



JON R. ZUG
CLERK OF THE CIRCUIT COURT
OF THE
COUNTY OF ALBEMARLE

FOR THE PERIOD
APRIL 1, 2016 THROUGH MARCH 31, 2017

Auditor of Public Accounts
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COMMENTS TO MANAGEMENT

We noted the following matters involving internal control and its operation that has led or could lead to the loss of revenues, assets, or otherwise compromise the Clerk's fiscal accountability.

Properly Bill and Collect Court Costs (Repeat)

The Clerk and his staff did not properly bill and collect court costs. In 35 cases tested, we noted the following errors.

- In two cases, the Clerk miscoded local attorney fees of \$398 as state attorney fees.
- In four cases, defendants were over-charged \$212 in court costs.
- In two cases, defendants were not billed for court costs of \$55.
- In one case, the Clerk did not bill the locality for reimbursement of \$158 in public defender fees.

The Clerk and his staff should correct the specific cases noted above and should establish a system of review to minimize the likelihood of billing errors going undetected. In all cases, the Clerk should bill and collect court costs in accordance with the Code of Virginia.

–TABLE OF CONTENTS–

	<u>Pages</u>
COMMENTS TO MANAGEMENT	
AUDIT LETTER	1
CLERK’S RESPONSE AND CORRECTIVE ACTION PLAN	2-3



Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

July 7, 2017

The Honorable Jon R. Zug
Clerk of the Circuit Court
County of Albemarle

Diantha McKeel, Board Chair
County of Albemarle

Audit Period: April 1, 2016 through March 31, 2017
Court System: County of Albemarle

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of this locality for the period noted above. 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.

Management's Responsibility

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. Deficiencies in internal controls could possibly lead to the loss of revenues or assets, or otherwise compromise fiscal accountability.

We noted matters involving internal control and its operation necessary to bring to management's attention. These matters are discussed in the section titled Comments to Management. Any response and written corrective action plan to remediate these matters provided by the Clerk are included as an enclosure to this report.

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

MSM:alh

cc: The Honorable Timothy K. Sanner, Chief Judge
Doug Walker, Interim County Executive
Robyn M. de Socio, Executive Secretary
Compensation Board
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia
Director, Admin and Public Records
Department of Accounts

ALBEMARLE COUNTY CIRCUIT COURT



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August 4, 2017

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Martha Mavredes
Auditor of Public Accounts
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Re: 2017 Audit of Albemarle Circuit Court
Clerk's Office

Dear Ms. Mavredes:

I am in receipt of the July 7, 2017 draft audit of my office. The audit indicates that we have had repeated issues in properly billing and collecting court costs related to criminal matters in our court. Specifically, errors were found in several cases from the 35 test cases that were sampled. Those errors include miscoding of local attorney fees, over-charging of defendants in 4 cases related to their court costs, undercharging 2 defendants in their court costs, and in one case not billing the locality for reimbursement in public defender fees.

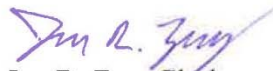
The complexity of criminal case billing continues to be frustrating and difficult for both the criminal department staff and the Clerk and his chief deputy. It is unfortunate that criminal fees and costs continue to be a moving target that often have many variables. All matters brought to the attention of the Clerk by the auditors have been addressed with the criminal division staff, and the office will continue to promote training from the Supreme Court on criminal fees and costs training. I know that the criminal division availed themselves of all but one of the trainings provided by OES this past year on this issue.

I feel confident that the issue of miscoding the local attorney fees as state attorney fees has been addressed, and I am looking forward to continued improvement in this in next year's audit. Last year we had 6 out of 32 cases tested having this issue, and this year we have reduced that number to 2 cases out of 35 cases tested. The issues regarding over-charging or under-charging a defendant on criminal matters was a miscoding issue on the charges themselves. I would love to say that they would have been caught in our own case review when we periodically check files to insure we are doing things correctly, but that is doubtful as our review

focuses on the accuracy of assessed costs in relation to how they are coded. We will endeavor to make a more rigorous process in our periodic review of sample cases, but I think it only fair to point out that all of us are only humans, and some level of error has to be anticipated. This does not, however, mean that we will not strive to continue our improvement and attempt to reach perfection.

The Clerk and his Chief Deputy will be attempting to increase our own spot reviewing of selected files in order to attempt to catch any mistakes and address the issues raised from this audit so that they do not continue to be repeat mistakes. Thank you for your time and consideration. I am,

Sincerely Yours,



Jon R. Zug, Clerk
Albemarle Circuit Court