



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

FOR THE PERIOD  
APRIL 1, 2018 THROUGH SEPTEMBER 30, 2019

Auditor of Public Accounts  
Martha S. Mavredes, CPA  
[www.apa.virginia.gov](http://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 the loss of revenues, assets, or otherwise compromise the Clerk's fiscal accountability.

### **Promptly Disburse Liabilities**

**Repeat:** No

The Clerk and her staff do not disburse liabilities promptly. As of September 2019, the Clerk was holding \$105,594 in liabilities that should have been escheated or otherwise disbursed. The Clerk should review the status of all liability accounts and disburse or escheat them as applicable.

### **Properly Bill and Collect Court Costs**

**Repeat:** No

The Clerk and her staff did not properly bill and collect court costs. In 28 cases tested, we noted the following errors.

- In six cases, defendants were not billed a total of \$2,034 in court costs.
- In one case, the defendant was overcharged \$50 in court costs.

The Clerk and her staff should correct the specific cases 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.

### **Properly Receipt Filing Fees**

**Repeat:** No

The Clerk and her staff issue manual receipts for all cash transactions related to civil case filings, even when the automated receipting system is available. Handling cash transactions outside of the court's automated receipting system increases the risk of loss of funds. The Clerk should immediately begin recording all transactions in the automated system and only use manual receipts when the system is unavailable.

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Martha S. Mavredes, CPA  
Auditor of Public Accounts

# Commonwealth of Virginia

*Auditor of Public Accounts*

P.O. Box 1295  
Richmond, Virginia 23218

February 5, 2020

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

Meg Bohmke, Chairman  
County of Stafford

Audit Period: April 1, 2018 through September 30, 2019  
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 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 are 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 her staff during this engagement.

Martha S. Mavredes  
AUDITOR OF PUBLIC ACCOUNTS

MSM:vks

cc: The Honorable Charles S. Sharp, Chief Judge  
Thomas Foley, 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**

MICHAEL E. LEVY  
*Resident Judge*  
CHARLES S. SHARP  
*Resident Judge*  
VICTORIA A. B. WILLIS  
*Resident Judge*

P.O. BOX 69  
STAFFORD, VIRGINIA 22555  
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KATHLEEN M. STERNE  
*Clerk of Court*

DAWN E. CRISP  
*Chief Deputy*



February 12, 2020

Auditor of Public Accounts  
Martha Mavredes  
PO Box 1295  
Richmond, VA 23218

RE: Audit Period: April 1, 2018 through September 30, 2019

Dear Ms. Mavredes:

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 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.

Properly Bill and Collect Court Costs

Once advised by the auditor that certain evaluations are to be billed to court costs, our corrective action will be to make sure those are added to court costs correctly. My bookkeeper monitors the court costs billed to individuals to the best of her ability following up on the individual deputy clerk's entry of the court costs.

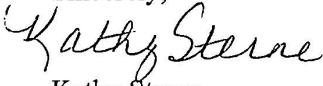
Properly Receipt Filing Fees

The use of manual receipts may have been a little excessive. We will work to correct the use of those to only necessary times, most often when the computers systems are completely

down.

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