

**CLERK OF THE CIRCUIT COURT
OF THE
COUNTY OF GREENSVILLE**

**REPORT ON AUDIT
DURING THE PERIOD
JULY 1, 2004 THROUGH SEPTEMBER 30, 2005**



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Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295

Richmond, Virginia 23218

Walter J. Kucharski, Auditor

January 10, 2006

The Honorable Robert C. Wrenn
Clerk of the Circuit Court
County of Greenville

Board of Supervisors
County of Greenville

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of the County of Greenville for the period July 1, 2004 through September 30, 2005.

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. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

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.

Our audit was more limited than would be necessary to provide assurance on internal controls or to provide an opinion on overall compliance with laws and regulations. Because of inherent limitations in internal controls, errors, irregularities, or noncompliance may nevertheless occur and not be detected. Also, projecting the evaluation of internal controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions or that the effectiveness of the design and operation of controls may deteriorate.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system.

However we noted a certain matter involving internal control and its operation that we consider to be a reportable condition. A reportable condition involves a matter coming to our attention relating to a deficiency in the design or operation of internal controls that, in our judgment, could reasonably lead to the loss of revenues or assets, or otherwise compromise fiscal accountability. The reportable condition is discussed in the section titled "Internal Control and Compliance Findings and Recommendations."

We do not believe this condition is a material weakness. A material weakness is a significant deficiency in the design or operation of internal controls that, in our judgment, could reasonably lead to the loss of revenues or assets, or otherwise compromise fiscal accountability and go undetected.

The results of our tests of compliance with applicable laws and regulations disclosed an instance of noncompliance that is required to be reported. This instance of noncompliance is discussed in the section entitled "Internal Control and Compliance Findings and Recommendations."

The Clerk has taken adequate corrective action with respect to the audit findings reported in the prior year that are not repeated in this letter.

We discussed these comments with the Clerk on January 10, 2006 and we acknowledge the cooperation extended to us by the court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:sks

cc: The Honorable Sam Campbell, Chief Judge
K. David Whittington, County Administrator
Bruce Haynes, Executive Secretary
Compensation Board
Paul Delosh, Director of Technical Assistance
Supreme Court of Virginia
Director, Admin and Public Records
Department of Accounts

INTERNAL CONTROL AND COMPLIANCE FINDINGS AND RECOMMENDATIONS

INTERNAL CONTROL

The following finding is a reportable internal control matter that could lead to the loss of revenues, assets, or otherwise compromise the Clerk's fiscal accountability. The Clerk's response and written corrective action plan to remediate this finding is included as an enclosure to this report.

Properly Assess Court Appointed Attorney Fees

The Clerk does not consistently assess court appointed attorney fees in cases certified from the District Court. Section 19.2-336 of the Code of Virginia requires Clerks of the Circuit Court to assess all costs incurred in the District Court. In 11 of 13 cases tested where there was a court-appointed attorney, the Clerk failed to assess \$2,016 in fees from the District Court. The Clerk should ensure that court staff assess costs in accordance with state law.

COMPLIANCE

The following is a noncompliance finding that does not result in the loss of revenue to the Commonwealth, but complicates the searches conducted by individuals using the courts records. We have included the Clerk's response to this finding as an enclosure to this report.

Properly Record Court Orders

As noted in the previous audit, the Clerk does not record court orders in the Common Law Order Book. The Clerk has chosen to maintain an electronic order book, which requires scanning written court orders to index and record the documents. However, court staff have not scanned any court orders into the electronic order book since 2002. As a result, the order book does not contain references to all daily proceedings, orders, and judgments of the court as required by Sections 17.1-123 and 17.1-124 of the Code of Virginia. The Clerk should ensure that staff properly record all court orders in the Common Law Order Book timely to ensure court proceedings are duly recorded and available for review.

CIRCUIT COURT JUDGES:
SAM CAMPBELL
PRINCE GEORGE

W. ALLAN SHARRETT
EMPORIA, VIRGINIA



ROBERT C. WRENN
CLERK

KAY J. CALLAHAN
CHIEF DEPUTY

DEPUTIES:
JO ANNE CONNER
ALISON WRENN
BARBARA ARTHUR

CIRCUIT COURT OF GREENSVILLE COUNTY

January 23, 2006

James M. Shepard, CPA, Audit Director
Auditor of Public Accounts
P. O. Box 1295
Richmond, Virginia 23218

Dear Mr. Shepard:

We are in receipt of a draft copy of the audit report.

In addressing the internal control point, properly assess court appointed attorney fees; we plan to put a double check system in making fee assessments. On several of the cases tested preliminary hearing was waived and we only assessed circuit fees. In speaking with Ms. Costanza we will change this procedure to always assessing what General District has applied to the warrant. Other incidents were made through unintentional error.

On the compliance issue, properly record court orders; we are in process of scanning these orders. When the budget cuts were made several years ago, we struggled to meet deadlines. Other duties fell behind because there just wasn't enough time to get it all done with the workforce we had. We lost a full time and part time position, which created a severe adjustment with the remaining employees. Common Law and Criminal Orders are done and originals placed in files so they can be seen and copied.

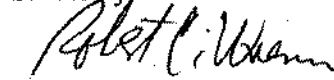
During this period of time we made the decision to stop microfilming and go with the Supreme Court recording/imaging systems. This created a new learning environment for employees and it was a while before employees were versed in the new procedures. Currently we are scanning these pages, but it will take even more time getting them indexed and entered into the imaging and recording system until they are current. We are doing them in batches of 40-60 pages at the time because some are entered as 'new' and some are 'additional filings' and they are handled differently. We intend to make a concerted effort in scanning these pages by using several employees. Our initial thought was to use Technology Trust Funds to hire a part time employee, and had used a part time

Mr. James M. Shepard, CPA, Auditor Director
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employee before that was familiar with back scanning, but found we didn't have funds on hand. The answer would be to have authority to hire a part-time employee who would work only on this project, but again funds are not available.

We enjoy working with the audit team and find their comments helpful. We will make every effort to bring about the changes that need to be made.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert C. Wrenn", written in a cursive style.

Robert C. Wrenn

