



DIANE MUMFORD
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF LANCASTER

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 matters 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.

Properly Bill and Collect Court Costs

Repeat: Yes (First issued in 2022)

The Clerk and her staff did not properly bill and collect court costs. In four of 19 cases tested (21%), we noted the following errors.

- The Clerk did not charge defendants in two cases a total of \$692 in court costs.
- In two cases, the Clerk overcharged defendants a total of \$113 in court costs.

The Clerk should correct the specific cases noted above, seek additional training in the billing and collection of court costs, and 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 the Code of Virginia.

Retain Voided Receipts

Repeat: Yes (First issued in 2022)

The Clerk did not retain all copies of the two receipts voided during the audit period. Clerks must monitor and control voided transactions closely as these transactions pose an increased risk for fraudulent activity. The Clerk should not void receipts without maintaining all copies of the receipt and should properly train staff to perform appropriate journal entries rather than unnecessarily voiding receipts.

Update Individual Receivable Account Status

Repeat: No

The Clerk does not review and remove accounts from appeal status when applicable. The court has five accounts totaling \$18,542 in appeal status. Accounts should only be in appeal status when the Judge approves a stay in the sentence. The Clerk should update the individual accounts noted and review and take appropriate and timely action on all accounts in appeal status as recommended by the financial accounting system user's guide.

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Staci A. Henshaw, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

September 21, 2023

The Honorable Diane Mumford
Clerk of the Circuit Court
County of Lancaster

Ernest W. Palin, Jr., Chairman
County of Lancaster

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

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 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 written corrective action plan to remediate these matters 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 or not it adequately addresses the issues in this report.

The Clerk has taken adequate corrective action with respect to the internal control finding reported in the prior year that is not repeated in this report.

We discussed these comments 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

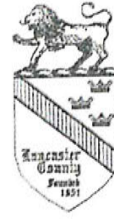
LJH:vks

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



COUNTY OF LANCASTER, VIRGINIA
DIANE H. MUMFORD
CLERK OF THE CIRCUIT COURT
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October 17, 2023

Staci A. Henshaw, CPA
Auditor of Public Accounts
101 North 14th Street, 8th Floor
P.O. Box 1295
Richmond, Va. 23218

Re: Audit Report for Lancaster County Virginia Circuit Court Clerk's Office

Dear Ms. Henshaw:

I am in receipt of the draft copy of my audit. I thank Pamela Williams for her professionalism and for her willingness to explain to me as she worked exactly what she was doing and why.

Regarding the findings in the audit report:

Properly Bill and Collect Court Costs – The Clerk did not properly bill and collect Court Costs. We have corrected all cases found in the audit and have researched any additional cases that may have been affected. We have correct all errors named and located by our office. Again we are availing ourselves of additional training as often as classes are offered and I have instituted a check behind on all new cases to prevent additional errors. These cases involved DNA fees. We have sometimes had difficulty obtaining information as to a defendant's status for having had DNA collected. We will be more diligent in the future.

Retain voided receipts – I agree that this was not done correctly. I have spoken to all staff and stressed that no receipts will be voided without having all original copies in hand at the time of the entry of the void.

Update Individual Receivable Account Status – It doesn't make sense that an account would be in Appealed Status in Case Management, but not in Financial Management. I agree that the Court did not stay the sentence, but the case is no less on Appeal because of that. It would make more sense to have it marked Appealed and then sentence stayed or not. I have however corrected these matters and will be more aware of this matter in the future.

I regret the findings listed and will diligently pursue any and all avenues to ensure that corrections are made, and future errors avoided.

Thank you

Signature On File

Diane H. Mumford, Clerk
Lancaster County Circuit Court

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