



RENE LAMEY
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF LEE

REPORT ON AUDIT
FOR THE PERIOD
OCTOBER 1, 2014 THROUGH JUNE 30, 2016

Auditor of Public Accounts
Martha S. Mavredes, CPA
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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.

Properly Bill and Collect Court Costs (New)

The Clerk and her staff did not properly bill and collect court costs. In eight of 20 cases tested, we noted the following errors.

- In six cases, the Clerk overcharged defendants a total of \$1,299 in court costs.
- In four cases, the Clerk did not bill defendants for \$671 in court-appointed attorney fees and other costs.

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.

Request Tax Set-Off of Refunds (New)

The Clerk did not submit claims to the Virginia Department of Taxation (TAX) for tax set-off of refunds totaling \$393 for delinquent court fines and costs resulting in a loss of revenue to the Commonwealth and locality. A court must submit claims for set-off of tax refunds through TAX's automated accounting system called the Integrated Revenue Management 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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Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

August 30, 2016

The Honorable Rene Lamey
Clerk of the Circuit Court
County of Lee

Charles Slemple, Jr., Board Chairman
County of Lee

Audit Period: October 1, 2014 through June 30, 2016
Court System: County of Lee

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 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 court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

MSM:alh

cc: The Honorable Chadwick Dotson, Chief Judge
Dane Poe, County Administrator
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

Thirtieth Judicial Court of Virginia

JUDGES:

Honorable John C. Kilgore
Honorable Tammy S. McElyea
Honorable Chadwick S. Dotson
Honorable Jeffrey S. Hamilton

RETIRED JUDGES:

Honorable Ford C. Quillen
Honorable J. Robert Stump
Honorable Birg E. Sergeant



Rene Lamey, Clerk
Phone: 276-346-7763
Fax: 276-346-3440

DEPUTIES:
Karen Jones
Mary Fortner
Jean C. Kirk
Amy Snodgrass
Lisa McLaughlin
Sandra Edwards

CLERK'S OFFICE OF THE CIRCUIT COURT

LEE COUNTY
P. O. BOX 326
JONESVILLE, VIRGINIA 24263

August 17, 2016

Martha S. Mavredes, CPA
Auditor of Public Accounts
PO Box 1295
Richmond, VA 23218-1295

IN RE: Corrective Action Plan

Dear Mrs. Mavredes,

I would like for you to know how much I appreciated this audit. I am a new clerk and this is truly my first audit as clerk. It is helpful to my deputies as well as me. I would like to ask if this audit could be verbal this year due to this fact. I wish to thank Brenda Watkins; she was very helpful, nice and professional throughout this Audit. I look forward to seeing her at the next Audit.

I wish to address my corrective action plan for the audit period of October 1, 2014 through June 3, 2016.

IN RE: Properly Bill Court Costs:

I have discussed the audit report with my deputy clerks and its importance, which they understand. My deputy clerk started billing court cost just over a year ago. She is new to this procedure and has become aware of the errors and has corrected them. I have enrolled her in the advanced webinar with OES for extra training. We have decided that all court cost will be double checked by myself or another deputy clerk before the judgment is entered, by doing so, we hope to eliminate any errors.

IN RE: Tax Set-Off Refunds

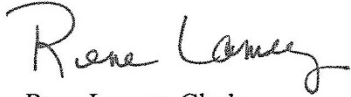
I have also discussed the issue of Tax Set-Off with my bookkeeper and she understands the importance of this process. I do not want to minimize the situation or the

importance however the defendant has paid this cost in full. I have decided to train an additional deputy clerk so that this situation does not happen again in the future.

Thank you again for all the help, attention, and patience that Brenda had provided.

Should you have any questions or comments, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Rene Lamey". The signature is written in dark ink and is positioned above the printed name.

Rene Lamey, Clerk
Lee County Circuit Court Clerk