

**RICHARD W. EDWARDS
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF DICKENSON**

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



-TABLE OF CONTENTS-

	<u>Pages</u>
COMMENTS TO MANAGEMENT	1
AUDIT LETTER	2
CLERK'S RESPONSE AND CORRECTIVE ACTION PLAN	3-4

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.

Request Tax Set Off Refunds

In the past three audits, the Clerk has lost both the Commonwealth and locality a total of \$7,283 by not requesting the Virginia Department of Taxation (TAX) hold tax set off refunds for delinquent court costs and fines. Of the total, this year's amount was \$2,341. 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.



Commonwealth of Virginia

Auditor of Public Accounts

Walter J. Kucharski
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

April 17, 2012

The Honorable Richard W. Edwards
Clerk of the Circuit Court
County of Dickenson

Donnie Rife, Board Chairman
County of Dickenson

Audit Period: January 1, 2011 through December 31, 2011
Court System: County of Dickenson

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 Henry A. Vanover, Chief Judge
G. David Moore, 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



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Auditor of Public Accounts

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Auditor of Public Accounts
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April 25, 2012

Randy Johnson
Senior Specialist
Auditor of Public Accounts

Dear Mr. Johnson,

In reference to the Management Letter dated March 30, 2012, concerning the one point, Request Tax set Off Refunds, as I have already answered, that I concur with the finding.

Our plan of action has already been implemented. Ms Olivia Hill, whom replaced Christy Fleming as our IRMS certified staff member in September of 2011, and has to this date recovered \$953.58. We also have \$870.00 that's pending, waiting the 30 days.

As the team leader, I failed to encourage and to see that Ms Christy Fleming achieved her certification in IRMS earlier than May 2011. As we both know, collection of funds though IRMS in the middle of the year, after tax season, is very limited. I feel we have already started this year off with a much better opportunity to use the IRMS to its maximum potential.

I am also in the position this year to spend more time in becoming certified in IRMS in order to help with this collection process.

Again, I would subject the Department of Taxation to allow the Judicial Services Team the ability to include IRMS as one of their training sessions. I really feel this change would be beneficial to all parties involved.

I would like to complement your staff, Ms Edmiston and Ms Walkins in their professionalism and patience throughout the Audit. The word "Audit" alone puts stress in all our life's and these two young ladies worked with my staff and myself, without the pressure that we have felt in the past. My hat goes off to them and to you too, their leader.

Best regards,

A handwritten signature in black ink, appearing to read "Richard W. Edwards". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Richard W. Edwards