



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

FOR THE TWO YEARS ENDED  
MARCH 31, 2014

Auditor of Public Accounts  
Martha S. Mavredes, CPA  
[www.apa.virginia.gov](http://www.apa.virginia.gov)  
(804) 225-3350



## 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 Bill and Collect Court Costs

The Clerk and his staff did not properly bill court costs. We tested 50 cases and noted the following errors.

- In seven cases, the Clerk did not bill defendants for costs totaling \$737.
- In two cases, the Clerk incorrectly coded \$211 in local court appointed attorney fees as state court appointed attorney fees.
- In two cases, the Clerk erroneously assessed \$50 in court costs to defendants.

The Clerk should correct the specific cases noted above. Further, the Clerk should work with his staff to ensure they understand the billing and collection requirements and, if necessary, request additional training from the Office of the Executive Secretary of the Supreme Court 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

June 23, 2014

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

Sherman Saunders, Mayor  
City of Danville

Audit Period: April 1, 2012 through March 31, 2014  
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.

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

MSM: clj

cc: The Honorable Joseph W. Milam, Jr., Chief Judge  
Joe King, City Manager  
Robyn M. de Socio, Executive Secretary  
Compensation Board  
Paul F. Delos, 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



July 1, 2014

Martha Mavredes  
Auditor of Public Accounts  
P. O. Box 1295  
Richmond, VA 23218

***RE: Clerk's Response and Corrective Action Plan***  
***Audit Period: April 1, 2012 – March 31, 2014***

Dear Ms. Mavredes:

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.

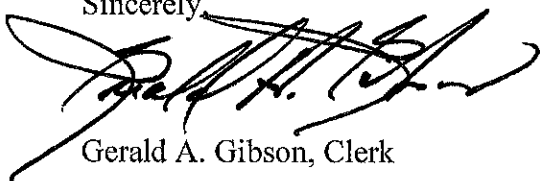
We wish to note that thorough discussion was conducted with our auditor regarding the cases for which costs were not properly billed. The matter has been reviewed with appropriate staff members to ensure greater accuracy and compliance. Corrections have been made for all applicable cases.

Additionally, correcting entries have been made to reimburse the locality for the oversight of miscoded Court Appointed Attorney fees of \$211. Accordingly, there will be no loss of revenue for the locality. Finally, the two cases assessed the additional \$50 in costs have been properly adjusted. Following our discussion of this matter and after reading the applicable Attorney General opinion, although not specifically addressed by Code, we have amended our policy to no longer assess the Jail Fee in these instances. Ongoing assessments of costs will continue to be made per Appendices B and C of the Circuit Court Clerk's Criminal Manual and the Code of Virginia. Additionally, applicable staff has enrolled for additional training regarding the assessment of criminal costs with the Supreme Court of Virginia.

Please be advised that our 2013 criminal caseload reflects that approximately 49% of the criminal docket for the 22<sup>nd</sup> Judicial Circuit is done by the Danville Circuit Court. This entails administration for two full-time judges and a voluminous workload for an under-staffed office as reflected by the State Compensation Board's workload data. These factors continue to greatly impact our workload and staffing conditions. It is our continuing hope that acknowledgment of our desperate requirement for additional staffing will be addressed. The results of this, a two-year audit, we consider miraculous for reasons referenced above.

Further, and of the utmost importance, we diligently strive to perform all mandated duties with great efficiency and accuracy adhering the Code of Virginia and to 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", written over a horizontal line.

Gerald A. Gibson, Clerk

GAG/ash