



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

FOR THE PERIOD  
APRIL 1, 2020 THROUGH SEPTEMBER 30, 2021

Auditor of Public Accounts  
Staci A. Henshaw, CPA

[www.apa.virginia.gov](http://www.apa.virginia.gov)

(804) 225-3350



## COMMENTS TO MANAGEMENT

We noted the following matters 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.

### **Properly Bill and Collect Court Fines and Costs**

Repeat: No

The Clerk and his staff did not properly bill and collect fines and costs. In 23 of 96 (24%) cases tested, we noted the following errors.

- The Clerk did not charge defendants in 20 cases for a total of \$8,784 in costs.
- In one case, the Clerk overcharged the defendant by \$11,243.
- The Clerk submitted a \$159 invoice for attorney fees in one local case to the Commonwealth for payment instead of the locality.
- In one case, the Clerk miscoded in the financial system a \$150 fine as Commonwealth instead of local.

The Clerk and his staff should correct the specific cases noted above and institute a more diligent system of review to minimize the likelihood of billing errors going undetected. In all cases, the Clerk should bill and collect court fines and costs in accordance with the Code of Virginia.

### **Retain Voided Receipts**

Repeat: No

The Clerk did not retain all copies of the receipts for two of 11 voided receipts tested. Voided transactions pose an increased risk for fraudulent activity and, as such, must be monitored and controlled closely. The Clerk should not void receipts without maintaining all copies of the receipt. Additionally, the Clerk should ensure the staff are properly trained to perform appropriate journal entries rather than unnecessarily voiding receipts.

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# Commonwealth of Virginia

## *Auditor of Public Accounts*

Staci A. Henshaw, CPA  
Auditor of Public Accounts

P.O. Box 1295  
Richmond, Virginia 23218

March 7, 2022

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

Kenneth Cooper Alexander, Mayor  
City of Norfolk

Audit Period: April 1, 2020, through September 30, 2021  
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 matters involving internal control and its operation necessary to bring to management's attention. The 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 Clerk and his staff during this engagement.

Staci A. Henshaw  
AUDITOR OF PUBLIC ACCOUNTS

LJH: clj

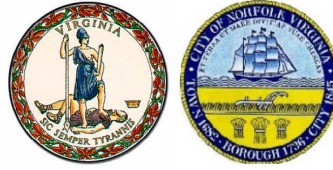
cc: The Honorable David W. Lannetti, Chief Judge  
Larry Filer, PhD., City Manager  
Robyn M. de Socio, Executive Secretary  
Compensation Board  
Paul F. DeLosh, Director of Judicial Services  
Supreme Court of Virginia

**Clerk of Court**  
George E. Schaefer

**Chief Deputy**  
Thomas A. Larson

**Executive Assistant**  
Cheryl A. Dougherty

# COMMONWEALTH OF VIRGINIA



## OFFICE OF THE CLERK FOURTH JUDICIAL CIRCUIT NORFOLK CIRCUIT COURT

150 Saint Paul's Boulevard 7<sup>th</sup> Floor  
Norfolk, Virginia 23510  
(757) 389-8942

### Supervising Deputies

**Criminal**  
Susie Lawson  
**Civil, Deeds & Probate**  
Crystal Porter  
**Licenses, Permits, Finance  
& Jury**  
Gerald L. Stokes

**Comptroller**  
Nicholas D. Georges

**Systems Administrator**  
Gregg J. Duquette

May 18, 2022

Staci A. Henshaw, CPA  
Auditor of Public Accounts  
P.O. Box 1295  
Richmond, Virginia 23218

Dear Ms. Henshaw:

It was our pleasure to host Ms. St. Lawrence for the comprehensive audit of this office. We always welcome a fresh set of eyes to ensure compliance with best accounting practices, regulations, and code provisions.

Upon completion of the audit of this court's financial records covering the period of April 1, 2020 through September 30, 2021, four items were noted which require response/action on our part:

Out of the roughly 76,000 Civil, Criminal, Deed, and miscellaneous transactions assessed at just over \$77,000,000.00 during this audit period we incorrectly assessed \$8,784.00 in criminal costs and overcharged one defendant \$11,243.00. Additionally, we charged \$159.00 in attorney fees to the Commonwealth instead of the locality and miscoded a \$150.00 fine to the Commonwealth instead of the locality.

All errors have been corrected and additional training is ongoing for all four of our new in-court clerks as well as the new supervisors.

The professionalism and attention to detail shown by your staff during the course of this audit did not go unnoticed. Their willingness to share knowledge and make recommendations aids our efforts to continuously improve and provide the best service possible to the citizens we serve.

Fax: (757) 802-3323

E-Mail: [criminal710@circuitcourtva.us](mailto:criminal710@circuitcourtva.us) ♦ [civil710@circuitcourtva.us](mailto:civil710@circuitcourtva.us) ♦ [probate710@circuitcourtva.us](mailto:probate710@circuitcourtva.us) ♦ [lpfiury710@circuitcourtva.us](mailto:lpfiury710@circuitcourtva.us)

Sincerely,

A handwritten signature in black ink that reads "George E. Schaefer, III". The signature is written in a cursive style with a prominent "G" and "S".

George E. Schaefer, III  
Clerk

Cc: The Honorable David W. Lannetti, Chief Judge  
Larry Filer, PhD., City Manager  
Robyn M. deSocio, Executive Secretary, Compensation Board  
Paul F. DeLosh, Director of Judicial Services, Supreme Court of Virginia

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