

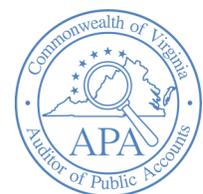


ANGELA REASON
CLERK OF THE CIRCUIT COURT
FOR THE
CITY OF NEWPORT NEWS

FOR THE PERIOD
APRIL 1, 2024 THROUGH JUNE 30, 2025

Auditor of Public Accounts
Staci A. Henshaw, CPA

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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.

Properly Assess and Bill Court Costs

Repeat: Yes (First issued in 2020 as Properly Bill and Collect Court Fines and Costs)

The Clerk and the Clerk's staff did not properly assess and bill court costs. In 16 of 56 (29%) cases tested, we noted the following errors.

- In 11 cases, the Clerk did not charge defendants a total of \$3,549 in court costs.
- The Clerk overcharged defendants in three cases a total of \$798 in court costs.
- For two cases, the Clerk miscoded in the financial system \$191 in attorney fees as Commonwealth instead of local and did not bill the locality for the fees.

The amounts above are based on actual errors noted within our sample of court transactions, the impact of which we did not project to all transactions of the court. The Clerk and the Clerk's staff should correct the specific cases noted above, seek additional training in the assessment and billing of court costs, and establish a system of review to minimize the likelihood of billing errors going undetected. In all cases, the Clerk should assess and bill court costs in accordance with the Code of Virginia.

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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

October 10, 2025

The Honorable Angela Reason
Clerk of the Circuit Court
City of Newport News

Phillip Jones, Mayor
City of Newport News

Review Period: April 1, 2024, through June 30, 2025
Court System: City of Newport News

We have reviewed the financial operations for the office of the Clerk of the Circuit Court for the City of Newport News, for the period noted above, pursuant to § 30-134 of the Code of Virginia. Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial accounting system; evaluate the Clerk's internal controls; and test the Clerk's compliance with significant state laws, regulations, and policies related to financial operations.

The Clerk is responsible 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 information, effectiveness and efficiency of financial 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. It is our responsibility to perform procedures to the extent necessary to satisfy the objectives of this engagement.

We noted a matter involving internal control and its operation necessary to bring to the Clerk's attention. This 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.

The Clerk has taken corrective action to remediate the finding that we communicated in our previous report that is not repeated in this report.

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

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

LJH/vks

cc: The Honorable Matthew Hoffman, Chief Judge
Alan Archer, City Manager
Robyn de Socio, Executive Secretary
Compensation Board
Paul DeLosh, Director of Judicial Services
Supreme Court of Virginia



Clerk of the Circuit Court

Seventh Judicial Circuit
2500 Washington Avenue – 1st floor
Newport News, VA 23607-4307

The Honorable Angela F. Reason, Clerk
Stacy C. White, Chief Deputy
Bernadette Price, Asst. Chief Deputy



November 24, 2025

VIA E-MAIL: stephanie.serbia@apa.virginia.gov

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

RE: Newport News Circuit Court
Audit Report for the period of April 1, 2024 - June 30, 2025

Dear Ms. Henshaw,

I am in receipt of the final draft version of the audit report dated October 10, 2025, and received via e-mail on November 17, 2025. Accordingly, we have corrected all errors thus resulting in \$0 loss to the Commonwealth, Newport News, or any defendant. My response to your internal control finding report and the corrective actions implemented include but are not limited to the following:

Properly Assess and Bill Court Costs:

While the collection of court cost and fines is indicated as a repeat finding, it is important to note that the margin of error continues to substantially decrease from the prior year(s). In addition, while the audit report includes cases that concluded in 2025 many of the aforementioned cases commenced years prior to; some predating 2020 and as such court costs were already entered. Nonetheless, as a part of my corrective action plan, I have updated internal procedures to include but not limited to the re-review of all costs previously entered. In addition, I have updated internal procedures to continue in the completion of cost sheets however, the bookkeeper will review and enter the associated costs and top management will complete a subsequent review thereafter. All other internal processes will continue to be followed.

I continue to be committed to ensuring that all staff is enrolled in training courses as needed and routinely; to include the assessment of court costs and fines. In my review of the benefit of training, I have found in-person trainings to be more impactful and effective. Accordingly additional funding is needed in this area to ensure that all deputy clerks have the opportunity to attend in-person training opportunities.

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Once again, while the collection of court costs and fines is noted, I would like to commend my staff for consistently operating efficiently and in excellence. Newport News is one of the largest courts in Virginia. In addition, with over 800 responsibilities outlined in the code of Virginia that are divided amongst several different departments, I am extremely proud of my staff's ability to have no audit findings in any other area. I appreciate you and your staff and continue to welcome suggestions provided by the APA and thus request my office to resume on a twelve-month rotation for audits.

Sincerely,

Signature on File

Angela F. Reason, Clerk
Newport News Circuit Court

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