



SHALVA J. BRAXTON
CLERK OF THE CIRCUIT COURT
FOR THE
CITY OF PETERSBURG

FOR THE PERIOD
JULY 1, 2015 THROUGH JUNE 30, 2017

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



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.

Request Tax Set-Off Refunds (Repeat)

The Clerk did not submit claims to the Virginia Department of Taxation (Taxation) for tax setoff of refunds for delinquent court fines and costs, totaling \$7,745, resulting in a loss of revenue to the Commonwealth and Locality. A court must submit claims for set-off of tax refunds through Taxation's automated accounting system, 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.

Properly Bill and Collect Court Fines and Costs (Repeat)

The Clerk and her staff did not properly assess court fines and costs. In 21 cases tested, some of which contained multiple assessment errors, we noted the following.

- In 17 cases, defendants were not charged for \$3,373 in court costs.
- In four cases, defendants were over charged \$570 in court costs.
- In three cases, defendants were charged \$378 for fines that were not court-ordered.
- In five cases, the Clerk did not bill or incorrectly billed the locality for public defender fees.

The Clerk and her 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.

Monitor and Disburse Liabilities

The Clerk does not properly monitor and disburse court liabilities. The Clerk held payable criminal and civil bonds, escrow monies, refunds, restitution, and law deposits, totaling \$9,886, for up to four years. The Clerk should monitor and disburse liabilities on a continual basis. If the funds remain unclaimed, the Clerk should remit them to the Division of Unclaimed Property or Criminal Injuries Compensation Fund 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

September 29, 2017

The Honorable Shalva J. Braxton
Clerk of the Circuit Court
City of Petersburg

Mayor, Samuel Parham
City of Petersburg

Audit Period: July 1, 2015 through June 30, 2017
Court System: City of Petersburg

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 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:clj

cc: The Honorable Paul W. Cella, Chief Judge
City Manager, Aretha R. Ferrell-Benavides
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



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Office of
SHALVA J. BRAXTON
Clerk of Circuit Court
City of Petersburg, Virginia

**PETERSBURG CIRCUIT COURT CLERK'S OFFICE
RESPONSE TO AUDIT POINTS JULY 1, 2015 – JUNE 30, 2017 AUDIT
CORRECTIVE ACTION PLAN**

Properly Bill and Record Fines and Court Costs

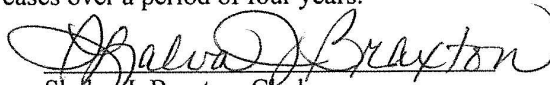
The Clerk will continue to use the previous errors review process that was designed to reduce the error rate within the case file structure. In addition the Clerk has experienced a criminal deputy turnover for the past two years, even more the last half of 2016 and the first part of 2017. Fines and costs have been a serious concern for this court and we will continue training with the Supreme Court of Virginia. A deputy clerk will periodically review cases for errors which should eliminate assessment errors and prevent future over site; however the criminal division was short staffed due to staff turnover. The Public Defender did not submit time sheets timely to the Judge of the Circuit Court for signature accordingly for the costs to be assessed timely. However, the Clerk has no control over assessing the maximum for a Public Defender's services. The Financial Department for the City of Petersburg advised the Clerk that there was no line item for payment of Public Defender's fees for the Clerk. I will work with the City of Petersburg who has established new procedures. The Clerk will continue working with Office of the Executive Secretary of the Supreme Court of Virginia regarding all levels of necessary automation and training.

Tax – Debt Setoff Refunds

The Clerk has a secondary deputy to act in the absence of the primary deputy assigned to receive any and all correspondence from the Department of Taxation. Due to the unexpected turnover of staff within the office it was difficult to handle this situation. This problem has been resolved and should eliminate any future problems with the Tax-Debt Setoff Program.

Monitor and Disburse Liabilities:

The Clerk will monitor future disbursements of liabilities that the office may have along with two Deputy Clerks that will continue to train with the Supreme Court of Virginia regarding any and all future financial matters through the Financial Management System. The Clerk will work with the Auditor of Public Accounts to establish any and all cases over a period of four years.


Shalva J. Braxton, Clerk
Petersburg Circuit Court

October 17, 2017
Date