and Inland Fisheries. At the conclusion of our audit, the former Clerk has an unidentified difference of \$67 in the court's automated accounting system. The Clerk should resolve all differences immediately when she reconciles the system balance to the monthly invoice from the Department of Game and Inland Fisheries. Allowing reconciling items to go unresolved can lead to errors and irregularities going undetected and increases the risk of loss of funds.

### Properly Distribute Copy Fees

In one of three disbursements tested, the former Clerk miscalculated the copy related expenses and overpaid the county \$56. We recommend the Clerk request a refund from the county and remit the fees to the Commonwealth. Further, the Clerk should properly calculate and distribute copy fees in accordance with the Code of Virginia.



## SHARON P. OLIVER

CLERK, CIRCUIT COURT OF CRAIG COUNTY

P.O. BOX 185

NEW CASTLE, VIRGINIA 24127

TELEPHONE (540) 864-6141

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KATHY A MARTIN

DEPUTY CLERK

Walter J. Kucharski  
Auditor of Public Accounts

This is the correction plan for the audit for the period of December 1, 2009 through December 31, 2010. My office had 4 matters that the auditors felt necessary to bring to management's attention. Below you will find the answers to how our office will make sure these items will be taken care of.

1. Not billing court cost properly: On case number CR09000041 the court appointed attorney fee was put in as \$835.00 it should have been \$445.00 and He was also charged a \$100.00 for DUI which was not to be charged. I have corrected these fees on this case number.
2. Request Tax Set off Refunds: For the third consecutive audit the clerk has not requested money from the TAX, for people who owe delinquent court cost or fines resulting in loss revenue for the Commonwealth. I have completed the Integrated Revenue Management System and my deputy clerk is now taking the training so we can get our ID and password to get onto the system.
3. For the third consecutive audit the hunting and fishing licenses was not properly reconciled. I have been checking the daily reports so I can resolve all differences immediately.
4. The county has given back a check for \$56.00 that was an overpayment in copy fees.

If you have any question's please call at 540-864-6141.

*Sharon P. Oliver, Clerk*

Sharon P. Oliver, Clerk  
Craig County Circuit Court  
P. O. box 185  
New Castle, Va. 24127

REC 7/11/11 11:02