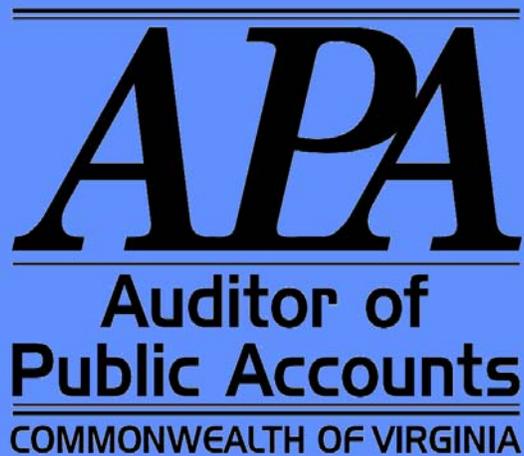


**CLERK OF THE CIRCUIT COURT OF  
THE COUNTY OF CHARLES CITY**

**REPORT ON AUDIT  
FOR THE PERIOD  
APRIL 1, 2006 THROUGH MARCH 31, 2007**



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# Commonwealth of Virginia

**Walter J. Kucharski, Auditor**

**Auditor of Public Accounts  
P.O. Box 1295  
Richmond, Virginia 23218**

August 15, 2007

The Honorable Edith K. Holmes  
Clerk of the Circuit Court  
County of Charles City

Board of Supervisors  
County of Charles City

We have audited the cash receipts and disbursements of the **Clerk of the Circuit Court of the County of Charles City** for the period April 1, 2006, through March 31, 2007.

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 Auditor's 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 Auditor Recommendations."

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

#### AUDITOR OF PUBLIC ACCOUNTS

WJK:wdh

cc: The Honorable Samuel T. Powell, III, Chief Judge  
Angela Yancey, County Administrator  
Bruce Haynes, Executive Secretary  
Compensation Board  
Paul F. DeLosh, Director of Judicial Services  
Supreme Court of Virginia  
Director, Admin and Public Records  
Department of Accounts

INTERNAL CONTROL AND COMPLIANCE FINDINGS  
AND AUDITOR'S RECOMMENDATIONS

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 these findings are included as an enclosure to this report.

Properly Assess and Record Criminal Fees

In seven of 25 cases tested, we found assessment errors totaling \$2,933. The Clerk should assess and collect all court costs and fees in accordance with the Code of Virginia. The Clerk should review assessment procedures with her staff, use the Supreme Court's current fee schedule and when practical, attend periodic regional training meetings.

The following finding is a reportable compliance matter, in which the Clerk did not properly meet in filing or maintaining information. The Clerk's response and written corrective action plan to remediate this finding is included as an enclosure in this report.

Properly Record in the Judgment Lien Docket

The Clerk did not properly record unpaid criminal receivables in the Judgment Lien Docket as required by Section 8.01-446 of the Code of Virginia. In six of ten unpaid cases tested, the Clerk either never recorded or delayed recording judgments for up to ten months after trial. To maximize collection efforts, the Clerk should promptly record all unpaid fines and costs in the Judgment Lien Docket Book.

COMMONWEALTH OF VIRGINIA  
COUNTY of CHARLES CITY



CIRCUIT COURT CHARLES CITY COUNTY  
Thomas R. Williams, Clerk  
P.O. Box 86  
Charles City, Virginia 23030-0086

PHONE: (804) 829-9212  
FAX: (804) 829-5647

August 3, 2007

Ms. Marsha Tedesco  
Auditor of Public Accounts  
Commonwealth of Virginia  
101 North 14<sup>th</sup>. Street, 8<sup>th</sup>. Floor  
Post Office Box 1295  
Richmond, Virginia 23218

Dear Ms. Tedesco:

In response to your draft of our audit report,

Assess and Record Criminal Fees:

We have initiated a checklist for our criminal files. Each case gets a checklist and as things are done we check off what has been done after the case is heard. Hopefully this will help us know the account is set up, case updated, judgment scanned, etc. We also corrected the assessment errors on those cases that were brought to our attention during the audit. The restitution amount of \$2,499.28 has been assed on the account (CR05000074-00) that was overlooked when the account was originally set up. We have mailed letters to defendants on accounts that were under assessed by \$14.00. We allowed time to pay since it was our error. After six months if all fees have not been paid I will pay those outstanding amounts. We removed the \$350.00 that was over assessed on the probation violation case.

Record in the Judgment Lien Docket:

When the Auditors were here, Marie and I both looked for some judgments that we were unable to find on the computer. There were copies of those judgments in the file with the recorded information on it which is our confirmation that it has indeed been scanned, but we were unable to find them. I later tried again to find those judgments and did indeed find all but about two of those. The two I did not find we have since scanned. I am now looking up the current judgments to make sure they are out there on the computer. As I stated above we have included scanning judgments on our checklist. We are also trying to designate two days following the court date to make sure cases are updated, accounts set up, judgments scanned, etc.

If you have any questions about my response please call me at 804-652-205.

Sincerely,

A handwritten signature in cursive script that reads "Edith K. Holmes". The signature is written in black ink and is positioned above the printed name and title.

Edith K. Holmes  
Clerk