

June 17, 2002

The Honorable Peggy W. Walton  
Clerk of the Circuit Court  
County of Middlesex

Board of Supervisors  
County of Middlesex

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of the County of Middlesex for the period January 1, 2001 through March 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; and no material weaknesses in the internal controls. However, we noted noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

Prepare and File an Annual Trust Fund Report

The Clerk did not prepare and file an Annual Trust Fund Report for fiscal year 2001. Section 8.01-600(G) of the Code of Virginia requires clerks to prepare and file annual trust fund reports with the Court by October 1. As a result, the Clerk failed to record and index the most recent annual report in the Trust Fund Order Book. As the Clerk has a statutory responsibility for monitoring trust funds, she should prepare and file an annual trust fund report with the court by October 1st. Also, the Clerk should file the report in the Trust Fund Order Book.

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We discussed these comments with the Clerk on June 14, 2002 and we acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:kva

cc: The Honorable William H. Shaw, Chief Judge  
Charles M. Culley, Jr., County Administrator  
Bruce Haynes, Executive Secretary  
Compensation Board  
Don Lucido, Director of Technical Assistance  
Supreme Court of Virginia  
Martin Watts, Court Analyst  
Supreme Court of Virginia  
Paul Delosh, Technical Assistance  
Supreme Court of Virginia  
Director, Admin and Public Records  
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