



EDWARD SEMONIAN, JR.
CLERK OF THE CIRCUIT COURT
FOR THE
CITY OF ALEXANDRIA

FOR THE PERIOD
OCTOBER 1, 2017 THROUGH JUNE 30, 2019

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



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 Bill and Collect Court Fines and Costs

Repeat: Yes (First issued in 2015)

The Clerk did not properly bill and collect court fines and costs. In 50 accounts tested, we noted the following errors.

- For 23 accounts, defendants were not charged a total of \$22,917 in fines and costs.
- For 15 accounts, defendants were overcharged \$6,610 in fines and costs.

The Clerk should correct the specific accounts noted above and should establish a system of review to minimize the likelihood of billing errors going undetected. In all cases, the Clerk should bill and collect court costs in accordance with Code of Virginia.

Review Financial System Reports

Repeat: Yes (First issued in 2017)

There is no formal review of financial management system reports. The system generated reports summarize general ledger account balances and activity, account modifications and updates, account exceptions and errors, and liability accounts. Not monitoring and reviewing these reports, as required by the court's financial system user's guide, has allowed 32 credit balances to remain for over five months, general ledger accounts with balances that need correcting, individual account exceptions and errors to remain unresolved, liabilities in the amount of \$2,596 to be held inappropriately, and \$5,749 in Unclaimed Property and Restitution to be held that should have been escheated.

The Clerk should review financial reports on a daily basis to ensure errors are noted and corrected and that liabilities are disbursed appropriately.

Properly Review Waivers

Repeat: No

The Clerk did not properly review supporting documentation for attorney payments. Court appointed attorneys may request additional payment in excess of the statutory cap by submitting detailed waiver applications for approval by the Chief and Presiding Judges. In one of nine attorney invoices tested, the approved waiver amount did not match the list of allowance amounts submitted, resulting in overpayments to attorneys of \$845.

The Clerk should carefully review supporting documentation for court appointed attorney payments to ensure that amounts submitted for payment agree to the approved waiver as required by the Court Appointed Counsel Procedures and Guidelines Manual.

Properly Docket Judgments

Repeat: No

The Clerk does not properly record judgments as required by § 8.01-446 of the Code of Virginia. In 25 accounts tested, the Clerk did not record the correct amounts owed in the judgment lien indexing system and did not provide all required information. The Clerk should record judgment information, correctly, in full, and without delay as required by § 8.01-446 of the Code of Virginia.

-TABLE OF CONTENTS-

Pages

COMMENTS TO MANAGEMENT

AUDIT LETTER

1-2

CLERK'S RESPONSE AND CORRECTIVE ACTION PLAN

3-4



Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

August 9, 2019

The Honorable Edward Semonian, Jr.
Clerk of the Circuit Court
City of Alexandria

Justin Wilson, Mayor
City of Alexandria

Audit Period: October 1, 2017 through June 30, 2019
Court System: City of Alexandria

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 matters involving internal control and its operation necessary to bring to management's attention. These matters 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.

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

AUDITOR OF PUBLIC ACCOUNTS

MSM: clj

cc: The Honorable Lisa Bondareff Kemler, Chief Judge
Mark B. Jinks, City Manager
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



Circuit Court
OF THE
City of Alexandria, Virginia

520 King Street Suite 307
Alexandria, Va. 22314
(703) 746-4044



August 23, 2019

Martha S. Mavredes, CPA
Auditor of Public Accounts
P.O. Box 1295
Richmond, VA 23218

Ms. Mavredes;

The following is our corrective plan to ensure our next audit does not contain any Comments to Management:

Properly Bill and Collect Court Fines and Costs

Division responsible for this has three (3) out of four (4) FTEs hired in the past 18 months. Management is working with staff members to assure collections are done accurately and timely and will review to catch discrepancies. Our current court fees sheet will be revised to include the courthouse construction fee and other commonly under-assessed court fees. This revision shall assist staff members in limiting discrepancies when calculating court cost.

Review Financial System Reports

As mentioned in our last audit, Financial Reports are reviewed, in most cases, daily. Our BU06 review has been irregular and resulted in these errors as cited. Again, seasoned staff members handling some of these responsibilities have left our office over the past 18 months or less. Current staff members are being trained to review reports and disburse or collect fees according to Code of Virginia, with supervisor oversight. This will also ensure funds held for an extended amount of time are escheated appropriately.

Properly Review Waivers

Court Support division supervisor is working with staff to make sure payment vouchers are processed timely and accurately.

Properly Docket Judgments

Due to issue with our current Case Management system, AJIS, some fields were removed from our Abstract of Judgment printout and index. Courthouse IT is working with our vendor to get these fields added back and we have been told by the vendor that this will happen soon; this issue is fixable and being worked on.

Please let me know if you need clarification on any of these items and thank you.

Sincerely,


Edward Semonian, Jr.

Circuit Court Clerk