

**LEE G. TURNER
CLERK OF THE CIRCUIT COURT
OF THE
COUNTY OF GOOCHLAND**

**REPORT ON AUDIT
FOR THE PERIOD
OCTOBER 1, 2008 THROUGH MARCH 31, 2010**



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Commonwealth of Virginia

Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218

Walter J. Kucharski, Auditor

May 13, 2010

The Honorable Lee G. Turner
Clerk of the Circuit Court
County of Goochland

Board of Supervisors
County of Goochland

Audit Period: October 1, 2008 through March 31, 2010
Court System: County of Goochland

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 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 court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:alh

cc: The Honorable Cheryl V. Higgins, Chief Judge
Rebecca Dickson, 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

COMMENTS TO MANAGEMENT

We noted the following matters involving internal control and its operation that have led or could lead to the loss of revenues, assets, or otherwise compromise the Clerk's fiscal accountability.

Properly Bill Court Costs

The Clerk and her staff are not properly billing and collecting court-appointed attorney and DNA fees involving local and state charges as required by Sections 19.2-163 and 19.2-310.2 of the Code of Virginia. The auditor tested 25 cases and noted the following errors in six of these cases.

- In two local cases, the Clerk's staff did not properly bill the locality for the court-appointed attorney fees. Instead, the clerk's staff erroneously billed the Commonwealth for \$345. Additionally in one of these cases, the Clerk's staff incorrectly entered the defendants' payments as state court-appointed attorney fees instead of local fees causing a loss of revenue to the locality totaling \$187.
- In two cases, the Clerk's staff did not bill the defendants for court-appointed attorney fees and approved expenses totaling \$437.
- In two cases, the Clerk's staff overcharged the defendants for the following:
 - Court appointed attorney fees totaling \$175
 - DNA fee totaling \$25

We recommend the Clerk research all similar cases and make the appropriate corrections to case paperwork. Further, we recommend the Clerk and her staff bill and collect court costs in accordance with the Code of Virginia.

Improve Accounts Receivable Management

The Clerk does not review the *cases concluded without financial management system receivables report* as required by the Financial Management System User's Guide. The report identifies all concluded criminal cases and indicates if the defendants have an accounts receivable established in the court's automated accounting system. Failure to review this report could lead to a loss of revenue to the Commonwealth and the locality. The Clerk should properly review the report in order to maximize collections.

Promptly Deposit Collections

The Clerk does not deposit collections daily into her bank account as required by Section 17.1-271 of the Code of Virginia. We noted a one day delay in four of the 53 daily deposits tested. Delaying the bank deposit could lead to a loss of funds. The Clerk should promptly deposit collections in accordance with the Code of Virginia.



Clerk of the Circuit Court
COUNTY OF GOOCHLAND

LEE G. TURNER, CLERK

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HELEN H. JENNINGS
JAMES RICHMOND
BETTY A. SMITH

May 20, 2010

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

Audit Period – October 1, 2008 /March 31, 2010
Clerk's Office, Circuit Court, Goochland

Dear Mr. Kucharski:

I have received the draft audit report sent to me by the team leader of our audit, Mr. Randall Johnson. I have discussed the audit findings with Mr. Johnson, and have prepared my comments and response in writing. It is enclosed herewith for your review. Please let me know if there is any additional information you need from this office.

Sincerely,

Lee G. Turner

Enclosure

Clerk's Response to Auditor's Comments to Management

COURT COSTS

#1. In one of these cases, the State was billed for the court appointed attorney fee instead of the County, however when payment was made by the defendant, we credited the State. Therefore, there is no loss or gain to anyone.

In the other case, the District Court appointed attorney fee of \$120.00 was paid by the State and the Circuit Court fee of \$158.00 was paid by the State. It being a local case, when the court costs were paid by the defendant, the County was credited \$278.00. Therefore, an invoice to the County for reimbursement to the State in the amount of \$278.00 will be sent.

#2. In these cases, the defendants have not yet paid their fines and court costs, therefore no loss has occurred. The correct court appointed attorney fees will be collected according to law.

#3. In one of these cases the defendant has not yet paid all of his fine and court costs, and the amount he now owes reflects the correct amount due for the court appointed attorney fee. In the other case, the defendant was incorrectly charged and paid for a DNA test. The amount of \$25.00 is being refunded to him.

USER'S GUIDE

The Code of Virginia "requires" us to perform many duties. The User's Guide is just that – a guide. However, we will use the CR32 report (referred to in the audit comments) as a helpful tool to assure that cases are properly documented in this office.

DEPOSITS

On those days when we may be short-staffed due to vacation, sick leave or court schedules and we cannot get to the bank, our daily collections have been kept overnight in this office in a fireproof safe with a combination lock. As you can see, this does not happen often.

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