



GERALD A. GIBSON
CLERK OF THE CIRCUIT COURT
FOR THE
CITY OF DANVILLE

FOR THE PERIOD
APRIL 1, 2022 THROUGH DECEMBER 31, 2023

Auditor of Public Accounts
Staci A. Henshaw, CPA

www.apa.virginia.gov
(804) 225-3350



COMMENTS TO MANAGEMENT

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

Properly Bill and Collect Probate Taxes and Fees

Repeat: No

The Clerk and his staff did not properly bill and collect probate taxes and fees. In five of 11 estates tested (45%), we noted the Clerk did not bill and collect a total of \$8,289 in taxes and fees for four estates and overcharged one estate \$924 in fees. The Clerk should correct the billing errors noted during the audit and, going forward, should properly bill and collect probate taxes and fees when recording estates, as required by the Code of Virginia.

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Staci A. Henshaw, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

March 7, 2024

The Honorable Gerald A. Gibson
Clerk of the Circuit Court
City of Danville

Alonzo Jones, Mayor
City of Danville

Audit Period: April 1, 2022, through December 31, 2023
Court System: City of Danville

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 lead to noncompliance with laws and regulations, the loss of assets or revenues, or otherwise compromise the Clerk's fiscal accountability.

We noted a matter involving internal control and its operation necessary to bring to management's attention. The matter is discussed in the section titled Comments to Management. Any written corrective action plan to remediate this matter provided by the Clerk is included as an enclosure to this report. We did not validate the Clerk's corrective action plan and, accordingly, cannot take a position on whether it adequately addresses the issue in this report.

We discussed this comment with the Clerk, and we acknowledge the cooperation extended to us by the Clerk and his staff during this engagement.

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

LJH:vks

cc: The Honorable Timothy W. Allen, Chief Judge
Ken Larking, City Manager
Robyn M. de Socio, Executive Secretary
Compensation Board
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia



Gerald A. Gibson
Clerk of Circuit Court
City of Danville
P. O. Box 3300
Danville, Virginia 24543
434-799-5168



June 17, 2024

Auditor of Public Accounts
Staci A. Henshaw

RE: Clerk's Response and Corrective Action Plan
Audit Period: April 1, 2022 – December 31, 2023

Ms. Henshaw:

The purpose of this letter is to address the Comments to Management included in your Audit Report for the period referenced above for this Court. Please note that this office has continuously strived to perform all mandated duties with great efficiency per the Code of Virginia.

The collection of all required probate taxes and fees has been diligently adhered to. However, our office had suffered the loss of seasoned staff due to retirement prior to this audit and we were continuing to properly manage duties during this transition. The comment to management pertains to the billing of additional probate tax in two estates. It has always been our policy to advise representatives of additional taxes due following the certification of inventories by the local Commissioner of Accounts.

The first instance cited was the result of an oversight in the total assets reported in the inventory as verified by the Commissioner. The representative of the estate was immediately notified of the additional taxes due prior to the audit. However, communication between the co-executors was delayed due to international travel. Following further attempts by our staff, the additional taxes were paid in full shortly following the audit. The additional taxes in the second instance were paid promptly after the estate representative could be located; therefore, no loss of revenue occurred in either instance.

Two files noted no collection of a qualification fee of \$30 and a Clerk's fee of \$18. A review of each reflected that system or clerical mishaps occurred and the estates were promptly billed, and all fees have been collected.

Finally, the overpayment in the amount of \$924 in one estate as noted has been properly refunded by this office and the Treasurer of Virginia.

Corrective measures have been implemented with a practice of stringent review of all inventories and accountings when received. Comparison of fees paid are properly made to verify the necessity for payment of additional probate taxes. When noted, estate representatives are promptly billed. Additionally, measures have been implemented to review and follow up on any outstanding payments in these matters. We strongly feel that these measures will sufficiently ensure the collection of all taxes and fees.

Further, and of the utmost importance, we diligently strive to comply with all statutes and to provide the best possible service to the citizens of the City of Danville. We also wish to acknowledge the cooperation extended to us by your office during the audit.

Sincerely,

[Signature on File](#)

Gerald A. Gibson, Clerk

GAG/ash