

**REPORT ON
CLERK OF THE CIRCUIT COURT
of the
COUNTY OF STAFFORD, VIRGINIA
BARBARA G. DECATUR**

**FOR THE PERIOD
APRIL 1, 2004 THROUGH MARCH 31, 2005**



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Commonwealth of Virginia

Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218

Walter J. Kucharski, Auditor

June 2, 2005

The Honorable Barbara G. Decatur
Clerk of the Circuit Court
County of Stafford

Board of Supervisors
County of Stafford

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of the County of Stafford for the period April 1, 2004 through March 31, 2005.

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. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

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.

Our audit was more limited than would be necessary to provide assurance on internal controls or to provide an opinion on overall compliance with laws and regulations. Because of inherent limitations in internal controls, errors, irregularities, or noncompliance may nevertheless occur and not be detected. Also, projecting the evaluation of internal controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions or that the effectiveness of the design and operation of controls may deteriorate.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system.

However we noted certain matters involving internal control and its operation that we consider to be reportable conditions. A reportable condition involves a matter coming to our attention relating to a deficiency in the design or operation of internal controls that, in our judgment, could reasonably lead to the loss of revenues or assets, or otherwise compromise fiscal

accountability. The reportable conditions are discussed in the section titled "Internal Control and Compliance Findings and Auditor's Recommendations."

We do not believe these conditions are material weaknesses. A material weakness is a significant deficiency in the design or operation of internal controls that, in our judgment, could reasonably lead to the loss of revenues or assets, or otherwise compromise fiscal accountability and go undetected.

The results of our tests of compliance with applicable laws and regulations disclosed no instances of noncompliance that are required to be reported.

We discussed these comments with the Clerk on June 2, 2005 and we acknowledge the cooperation extended to us by the court during this engagement.

A handwritten signature in black ink, appearing to read "Nathan Hachinski". The signature is fluid and cursive, with a large initial "N" and "H".

AUDITOR OF PUBLIC ACCOUNTS

WJK:slb

cc: The Honorable Ann Hunter Simpson, Chief Judge
R. Steve Crosby, County Administrator
Bruce Haynes, Executive Secretary
Compensation Board
Paul Delosh, Director of Technical Assistance
Supreme Court of Virginia
Martin Watts, Court Analyst
Supreme Court of Virginia
Director, Admin and Public Records
Department of Accounts

INTERNAL CONTROL AND COMPLIANCE FINDINGS AND AUDITOR'S RECOMMENDATIONS

The following are reportable internal control matters that could lead to the loss of revenues, assets, or otherwise compromise the Clerk's fiscal accountability. The Clerk's response and written corrective action plan to remediate these findings are included as an enclosure to this report.

Calculate Accurate Payment Due Dates

As noted in our previous audit, we found miscalculated due dates for the payment of fines and costs assessed by the court. In six of 30 criminal cases tested, we noted due date errors ranging from six months early to 26 months late. Further, we found that staff also failed to accurately document due date changes in the court's automated financial system. Incorrectly calculating payment due dates unnecessarily hinders or delays the collection of fines, costs, and fees.

In accordance with Section 19.2-354 of the Code of Virginia, absent a court order or a signed payment agreement, all fines and costs are payable immediately upon sentencing. The Clerk should ensure staff calculate correct due dates for the payment of fines and costs, and further that staff enter due date changes into the automated financial system.

Properly Assess All Costs from District Court Cases

In seven of 30 criminal cases tested, we found where staff failed to assess court-appointed attorney fees on cases even though the certifications from the lower court listed the fees. The failure to assess court appointed attorney fees resulted in a loss of revenue totaling more than \$1,100 to the Commonwealth. After we brought it to her attention, the Clerk reviewed the case files and adjusted the account balances to reflect the correct fees.

To help prevent the loss of revenue in the future, the Clerk should ensure that staff include all fees certified from the district court when assessing court costs on cases referred to the circuit court.

CLERK'S OFFICE

Stafford County Circuit Court

JAMES W. HALEY, JR.
ANN HUNTER SIMPSON
Resident Judges
JOHN R. ALDERMAN
WILLIAM H. LEDBETTER, JR.
HORACE E. REVERCOMB, III
JOHN W. SCOTT, JR.
HARRY T. TALIAFERRO, III
Circuit Judges

P.O. BOX 69
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BARBARA G. DECATUR
CLERK OF COURT

MILDRED F. KORDICH
ASSISTANT CHIEF DEPUTY

KATHY STERNE
ASSISTANT CHIEF DEPUTY

June 15, 2005

James M. Shepard, CPA
Auditor of Public Accounts
P. O. Box 1295
Richmond, Va 23218

Re: Correcting Internal Control Matters

Mr. Shepard;

I have instructed the criminal clerk's working court to have their support clerk to check fines, costs and due dates entered by them in court each day.

I also instructed the bookkeeper to check behind the criminal clerks to see that these fines, costs and due dates are being entered correctly.

With this double check system we will be able to control these errors.

Mr. Shepard, if you need anything further please give me a call or e-mail note.

Sincerely,

A handwritten signature in cursive script, appearing to read "Barbara G. Decatur".

Barbara G. Decatur, Clerk
Stafford Circuit Court

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