



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

FOR THE PERIOD
APRIL 1, 2022 THROUGH MARCH 31, 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 have 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 Fines and Costs

Repeat: Yes (first issued in 2020)

The Clerk and her staff did not properly bill and collect court fines and costs. In 13 of 72 cases tested (18%), we noted the following errors.

- The Clerk did not charge defendants in two cases a total of \$1,145 in fines and costs.
- In six cases, the Clerk overcharged defendants a total of \$2,717 in fines and costs.
- The Clerk miscoded in the financial system a fine of \$1,000 for one case as local instead of Commonwealth.
- For four local cases, the Clerk miscoded in the financial system a total of \$458 in fines and costs as Commonwealth instead of local and submitted attorney fee invoices totaling \$451 to the Commonwealth for payment instead of the locality.

The Clerk and her staff should correct the specific cases noted above, seek additional training in the billing and collection of fines and 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 fines and costs in accordance with the Code of Virginia.

Establish Receivable Accounts

Repeat: No

The Clerk and her staff did not establish receivable accounts for five of nine cases tested (56%) resulting in a potential loss of \$1,786 to the Commonwealth and \$265 to the locality. Since the Commonwealth recovers the costs of prosecution when defendants pay the costs the Clerk assesses, the Clerk should establish receivable accounts as soon as possible after conviction.

The court's automated system provides reports, such as the *Concluded Cases without Receivables Report*, which assist the Clerk in identifying cases that do not have corresponding receivable accounts. The Clerk should request this report for the audit period, review and establish any needed accounts, and bill the defendants. Going forward, the Clerk should review the report monthly and establish receivable accounts, as applicable.

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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

June 28, 2023

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

Phillip D. Jones, Mayor
City of Newport News

Audit Period: April 1, 2022, through March 31, 2023
Court System: City of Newport News

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 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

LH: clj

cc: The Honorable Tyneka L.D. Flythe, Chief Judge
Cynthia D. Rohlf, City Manager
Robyn M. de Socio, Executive Secretary
Compensation Board
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia



Newport News Circuit Court Clerk

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

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



July 27, 2023

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

Stacy A. Henshaw
Auditor of Public Accounts
101 North 14th Street, 8th Floor
Richmond, VA 223219

Re: Newport News Circuit Court Clerk's Office
Audit Report for the period of April 1, 2022, through March 31, 2023

Dear Ms. Henshaw:

I am in receipt of the final draft version of the audit report dated June 28, 2023 and received on July 18, 2023. Accordingly, my response to your internal control finding report and the corrective actions implemented include but are not limited to the following:

Properly Bill and Collect Court Fines and Costs:

While this area reflects a finding, it should be noted that the senior auditors verbally communicated and acknowledged during their assessment, that the proper billing and collection of court fines and costs for our office were substantially better than the prior audit period. Nonetheless, all of the matters reflected under this assessment have been corrected resulting in a \$0 loss to the Commonwealth, City, or defendants. I am committed to ensuring that all staff, including leadership has and will continue to receive training as needed through The Department of Judicial Services (DJS). Additionally, all courtroom clerks will conduct peer reviews and checks of their weekly dockets so as to ensure that all court fines and costs are properly coded, billed and collected.

Establish Receivable Accounts:

Our office has historically and currently utilized system reports available on a monthly basis. However, we have corrected and taken further steps to mitigate receivable accounts that were not established, resulting in \$0 loss to the Commonwealth or locality. Moving forward, in addition to receiving and distributing the monthly CR32 report, courtroom deputy clerks will notate all corrective actions taken directly on their respective report. Leadership will verify that corrective actions were completed.

Main Office: (757) 926-8561 | Fax: (757) 926-8531
General Email Inquiries: ccourt@nnva.gov | Probate: probate@nnva.gov | Land Records: landrecords@nnva.gov
Committed to Excellence

As always, I appreciate you and your staff, value the expertise and suggestions provided by the APA, and thus request for my office to continue on a twelve-month rotation for audits.

Sincerely,
[Signature on File](#)

Angela F. Reason, Clerk

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