



GEORGE E. SCHAEFER
CLERK OF THE CIRCUIT COURT
FOR THE
CITY OF NORFOLK

FOR THE PERIOD
OCTOBER 1, 2021 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 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.

Request Tax Set Off Refunds

Repeat: No

The Clerk did not submit claims to the Virginia Department of Taxation (Taxation) for tax set-off of refunds for delinquent court fines and costs totaling \$2,389, resulting in a loss of revenue to the Commonwealth and locality. Section 58.1-521 of the Code of Virginia requires that all courts use the tax set-off program to collect unpaid fines and costs. Courts must submit claims for setoff of tax refunds through Taxation's automated accounting system. The Clerk should use the tax refund set-off process to maximize collections as required by the Code of Virginia.

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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

November 15, 2023

The Honorable George E. Schaefer
Clerk of the Circuit Court
City of Norfolk

Kenneth C. Alexander, Mayor
City of Norfolk

Audit Period: October 1, 2021, through March 31, 2023
Court System: City of Norfolk

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 a matter involving internal control and its operation necessary to bring to management'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 internal control findings that we reported in the previous audit.

We discussed these comments with the Clerk, and we acknowledge the cooperation extended to us by the Clerk and his staff during this engagement.

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

LH: clj

cc: The Honorable Tasha Scott, Chief Judge
Patrick Roberts, City Manager
Robyn M. de Socio, Executive Secretary
Compensation Board
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia



Commonwealth of Virginia
Office of the Clerk
Fourth Judicial Circuit
Norfolk Circuit Court

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Clerk of Court
George E. Schaefer

Chief Deputy
Thomas A. Larson

Executive Assistant
Toni Duquette

Supervising Deputies

Criminal
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Civil, Deeds & Probate
Crystal Daniels

Licenses, Permits, Finance
& Jury
Gerald L. Stokes

Comptroller
Nicholas D. Georges

IT Manager
Gregg J. Duquette

Staci A. Henshaw
Auditor of Public Accounts
James Monroe Building
101 North 14th Street 8th Floor
Richmond, Virginia 23219

December 12, 2023

Dear Ms. Henshaw,

I have received your audit findings for this court.

The finding concerning the tax-setoff error has been corrected, and a new procedure has been implemented to minimize future human error.

The error was an oversight on the return of the 30-day letters, resulting in the failure to certify the debt in IRMS. Although the \$2,389.00 error is 1.2 percent of the total \$195,858.81 debt that was certified, it is unacceptable and has been corrected.

Humans make mistakes and we are fortunate to have a method to get better and learn from those mistakes.

As always, the level of professionalism shown by your staff is exemplary, and working together has been a pleasure.

Sincerely,
[Signature on File](#)

George E. Schaefer, Clerk