



KATHY M. STERNE
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF STAFFORD

FOR THE PERIOD
JULY 1, 2022 THROUGH JUNE 30, 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.

Monitor and Disburse Liabilities

Repeat: No

The Clerk does not properly monitor and disburse court liabilities. At the end of the audit period, the Clerk was holding \$17,794 in liabilities that she should have either paid or escheated. The Clerk should review all liabilities she is currently holding and disburse, as applicable. In the event the Clerk cannot locate the owners of the funds, the Clerk should escheat the funds as required by § 55.1-2518 and § 55.1-2524 of the Code of Virginia. Going forward, the Clerk should routinely monitor and disburse, when appropriate, all court liabilities as recommended by the Financial Accounting System User's Guide.

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Commonwealth of Virginia

Auditor of Public Accounts

Staci A. Henshaw, CPA
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

September 26, 2023

The Honorable Kathy M. Sterne
Clerk of the Circuit Court
County of Stafford

Dr. Pamela Yeung, Board Chair
County of Stafford

Audit Period: July 1, 2022, through June 30, 2023
Court System: County of Stafford

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 issues in this report.

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

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

LJH: clj

cc: The Honorable Michael E. Levy, Chief Judge
Randal E. Vosburg, County Administrator
Robyn M. de Socio, Executive Secretary
Compensation Board
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia

CLERK'S OFFICE
Stafford County Circuit Court

KATHLEEN M. STERNE, CLERK

P.O. BOX 69
STAFFORD, VIRGINIA 22555
(540) 658-8750



October 18, 2023

Auditor of Public Accounts
Staci A. Henshaw
101 North 14th Street 8th Floor
Richmond, VA 23219

RE: Audit Period: July 1, 2022 through June 30, 2023

Dear Ms. Henshaw:

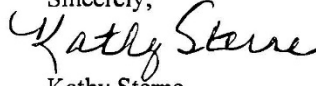
I have received the audit report for the above referenced audit period with the points of concern that the auditor conducting the review found to be of concern. Pam Williams, the auditor and I have discussed these issues, she has also discussed these issues with my bookkeeper. It is my intention to make the following corrections for these issues:

Promptly Monitor and Disburse Liabilities

My bookkeeper and I will monitor the liabilities being held a little more closely. Our intent will be to notify, if possible, the individuals involved in the funds being held. If, by notifying them, we have no response returned, the funds will be escheated to the state according to the law and if contact is made with the individuals, monies will be disbursed as applicable.

I appreciate the comments and suggestions from our auditor, Pam Williams. She was very professional and offered many suggestions and comments that were very helpful.

My staff and I will strive to correct these findings in the report.

Sincerely,

Kathy Sterne
Clerk of Court