



JON R. ZUG
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF ALBEMARLE

FOR THE PERIOD
OCTOBER 1, 2014 THROUGH MARCH 31, 2016

Auditor of Public Accounts
Martha S. Mavredes, CPA
www.apa.virginia.gov
(804) 225-3350



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 Bill and Collect Court Costs (Repeat Finding)

The Clerk and his staff did not properly bill and collect court costs resulting in a loss of revenue to the Commonwealth. In six of 32 cases tested, the Clerk incorrectly entered local charges as state, resulting in the commonwealth paying \$948 in attorney fees that should have been paid by the locality.

The Clerk and his 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.

-TABLE OF CONTENTS-

	<u>Pages</u>
COMMENTS TO MANAGEMENT	
AUDIT LETTER	1-2
CLERK'S RESPONSE AND CORRECTIVE ACTION PLAN	3-4



Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

August 24, 2016

The Honorable Jon R. Zug
Clerk of the Circuit Court
County of Albemarle

Liz A. Palmer, Board Chairman
County of Albemarle

Audit Period: October 1, 2014 to March 31, 2016
Court System: County of Albemarle

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court for this Court System 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.

The Clerk has taken adequate corrective action with respect to the internal control findings reported in the prior year that are not repeated in this letter.

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

MSM: clj

cc: The Honorable Timothy K. Sanner, Chief Judge
Thomas C. Foley, County Executive
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

ALBEMARLE COUNTY CIRCUIT COURT



501 EAST JEFFERSON STREET
CHARLOTTESVILLE, VA 22902
(434)972-4083 OR (434)972-4085

Roxanne M. Bruce
Chelsea M. Barker
Robert Wald
Jennifer H. Shifflett
DEPUTY CLERKS

Jon R. Zug
CLERK

Kimberlie M. Rouillard
CHIEF DEPUTY CLERK
August 23, 2016

Erika Johnson
Margaret E. Brown
Donna Marshall
LYNN MORRIS
PATSY MINAHAN
DEPUTY CLERKS

Martha Mavredes
Auditor of Public Accounts
Attn: Laurie Hicks, Director
P. O. Box 1295
Richmond VA 23218

Re: Response to Albemarle Circuit Court Clerk's Office
Audit – Audit Period 10/1/2014 to 3/31/2016

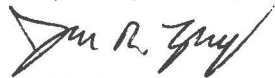
Dear Ms. Mavredes:

During the most recent audit it was brought to my attention that in six of thirty-two cases in which the traffic or criminal matter was considered a local charge, that my office had incorrectly entered coding for payment of court appointed attorneys' fees that resulted in the Commonwealth paying \$948 instead of the attorneys' fees being paid by the locality, Albemarle Court, as is required in matters that are local charges.

As a result of being notified of this error by audit staff when they were at the office, the Clerk's Office immediately conducted a training with the Criminal Division of the office, with audit staff assisting, on how to identify local charges based upon the charging document, and then how to properly code attorneys' fees within the financial management system so that in the future the locality will be billed for these fees instead of the Commonwealth. Staff was given a chance to ask questions of both the auditors, the Clerk and the Chief Deputy Clerk during this training and we ran through several examples, using misdemeanor appeals that were part of the audit process, so that the deputy clerks in the Criminal Division could see and understand where the errors were made and how the appropriate coding in FMS could be done in the future.

Additionally the deputy clerks have continued their education through the Office of the Executive Secretary of the Supreme Court on financial management system programs as offered by the Circuit Court Team at the Supreme Court. I believe that what the office has implemented will result in either an elimination or significant reduction in this error in the future. Thank you for bringing this matter to my attention. I am,

Very Truly Yours,

A handwritten signature in black ink, appearing to read "Jon R. Zug". The signature is stylized with a large, sweeping initial "J" and a long, horizontal flourish extending to the right.

Jon R. Zug
Circuit Court Clerk
Albemarle County