



L. RENE LAMEY
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF LEE

FOR THE PERIOD
JULY 1, 2016 THROUGH JUNE 30, 2017

Auditor of Public Accounts
Martha S. Mavredes, CPA
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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 Fines and Costs (Repeat)

The Clerk and her staff did not properly bill and collect court fines and costs. In 22 cases tested, we noted the following errors.

- In one case, the defendant was overcharged for costs of \$1,785.
- In one case, the defendant was not billed for fines of \$1,000.
- In one case, the Clerk incorrectly billed the Commonwealth instead of the locality for court-appointed attorney fees of \$158.

The Clerk and her 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 Code of Virginia.

Request Tax Set-Off Refunds (Repeat)

The Clerk did not submit claims to the Virginia Department of Taxation (Taxation) for tax set-off of refunds totaling \$474 for delinquent court fines and costs resulting in a loss of revenue to the Commonwealth and locality. A court must submit claims for set-off of tax refunds through Taxation's automated accounting system. The Clerk should use the tax refund set-off process to maximize collections as required by the Code of Virginia.

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Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

August 1, 2017

The Honorable L. Rene Lamey
Clerk of the Circuit Court
County of Lee

D.D. Leonard, Chairman
County of Lee

Audit Period: July 1, 2016 through June 30, 2017
Court System: County of Lee

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: clj

cc: The Honorable Jeffrey Hamilton, Chief Judge
Dane Poe, County Administrator
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

Thirtieth Judicial Court of Virginia

JUDGES:

Honorable John C. Kilgore
Honorable Tammy S. McElyea
Honorable Chadwick S. Dotson
Honorable Jeffrey S. Hamilton

RETIRED JUDGES:

Honorable Ford C. Quillen
Honorable J. Robert Stump
Honorable Birg E. Sergeant



Rene Lamey, Clerk
Phone: 276-346-7763
Fax: 276-346-3440

DEPUTIES:

Karen Jones
Mary Fortner
Jean C. Kirk
Amy Snodgrass
Lisa McLaughlin
Sandra Edwards

CLERK'S OFFICE OF THE CIRCUIT COURT

LEE COUNTY
P. O. BOX 326
JONESVILLE, VIRGINIA 24263

August 1, 2017

Martha S. Mavredes, CPA
Auditor of Public Accounts
PO Box 1295
Richmond, VA 23218-1295

IN RE: Corrective Action Plan

Dear Mrs. Mavredes,

I would like thank you and let you know how much I appreciated this audit. The audits not only help me but my deputies as well. I would like to ask if this audit could be verbal this year. I wish to thank Daniel Stanley; he was very helpful, nice and professional throughout this Audit. I look forward to seeing him at the next Audit.

I wish to address my corrective action plan for the audit period of June 1, 2016 through July 31, 2017.

IN RE: Properly Bill Court Costs:

I have discussed the audit report with my deputy clerks and its importance, which they understand. We have made changes within the office in order insure that court cost are correctly calculated. I will enroll her in the advanced webinar with OES for extra training. We have decided that all court cost will be double checked by myself or another deputy clerk before the judgment is entered, by doing so, we hope to eliminate any errors.

Court cost is one of the hardest tasks to learn and I am proud that this audit went much better this year than last year. Our percentage went from 40% down to 13% which to me is a huge improvement in one year.

IN RE: Tax Set-Off Refunds

I have also discussed the issue of Tax Set-Off with my bookkeeper and she understands the importance of this process. I do not want to minimize the situation or the

importance. There were two that were missed of which one was recovered the following month and the other while on vacation. I now have an additional deputy clerk trained so that this situation does not happen again in the future.

Thank you again for all the help, attention, and patience that Daniel had provided.

Should you have any questions or comments, please feel free to contact me.

Sincerely,



Rene Lamey, Clerk
Lee County Circuit Court Clerk