



STACY L. STAFFORD
CLERK OF THE CIRCUIT COURT
FOR THE
CITY OF COLONIAL HEIGHTS

FOR THE PERIOD
JULY 1, 2017 THORUGH DECEMBER 31, 2018

Auditor of Public Accounts
Martha S. Mavredes, CPA
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(804) 225-3350



COMMENTS TO MANAGEMENT

We noted the following matter 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 Review General Ledger

Repeat: No

The Clerk does not properly review the Court's general ledger to ensure account balances are appropriate. As of December 2018, the Clerk was holding \$854 in tax refunds that should have been allocated to defendants' accounts.

The Clerk should allocate the balance noted above and, going forward, should review the general ledger on a daily basis to ensure the propriety of all account balances.

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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

February 5, 2019

The Honorable Stacy L. Stafford
Clerk of the Circuit Court
City of Colonial Heights

T. Gregory Kochuba, Mayor
City of Colonial Heights

Audit Period: July 1, 2017 through December 31, 2018
Court System: City of Colonial Heights

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 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 response and written corrective action plan to remediate this matter provided by the Clerk are included as an enclosure to this report.

The Clerk has taken adequate corrective action with respect to the internal control finding reported in the prior year that are not repeated in this letter.

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

AUDITOR OF PUBLIC ACCOUNTS

MSM: clj

cc: The Honorable Timothy J. Hauler, Chief Judge
Douglas E. Smith, City Manager
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia
Director, Admin and Public Records
Department of Accounts

**Circuit Court Clerk's Office
City of Colonial Heights**



STACY L. STAFFORD
CLERK

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ERNEST P. GATES
JOHN F. DAFFRON, JR.
WILLIAM R. SHELTON
MICHAEL C. ALLEN
HAROLD W. BURGESS, JR.
HERBERT C. GILL, JR.
RETIRED

March 1, 2019

Ms. Martha Mavredes
Auditor of Public Accounts
101 N. 14th Street, 8th Floor
Richmond, VA 23219

Dear Ms. Mavredes:

I am writing in response to the comments to management in our recent audit stating that as of December 2018 we were holding \$854 in tax refunds that should have been allocated to the defendants' accounts, resulting in a finding that we do not properly review the Court's general ledger.

We received 38 notices of tax refunds being held in 2018, totaling approximately \$7,500.00. With the exception of the three accounts totaling \$854.00, all other tax set-off funds were credited to the defendant's accounts on the same day as received from the Department of Taxation.

On the remaining three, \$20.01 was received on September 17, 2018 and was credited to the defendants' account on January 7, 2019; \$440.64 was received on November 21, 2018 and credited to the defendant's account on January 7, 2019. On December 12, 2018 the defendant paid her account in full and on January 7, 2019 she was refunded the \$392.93 being held by the Court.

We review the general ledger accounts properly. However, we are a small, but busy office, and are addressing the daily needs of the public transacting business in person or via the phone and are constantly being interrupted from our work, so there are times, unfortunately, and with no fault of our own, that there is a delay in completing tasks.

I feel that we do a good job and it is rare that we have audit issues. We will continue to review the general ledger accounts on a daily basis.

Sincerely,

Stacy L. Stafford, Clerk