



Commonwealth of Virginia

Walter J. Kucharski, Auditor

Auditor of Public Accounts

P.O. Box 1295

Richmond, Virginia 23218

August 22, 2003

The Honorable Michael M. Rand
Chief Judge
County of Halifax Juvenile and
Domestic Relations District Court
P. O. Box 430
Halifax, VA 24558

As part of our audit of the Virginia District Court System, we have audited the cash receipts and disbursements of the County of Halifax Juvenile and Domestic Relations District Court for the period January, 1, 2002 through June 30, 2003.

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; and no instances of noncompliance with applicable laws, regulations, and policies. However, we noted a weakness in internal controls that the Clerk needs to address as described below.

Properly Reconcile Bank Account

The Clerk did not properly reconcile the monthly bank account statements to the Court's financial records. The Clerk failed to properly document or resolve differences between the bank statement and system cash balances. We noted differences totaling \$79.28 that dated back to September 2002 that remained unresolved until our audit. Monthly bank reconciliations are essential for determining the proper recording of all transactions, detecting errors, and identifying and resolving differences between the bank balance and the system's cash balance. When the Clerk cannot reconcile the bank account to the system cash balance, she should immediately seek assistance from the Supreme Court.

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We discussed these comments with the Clerk on August 22, 2003 and we acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK/cam

cc: The Honorable S. A. Nelson, Judge
Andrea C. Sizemore, Clerk
Don Lucido, Director of Technical Assistance
Supreme Court of Virginia
LeAnn Lane, Court Analyst
Supreme Court of Virginia