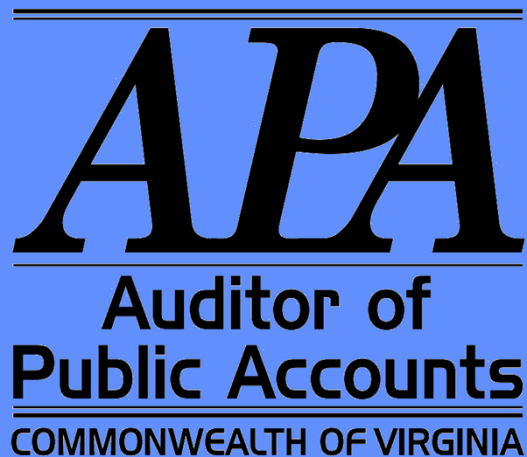


**SUSAN R. HOPKINS
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF LOUISA**

**REPORT ON AUDIT
FOR THE PERIOD
JULY 1, 2009 THROUGH DECEMBER 31, 2010**



-TABLE OF CONTENTS-

	<u>Pages</u>
AUDIT LETTER	1-2
COMMENTS TO MANAGEMENT	3
CLERK'S RESPONSE AND CORRECTIVE ACTION PLAN	4-5



Commonwealth of Virginia

Auditor of Public Accounts

Walter J. Kucharski
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

July 11, 2011

The Honorable Susan R. Hopkins
Clerk of the Circuit Court
County of Louisa

Board of Supervisors
County of Louisa

Audit Period: July 1, 2009 through December 31, 2010
Court System: County of Louisa

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

WJK: clj

cc: The Honorable Cheryle V. Higgins, Chief Judge
Robert Dube', County Adminiistrator
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

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 Record Fines, Fees, and Costs

The Clerk is not properly recording and collecting court fines, fees, and costs. Auditor tested 28 cases and noted the following errors.

- In five cases, the Clerk failed to include court appointed attorney fees in the defendant's receivable balance. This could result in a potential loss of revenue to the state of up to \$1,248.
- In two cases, the Clerk recorded the local town fine as a county fine, which when collected could result in a loss of revenue to the town totaling \$140.
- In one case, the Clerk recorded a state fine as a local violation, which could result in a potential loss to the Commonwealth of \$1,000.
- In two cases, the Clerk failed to enter the jail admission fee that could result in a loss of to the county of \$50.
- In one case, the Clerk did not record the "tried in absence" fee that could result in a potential loss to the Commonwealth of \$20.
- In one case, the Clerk erroneously included the DNA fee.

We recommend the Clerk make the appropriate corrections to case paperwork. Further, we recommend the Clerk review similar cases to determine if additional cases require correction.

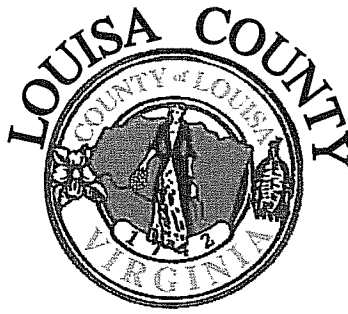
Properly Bill and Record Court Appointed Attorney Fees

In ten of 15 cases tested, the Clerk failed to properly bill and record court appointed attorney fees as required by Section 19.2-163 of the Code of Virginia. These errors resulted in a loss of revenue to the state of \$1,361 and to the locality of \$1,510.

We recommend the Clerk research all similar cases, make the appropriate corrections to case paperwork, and where appropriate, bill the localities for the applicable court appointed attorney fees and reimburse the Commonwealth. Further, we recommend the Clerk work with the Office of the Executive Secretary to receive training in these billing practices.

Request Tax Set Off Refunds

The Clerk failed to collect potentially \$327 of state funds. She did not request the Department of Taxation set off refunds for individuals against the amount owed for delinquent fines and court costs as required by Section 58.1-524 (A) of the Code of Virginia. In the future, the Clerk should immediately ensure she or her staff promptly responds to tax set off refunds held by the Department of Taxation.



CIRCUIT COURT

MRS. SUSAN R. HOPKINS, CLERK
MRS. PATTY C. MADISON, CHIEF DEPUTY CLERK
P.O. BOX 37
LOUISA, VIRGINIA 23093
PHONE (540) 967-5312
FAX (540) 967-2705

MS. CHARLOTTE M. KING, DEPUTY CLERK
MS. KIM E. BUTLER, DEPUTY CLERK
MRS. MARY L. KOBER, DEPUTY CLERK
MRS. VIRGINIA L. STAUDINGER, DEPUTY CLERK
MRS. DANA J. LILLIE, DEPUTY CLERK
MRS. ELLEN L. KNIGHTON, DEPUTY CLERK

June 10, 2011

Auditor of Public Accounts
Walter J. Kucharski, Auditor
P. O. Box 1295
Richmond, Virginia 23218

Board of Supervisors
County of Louisa

Audit Period: July 1, 2009 through December 31, 2010

Dear Mr. Kucharski:

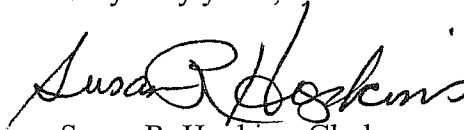
This letter is in response to the Audit Report dated June 2, 2011 covering the Audit period of July 1, 2009 through December 31, 2010.

First I sincerely apologize for all errors that were made by my staff or me. I would like to explain why I think these errors were or could have been made. This court has seen a tremendous increase in court cases, which results to more time spent in the courtroom. The court docket has increased from three days to now four and sometime five. When court is in session it becomes very hectic and you are pushed for time.

Most importantly I have taken the following action, to prevent these errors from occurring again in the future. At the end of each court day the deputy clerk provides me with a copy of the docket and any action taken in court. I take each case and go over it to check for any errors. I check for any court appointed attorney cost and then submit the List of Allowances to the County, the Town or the State. The deputy clerk who sits in court now has a much better understanding of updating the fines and cost. In the one case, the Clerk did not record the "tried in absence" fee, a letter was sent to the defendant and the fee was collected. In the one case, the clerk erroneously included the DNA fee a refund check was mailed the defendant. All other errors that were found by the auditor have been corrected or are being corrected.

Please accept my apology and I look forward to working with you again in the future.

Very truly yours,


Susan R. Hopkins, Clerk

cc:

The Honorable Cheryle V. Higgins
Chief Judge of the Circuit Court
501 E. Jefferson Street, 3rd Floor
Charlottesville, VA 22902-511

Board of Supervisors
County of Louisa
P. O. Box 160
Louisa, VA 23093

Robert Dube'
County Admisistrator
County of Louisa
P. O. box 160
Louisa, VA 23093

Robyn M. de Socio, Executive Secretary
Compensation Board
202 North Ninth Street
Richmond, VA 23219

Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia
pdelosh@courts.state.va.us

Martin Watts, Court Analyst
Supreme Court of Virginia
mwatts@courts.state.va.us

Director, Admin and Public Records
Department of Accounts
James Monroe Building
2nd Floor
Richmond, VA 23219