



# Commonwealth of Virginia

**Walter J. Kucharski, Auditor**

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

December 13, 2000

Denise Barb  
Clerk of the Circuit Court  
County of Shenandoah

Board of Supervisors  
County of Shenandoah

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of the County of Shenandoah for the period of April 1, 1998, through September 30, 2000.

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

## **Reconcile Bank Account Promptly**

The Clerk does not reconcile the bank statement promptly. In 22 of 31 reconciliations reviewed, we found that the Clerk did not perform the reconciliation before the following month end. Failure to perform prompt reconciliations could lead to errors or irregularities going undetected. The Clerk should reconcile the bank statement upon receipt.

## **Investigate and Pay Liability Balances Promptly**

The Clerk does not adequately monitor liabilities held by the Court to ensure the prompt disbursement of monies for all ended cases. We found \$6,742 in restitution and \$1,550 in depository bonds not disbursed in ended cases. The Clerk should develop procedures to monitor liability accounts and promptly disburse these funds upon the conclusion of the case.

We discussed these comments with the Clerk on November 6, 2000 and we acknowledge the cooperation extended to us by the court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:whb

cc: The Honorable Porter R. Graves, Jr., Chief Judge  
Mr. Vincent E. Poling, 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  
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