



KATHLEEN M. STERNE  
CLERK OF THE CIRCUIT COURT  
FOR THE  
COUNTY OF STAFFORD

FOR THE PERIOD  
JULY 1, 2015 THROUGH MARCH 31, 2017

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.

### **Escheat Unclaimed Restitution**

The Clerk did not escheat unclaimed restitution totaling \$20,922 for two years as required by Section 19.2-305.1 of the Code of Virginia. The Clerk should monitor and disburse restitution on an ongoing basis. If the funds remain unclaimed, the Clerk should remit the funds to the 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

June 20, 2017

The Honorable Kathleen M. Sterne  
Clerk of the Circuit Court  
County of Stafford

Paul Milde, Chairman of the Board of Supervisors  
County of Stafford

Audit Period: July 1, 2015 through March 31, 2017  
Court System: County of Stafford

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 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

MSM: clj

cc: The Honorable J. Overton Harris, Chief Judge  
Thomas Foley, County Administrator  
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

CLERK'S OFFICE  
**Stafford County Circuit Court**

MICHAEL E. LEVY  
*Resident Judge*  
CHARLES S. SHARP  
*Resident Judge*  
VICTORIA A. B. WILLIS  
*Resident Judge*

P.O. BOX 69  
STAFFORD, VIRGINIA 22555  
(540) 658-8750

KATHLEEN M. STERNE  
*Clerk of Court*

DAWN E. CRISP  
*Chief Deputy*



July 24, 2017

Auditor of Public Accounts  
PO Box 1295  
Richmond, VA 23218

ATTN: Martha Mavredes

Dear Ms. Mavredes:

This letter is in reference to the Audit Report dated July 20, 2017. I have spoken to my bookkeeper, JoAnn Reynolds, and gone over the requirements for escheating funds from unclaimed restitutions according to Virginia Code Section 19.2-305.1. Apparently, she misinterpreted the language in the Code Section in regard to the restitution escheatment. At the time when next escheatments are scheduled, we will go over those together to make sure they are done correctly.

Thank you for your attention in this matter.

Respectfully,  
*Kathy Sterne*  
Kathy Sterne  
Clerk of Court