



Commonwealth of Virginia

Auditor of Public Accounts

Staci A. Henshaw, CPA
Auditor of Public Accounts

P.O. Box 1295
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August 24, 2026

The Honorable Hugh Campbell
Chief Judge
County of Caroline General District Court

Review Period: July 1, 2024, through June 30, 2025
Court System: County of Caroline
Judicial District: Fifteenth

We have reviewed the financial operations for the General District Court Clerk's office for the County of Caroline for the period noted above. Our primary objectives were to evaluate the Clerk's internal controls related to financial operations, verify the remittance of Commonwealth collections, and ensure the propriety of financial activity and account balances.

Annually, we use a risk-based approach to perform either a comprehensive or limited control review of the Commonwealth's district courts. A comprehensive review involves procedures designed to review, in detail, areas such as receipts, disbursements, system access security, accounts receivable, and liability management. A limited control review involves the evaluation of the Clerk's responses to an internal control questionnaire; general ledger, system access, and reconciliation review; evaluation of significant variances in collections from the prior year; and some limited procedures related to the assessment of fines and collection of receivables. We perform limited control reviews on courts that we consider to be low risk based on the results of previous reviews and an overall assessment of the individual court environment, with no more than two consecutive limited control reviews in a three-year period. For this locality, we performed a limited control review for the year ended June 30, 2025.

Management is responsible 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 information, effectiveness and efficiency of financial 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. It is our responsibility to perform procedures to the extent necessary to satisfy the objectives of this engagement.

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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.

Promptly Allocate Tax Set-Off Revenues

Repeat: No

The Clerk did not allocate tax set-off collections promptly. At the end of the audit period, the Clerk was holding \$13,715 in tax refunds that she should have allocated to defendants' accounts up to six months prior. Courts recover some delinquent fines and costs through the Department of Taxation Set-Off Collection Program. Upon receipt, clerks record tax set-off collections in one general ledger account. The clerks must then credit the defendants' individual accounts before the Commonwealth and locality can recognize the revenues and ensure appropriate collection activity and interest accrual. The Clerk should allocate the amount noted during the audit and, going forward, should allocate tax setoff collections immediately upon receipt.

We acknowledge the cooperation extended to us by the Clerk and the Clerk's staff during this engagement.

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

LJH/clj

cc: The Honorable Jane Reynolds, Judge
Taylor Calhoun, Clerk
Paul DeLosh, Director of Judicial Services
Supreme Court of Virginia