



GARY M. WILLIAMS
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF SUSSEX

FOR THE PERIOD
OCTOBER 1, 2020 THROUGH MARCH 31, 2022

Auditor of Public Accounts
Staci A. Henshaw, CPA

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.

Publicly Post Payment Plan Policy

Repeat: No

The Clerk has not posted the court's official payment plan policy in the Clerk's office or on the court's website, as required by § 19.2-354 of the Code of Virginia. Posting this information ensures that defendants are aware of the court's payment plan policies and aids in maximizing collection efforts. The Clerk should post the court's approved payment plan in accordance with the Code of Virginia.

Reconcile Bank Account

Repeat: No

The Clerk did not reconcile the court's bank account during the audit period, allowing reconciling items to go unresolved for up to 16 months. Timely and complete reconciliations are an essential internal control. Allowing reconciling items to go unresolved can lead to errors and irregularities going undetected and increases the risk of loss of funds.

The Clerk should immediately reconcile the court's bank account, resolving all reconciling items and, going forward, should perform monthly bank reconciliations upon receiving the bank statement as required by the Financial Accounting System User's Guide.

Promptly Deposit Collections

Repeat: No

The Clerk did not promptly deposit court collections for 26 of 65 deposits tested (40%) during the audit period. While none of the delays we noted were excessive, delaying bank deposits increases the risk of loss of funds and has the potential to delay the remittance of state and local funds. The Clerk should make bank deposits daily as required by the Financial Accounting System User's Guide.

Properly Utilize Financial Reports

Repeat: No

The Clerk and his staff do not properly use available system reports to ensure they establish all needed receivable accounts. We noted the Clerk delayed setting up receivable accounts for three cases for up to nine months after the trial date. The Commonwealth recovers the costs of prosecution when defendants pay the costs assessed by the Clerk. Upon conviction, the Clerk establishes a receivable account for the defendant. Using the system provided *Concluded Cases without Receivables Report* ensures the Clerk has established all appropriate accounts.

The Clerk should request the reports for this audit period, review and establish any needed accounts, bill the defendants as needed, and implement procedures to ensure they use these reports efficiently on a monthly basis.

Properly Bill and Collect Court Fines and Costs

Repeat: Yes (first issued 2018)

The Clerk and his staff did not properly bill and collect court fines and costs. In six of 19 cases tested (32%), we noted the following errors.

- The Clerk miscoded in the financial system a \$294 fine to the County instead of the appropriate Town.
- The Clerk overcharged defendants in two cases a total of \$265 in court fines and costs.
- The Clerk did not charge defendants in three cases a total of \$125 in court costs.
- For one local case, the Clerk miscoded in the financial system attorney fees of \$158 and submitted the bill to the Commonwealth for payment instead of the locality.

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 costs in accordance with the Code of Virginia.

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Staci A. Henshaw, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

August 10, 2022

The Honorable Gary M. Williams
Clerk of the Circuit Court
County of Sussex

Susan Seward, Board Chairman
County of Sussex

Audit Period: October 1, 2020, through March 31, 2022
Court System: County of Sussex

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. 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 Clerk and his staff during this engagement.

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

LJH:vks

cc: The Honorable W. Edward Tomko, III, Chief Judge
Richard Douglas, County Administrator
Robyn M. de Socio, Executive Secretary
Compensation Board
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia

CLERK'S OFFICE
Circuit Court of Sussex County
15088 COURTHOUSE ROAD
P.O. Box 1337
SUSSEX, VIRGINIA 23884
(434) 246-1012

SIXTH JUDICIAL CIRCUIT
W. ALLAN SHARRETT, JUDGE
W. EDWARD TOMKO, III, JUDGE
CARSON E. SAUNDERS JR., JUDGE



GARY M. WILLIAMS, CLERK
CAROLYN P. MATTHEWS, DEPUTY CLERK
SANDRA J. BLUNT, DEPUTY CLERK

2 November 2022

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

IN RE: Corrective Action Plan for Sussex County Circuit Court

Dear Ms. Henshaw:

In response to matters cited in your recent audit report for this office, I can only offer a somewhat limited "corrective action plan" to comply with the suggestions offered. The workload of this office is such that I have not missed a day from my office in over twelve years. I usually arrive by 8:00 P.M. and leave about 6:00 P.M., and the public visits to this office, in person, by mail, email and by phone are such that my chief deputy and I almost invariably spent at least a couple of hours here on weekends or holidays to be current with our records.

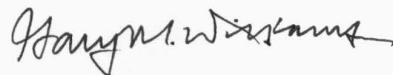
I have the following comments to make on each of the five issues brought to my attention:

- 1) **Publicly Post Payment Plan Policy** – Although we submit a statement of fines and court costs to all defendants in criminal and traffic cases via U.S. mail, to comply with Section 19.2-354, we have posted in the Clerk's Office a notice that payment plans are available, that that we usually require a monthly payment of \$25.00. The office does not have a website.
- 2) **Reconcile Bank Account** - The figures shown on the daily cash reconciliation worksheets (which are verified on a daily basis) reflect all the adjustments made when I did manual reconciliations of my monthly bank statements, and for years there was an undetermined \$ 1.44 that eluded a perfect balance. (It remains elusive!) I keep a record of checks not returned and which would be subject to escheatment if not reissued to the rightful recipient. I also submit to the county a bill for reimbursement to my bank account to cover the service charges that banks now charge. (if this were not done, funds due the state, the county and others would indeed be whittled away.) When I get my monthly bank statement I cancel all returned checks and determine if there were any service fees or electronic payments paid by the I.R.S. and electronic payments paid to the Department of Game and Inland Fisheries.
- 3) **Promptly Deposit Collections** - From 1989 to 2021, when a branch of BB&T was across the street from the Clerk's Office, we did make daily deposits. Now that this bank is closed, we have

transferred our account to the Bank of Southside Virginia, seven miles away. On a regular basis deposits are made about three times a week. Considering the limited staff we have, no travel funding for anyone, as well as other demands of the office, including more frequent jury trials, it is virtually impossible to make daily bank deposits.

- 4) **Properly Utilize Financial Reports** - During the recent audit it was pointed out to us that we were still holding bond money in two companion cases which had been settled in April of this year. We contacted the law firm representing the defendant who had posted the bond money with the court and got them to submit orders to release the funds. The funds have been submitted to the law firm pursuant to the orders. We will endeavor to check our liability accounts at least every month to assure that we are not holding funds in ended cases.
- 5) **Properly Bill and Collect Court Fines and Costs** - We have made corrections in cases where payments are still owed. We still make mistakes, and in recognizing them we will try to avoid making them again in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary M. Williams". The signature is fluid and cursive, with the first name "Gary" being more prominent.

Gary M. Williams
Clerk of the Circuit Court
Sussex County