

November 26, 2002

The Honorable William A. Hall
Clerk of the Circuit Court
County of Warren

Board of Supervisors
County of Warren

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of the County of Warren for the period October 1, 2001 through September 31, 2002.

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.

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 weakness in internal controls and noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

Record, Deposit and Secure Receipts

The Clerk had not recorded or deposited receipts totaling \$1,346 for up to nine months after collection. Most of the unrecorded collections represented 76 final estate settlements from the Commissioner of Accounts. Section 17.1-271 of the Code of Virginia requires the timely deposit of all funds. The Clerk should promptly receipt all funds, record the transactions in the court's financial management system, make timely deposits of all collections in the court's official bank account, and maintain all collections in a secure location pending deposit. Failure to promptly receipt, secure, and deposit receipts could lead to loss or misappropriation of funds.

Maintain System Security

The Clerk does not maintain proper system security for the Court's financial and case management systems. As discussed with the Clerk in the prior year audit, we determined that five employees did not have the appropriate system access level based on their job responsibilities. The Clerk should ensure he reviews all system access and adjusts access as necessary, based on employee job responsibilities. Maintaining appropriate system access levels helps ensure the security of the data.

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We discussed these comments with the Clerk on November 26, 2002 and we acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK/cam

cc: The Honorable John E. Wetsel, Jr., Chief Judge
Douglas P. Stanley, County Administrator
Bruce Haynes, Executive Secretary
Compensation Board
Paul Delosh, Technical Assistance
Supreme Court of Virginia
Martin Watts, Court Analyst
Supreme Court of Virginia
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