



NICOLE A. BRIGGS
CLERK OF THE CIRCUIT COURT
FOR THE
CITY OF WAYNESBORO

REPORT ON AUDIT
FOR THE PERIOD
APRIL1, 2013 THROUGH DECEMBER 31, 2014

Auditor of Public Accounts
Martha S. Mavredes, CPA
www.apa.virginia.gov
(804) 225-3350



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.

Reconcile Bank Account

The Clerk did not reconcile the court's bank account from May 2014 through the audit period end date. Specifically, the Clerk was unable to resolve variances between the bank and financial system balances that began to occur after the implementation of two automated processes that had previously been manual. Timely and complete reconciliations are an essential internal control. Allowing reconciling items to go unresolved can lead to errors and irregularities going undetected and increases the risk of loss of funds.

The Clerk should reconcile system balances to the bank statement monthly and resolve all differences immediately as required by the Financial Management System User's Guide.

–TABLE OF CONTENTS–

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



Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

April 15, 2015

The Honorable Nicole A. Briggs
Clerk of the Circuit Court
City of Waynesboro

Bruce E. Allen, Mayor
City of Waynesboro

Audit Period: April 1, 2013 through December 31, 2014
Court System: City of Waynesboro

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court for this Court System 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

MSM:alh

cc: The Honorable Malfourd W. "Bo" Trumbo, Chief Judge
Michael G. Hamp, II, City Manager
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



Circuit Court of the City of Waynesboro

P.O. Box 910
Waynesboro, Virginia 22980
(540) 942-6616

Nicole A. Briggs
Clerk
Melanie W. Layman
Chief Deputy Clerk

Laura A. Wheeler
Monica E. Morris
~~Cheryl A. Maxson~~
Deputy Clerks

April 13, 2015

Martha Mavredes
Auditor of Public Accounts
P.O. Box 1295
Richmond, VA 23218

Dear Ms. Mayredes:

I am in receipt of the report of the audit conducted for my office for the period April 1, 2013 through December 31, 2014. I would like to take this opportunity to address the matter noted in the COMMENTS TO MANAGEMENT.

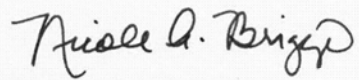
I concur that during the last months of the audit period, I was unable to reconcile the bank statements to the financial system balances due to multiple key contributing factors, namely; several newly implemented automated functions of the accounts, the methods used to post deposits in transit, a variation in the timing and availability of the bank's closing statement versus the availability of the reconciliation statement weeks later, as well as the perpetual nature in general of one month's delay on the next month's cycle. During the last months of the audit period, many, many attempts were made to reconcile the financial system balances with the bank's month end statements. Although unsuccessful, all deposits, withdraws, and funds were timely accounted for and verified monthly throughout the entire period cited. Furthermore, no instances of actual loss were indicated by your staff. Most notably, this matter is not a repeat finding for my office from prior audit cycles. The delays are directly attributed to changes put into place in May 2014. Moving forward, I will be working with analysts of the Department of Judicial Services to resolve the issue.

As always, I welcome and appreciate the opportunity audits provide to address the overall condition and operation of my office. During this audit period, this office otherwise operated efficiently and accurately during several staffing hardships for which I would like to commend my staff for a job well done.

April 13, 2015
Page two

I would also like to thank Senior Specialist John R. Rutan for his assistance and courtesy during this process.

Very truly yours,

A handwritten signature in black ink that reads "Nicole A. Briggs". The signature is written in a cursive, flowing style.

Nicole A. Briggs, Clerk