



STUART B. FALLEN  
CLERK OF THE CIRCUIT COURT  
FOR THE  
COUNTY OF CHARLOTTE

FOR THE PERIOD  
JANUARY 1, 2014 THROUGH JUNE 30, 2015

Auditor of Public Accounts  
Martha S. Mavredes, CPA  
[www.apa.virginia.gov](http://www.apa.virginia.gov)  
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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 Manage System Access**

The Clerk does not follow approved procedures for managing access to the court's automated financial and case management systems. The Office of the Executive Secretary of the Supreme Court of Virginia provides the automated systems used by the Clerk and has designed specific safeguards that require the Clerk to manage the assignment of staff access. Semiannual reports are provided for the Clerk's review to ensure only authorized staff have access. The Clerk did not obtain and review the reports available in Oct 2014 and April 2015. In addition, the Clerk did not delete the access of a terminated employee until three months following her departure and a new staff member was assigned an access level with bookkeeping ability she is untrained to perform.

The Clerk should follow the approved controls to ensure only authorized staff have the ability to perform system functions.

### **Properly Assess Court Costs**

The Clerk and his staff did not properly assess costs in 32 percent of cases tested. Errors identified included not assessing lower court costs (four cases), not assessing attorney costs (two cases), and incorrect costs assessed (four cases), resulting in the overassessment of defendants of \$2,647 and underassessments totaling \$1,324. The former deputy clerk responsible for processing criminal case costs resigned unexpectedly and the staff currently assigned to assume the duties did not have sufficient training or supervision to ensure accuracy.

The Clerk and his staff should correct the specific cases noted above. In addition, the Clerk should provide assistance to staff learning new procedures to include basic and ongoing training as well as support and supervisory review.

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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

October 26, 2015

The Honorable Stuart B. Fallen  
Clerk of the Circuit Court  
County of Charlotte

Haywood J. Hamlet, Chairman of the Board  
County of Charlotte

Audit Period: January 1, 2014 through June 30, 2015  
Court System: County of Charlotte

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court for this Court System and 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.

The Clerk has taken adequate corrective action with respect to the internal control findings 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 court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

MSM:alh

cc: The Honorable Leslie M. Osborn, Chief Judge  
Russell B. Clark; Jr., 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



OFFICE OF  
**Clerk of Circuit Court**

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STUART B. FALLEN, Clerk  
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DEPUTY CLERKS:  
Nan R. Colley  
Annette F. Clowdis

October 16, 2015

Auditor of Public Accounts  
ATTN: Martha Mavredes  
101 N. 14<sup>th</sup> Street 8<sup>th</sup> Floor  
PO Box 1295  
Richmond, VA 23218

To whom it may concern:

In response to your email of October 14, 2015 corrective measures have been taken to properly manage the system access as noted in your report.

The item of properly accessing court costs was performed by the previous deputy who is no longer here and corrections have been made.

Thank you.

Stuart B. Fallen, Clerk

10/16/2015 10:00 AM  
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