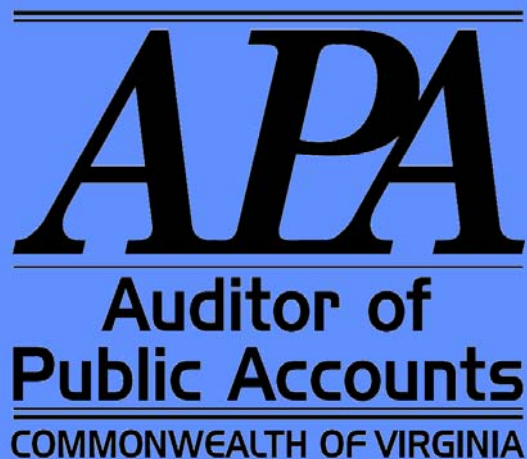


**CYNTHIA P. MORRISON
CLERK OF THE CIRCUIT COURT
OF THE
CITY OF PORTSMOUTH**

**REPORT ON AUDIT
FOR THE PERIOD
JULY 1, 2009 THROUGH JUNE 30, 2010**



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Commonwealth of Virginia

Walter J. Kucharski, Auditor

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

September 28, 2010

The Honorable Cynthia P. Morrison
Clerk of the Circuit Court
City of Portsmouth

City Council
City of Portsmouth

Audit Period: July 1, 2009 through June 30, 2010
Court System: City of Portsmouth

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 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.

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

AUDITOR OF PUBLIC ACCOUNTS

WJK:kstl

cc: The Honorable James C. Hawks, Chief Judge
Kenneth L. Chandler, 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

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 Record and Collect Criminal Court Costs

The Clerk does not properly record and collect criminal court costs as required by Sections 19.2-163, 19.2-340 and 17.1-275 of the Code of Virginia. Specifically, we tested 16 cases, both paid and unpaid accounts, and determined that 12 had one or more errors.

- In six cases, the Clerk did not charge defendants various fees associated with convictions including "courthouse security fees", "tried in absence fees," "misdemeanor fixed fees," "DNA sampling fees", and "local justice training academy fees." These errors resulted in revenue losses to both the Commonwealth and the locality.
- In two local cases, the Commonwealth paid for public defenders, but the Clerk failed to request reimbursement from the locality, resulting in a loss of revenue to the Commonwealth totaling \$556.00.
- In seven cases, the Clerk overcharged defendants for "jail admission fees" resulting in overpayments of \$75.00 and potential overpayments of \$100.00.

We recommend the Clerk research all similar cases, make the appropriate corrections to case paperwork, refund overpayments to defendants, and where appropriate, bill the locality for the applicable public defender fees.

Commonwealth of Virginia

CYNTHIA P. MORRISON, Clerk



PORTSMOUTH CIRCUIT COURT

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Ethel S. Weaver, Chief Deputy Clerk
Vonnie Y. Anderson, Bookkeeper
September 3, 2010

Telephone: (757) 393-8671
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Mr. Walter Kucharski
Auditor of Public Accounts
P. O. Box 1295
Richmond, Virginia 23218

RE: Audit Period July 1, 2009 through June 30, 2010

Dear Mr. Kucharski:

In reference to the audit of this office conducted by members of the APA staff, three areas of concern were noted in the criminal division.

My staff and I have worked diligently to correct all errors noted and the following corrective action plan has been implemented to prevent future occurrences.

Failure to charge cost associated with criminal cases has been addressed by conducting a training session with the staff. The staff was provided with a copy of the quick reference guide from the criminal manual. The staff conducted an internal audit of all cases with activity for the month of July. All discrepancies were corrected. Management will conduct monthly training sessions to review assessing court cost and fines properly. The managerial team on a monthly basis will conduct internal audits of randomly selected files.

Responsibility for the process to insure that the Commonwealth is reimbursed from the locality for the services of the public defender has been reassigned from the criminal division to the chief deputy clerk. This consolidates the process in one position. Responsibility for requesting the CR42, contacting the public defender for billable amount, processing the payment request with the locality, posting the payment on a miscellaneous receipt to refund the Commonwealth and posting the defendant's account to repay the locality will be the responsibility of the chief deputy clerk.

Mr. Walter Kucharski
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September 3, 2010

All staff has been covered that jail admission fee may be assessed only once per sentencing event. They have also been provided with page B-28 from the criminal manual that clearly defines when to charge the jail admission fee and advises circuit court for cases on appeal not to charge the fee if district court has assessed it. The three defendants that were identified have been refunded the overpayment. The staff has been instructed to review all cases to assure this fee is assessed properly. As defendants make payments, their accounts are being reviewed to make sure this fee has been assessed properly. The end of day report will be periodically reviewed by the clerk to determine when the jail admission fee has been charged. The receipt pertaining to the case will be reviewed for accuracy. Also an internal audit of the BU03 will be performed for the month of July to assure accurate charges.

Thanks to the audit staff for their assistance in identifying these areas of concern.

As clerk, I will closely monitor this department to insure all corrective action procedures are implemented.

Sincerely yours,

A handwritten signature in blue ink that reads "Cynthia P. Morrison". The signature is written in a cursive, flowing style.

Cynthia P. Morrison
Clerk of Circuit Court