

**GERALD A. GIBSON  
CLERK OF THE CIRCUIT COURT  
FOR THE  
CITY OF DANVILLE**

**REPORT ON AUDIT  
FOR THE PERIOD  
JANUARY 1, 2011 THORUGH MARCH 31, 2012**



## COMMENTS TO MANAGEMENT

We noted the following matter 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 and Collect Attorney Costs

In a sample of 46 cases, there were seven cases with errors.

- In six cases, the Clerk and his staff incorrectly entered the public defender fees as Commonwealth rather than local assessment totaling \$761. Additionally, the Clerk and his staff failed to bill the locality for public defender fees totaling \$177.
- In one case, the Clerk and his staff incorrectly entered the fines as Commonwealth rather than local totaling \$100.

We recommend the Clerk correct the cases above and research all similar cases to make the appropriate corrections to case paperwork.



# Commonwealth of Virginia

## *Auditor of Public Accounts*

Walter J. Kucharski  
Auditor of Public Accounts

P.O. Box 1295  
Richmond, Virginia 23218

July 19, 2012

The Honorable Gerald A. Gibson  
Clerk of the Circuit Court  
City of Danville

Sherman Saunders, Mayor  
City of Danville

Audit Period: January 1, 2011 through March 31, 2012  
Court System: City of Danville

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 a matter involving internal control and its operation necessary to bring to management's attention. The matter is discussed in the section titled Comments to Management. Any response and written corrective action plan to remediate this matter provided by the Clerk are included as an enclosure to this report.

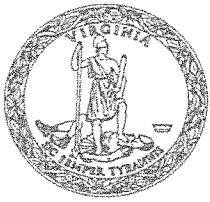
The Clerk has taken adequate corrective action with respect to the internal control findings reported in the prior year that are not repeated in this letter.

We discussed this comment 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 William N. Alexander II, Chief Judge  
Joe King, City Manager  
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



**Gerald A. Gibson**  
**Clerk of Circuit Court**  
**City of Danville**  
P. O. Box 3300  
Danville, Virginia 24543  
434-799-5168



June 28, 2012

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

***RE: Clerk's Response and Corrective Action Plan***  
***Audit Period: January 1, 2011 – March 31, 2012***

Dear Mr. Kucharski:

The purpose of this letter is to formally address the Comments to Management referenced in your Audit Report for the period referenced above for this Court. Our corrective action plan is stated below.

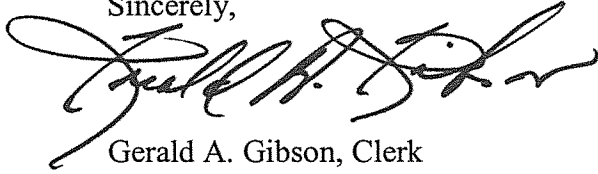
Please note that the referenced cases improperly reflecting state public defender fees have already received corrective entries. The City has also been billed for the referenced public defender fee totaling \$177.00. Additionally, a correcting entry has been made to reimburse the locality for a miscoded fine of \$100.00, which was simply an oversight in receipting of fees. Accordingly, the result is that there will be no loss of revenue for the locality.

The proper billing and assessment of attorney's fees, fines and costs has been reviewed with appropriate staff members to ensure greater accuracy and compliance. Ongoing assessments of cited costs will continue to be made per Appendix C of the Circuit Court Clerk's Criminal Manual and the Code of Virginia.

Please be advised that our 2011 criminal caseload, in comparison to three (3) courts in the 22<sup>nd</sup> Judicial Circuit, represents that approximately 53.4% of the criminal docket is done by the Danville Circuit Court. (*Per Caseload Statistics from the Supreme Court of Virginia.*) This factor along with budget reductions and the retirement of two (2) full-time employees with 61 years of combined experience has greatly impacted our office.

Further, and of the utmost importance, we diligently strive to perform all mandated duties per the Code of Virginia and provide the best possible service to the citizens of the City of Danville.

Sincerely,

A handwritten signature in black ink, appearing to read "Gerald A. Gibson". The signature is fluid and cursive, with a large initial "G" and a long, sweeping underline.

Gerald A. Gibson, Clerk

GAG/ash