



ANGELA F. REASON  
CLERK OF THE CIRCUIT COURT  
FOR THE  
CITY OF NEWPORT NEWS

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

Auditor of Public Accounts  
Staci A. Henshaw, CPA

[www.apa.virginia.gov](http://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 the loss of revenues, assets, or otherwise compromise the Clerk's fiscal accountability.

### **Properly Bill and Collect Court Fines and Costs**

**Repeat:** Yes (first issued in 2020)

The Clerk and her staff did not properly bill and collect court fines and costs. In 28 of 81 cases tested (35%), we noted the following errors.

- The Clerk did not charge defendants in 12 cases for a total of \$7,994 in fines and costs.
- In nine cases, the Clerk overcharged defendants a total of \$6,970 in fines and costs.
- For five local cases, the Clerk miscoded in the financial system fines and costs totaling \$1,142 as Commonwealth instead of local and submitted the attorney fee invoices totaling \$556 to the Commonwealth for payment instead of the locality.
- For four cases, the Clerk miscoded in the financial system fines and costs totaling \$280 as local instead of Commonwealth.

The Clerk should correct the specific cases noted above, seek additional training in the billing and collection of fines and costs, and establish a 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.

### **Retain Supporting Documentation**

**Repeat:** No

In five of six invoices tested (83%), the Clerk did not maintain waivers for court-appointed attorney payments. The Office of the Executive Secretary of the Supreme Court of Virginia has established that each case with a court-appointed attorney should include an individual application, waivers, timesheets, allowances, and signatures from the presiding Judge and, as applicable, the Chief Judge. Failure to obtain, review, and maintain all the necessary documentation increases the risk of improper payments to attorneys. The Clerk should work with her staff to ensure the office maintains all appropriate documentation.

## -TABLE OF CONTENTS-

### Pages

COMMENTS TO MANAGEMENT

AUDIT LETTER

1-2

CLERK'S RESPONSE AND CORRECTIVE ACTION PLAN

3-4



# Commonwealth of Virginia

## Auditor of Public Accounts

Staci A. Henshaw, CPA  
Auditor of Public Accounts

P.O. Box 1295  
Richmond, Virginia 23218

June 6, 2022

The Honorable Angela F. Reason  
Clerk of the Circuit Court  
City of Newport News

McKinley L. Price, Mayor  
City of Newport News

Audit Period: July 1, 2020, through March 31, 2022  
Court System: City of Newport News

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 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 her staff during this engagement.

Staci A. Henshaw  
AUDITOR OF PUBLIC ACCOUNTS

LJH:vks

cc: The Honorable Christopher R. Papile, Chief Judge  
Cynthia D. Rohlf, City Manager  
Robyn M. de Socio, Executive Secretary  
Compensation Board  
Paul F. DeLosh, Director of Judicial Services  
Supreme Court of Virginia



# Clerk of the Circuit Court

2500 Washington Avenue  
Newport News, VA 23607-4307



Hon. Angela F Reason  
Clerk

Stacy C White  
Chief Deputy

Phone (757) 926-8561  
Fax (757) 926-8531

July 6, 2022

VIA E-MAIL:

Stacy A. Henshaw  
Auditor of Public Accounts  
101 North 14<sup>th</sup> Street, 8<sup>th</sup> Floor  
Richmond, VA 223219

RE: Newport News Circuit Court Clerk's Office  
Audit Report for the period of July 1, 2020, through March 31, 2022

Dear Ms. Henshaw,

I am in receipt of the final draft version of the audit report dated June 6, 2022 and received on June 22, 2022. Accordingly, I have taken steps to resolve these matters as follows:

**Properly Bill and Collect Court Fines and Costs:**

1. Criminal Division Clerks and all leadership staff have and/or will receive continual training as needed through the Department of Judicial Services (DJS), to include but not limited to the assessment of court cost and fines. In addition, Court Room Clerks have been instructed to continue to utilize the pre-created Fines Assessment Sheet and to also cross reference the sheet with system generated fees in the Financial Management System (FMS) to aide in the appropriate allocation of fees and cost. Additionally, once a case has concluded, we will begin utilizing a "peer approach" as a measure of double checking to ensure the appropriate allocation of fees and cost into FMS.
2. All twelve (12) cases referenced have been corrected to reflect proper fines and costs, thus resulting in \$0 loss to the Commonwealth and the locality.
3. While the court had not received payment for the total overcharge of \$6,970 notated in nine (9) cases, the defendants case files have been corrected accordingly and any overage has been resolved.

4. The five (5) cases referenced as having the attorney fees miscoded have been corrected to reflect the amounts owed to the Commonwealth and the locality.
5. The four (4) cases referenced as being miscoded in the financial system, indicating fines and costs totaling \$280 has been updated to reflect Commonwealth instead of local.

Please note that criminal cases come to Circuit Court from General District Court (GDC) already entered into the system as being local or state. Although my office has updated all cases highlighted as miscoded based on the feedback received from the Auditor of Public Accounts, according to suggestions received from the DJS, Circuit Court is to process fines, cost, and other documentation as they are remitted from GDC.

**Retain Supporting Documentation:**

In the five (5) invoices referenced, aside from the notated waivers, all documentation that is suggested to be maintained was done so as applicable. Waivers were inadvertently sent to the Office of the Executive Secretary of the Supreme Court of Virginia for proper payment to court-appointed attorneys. Accordingly, effective immediately, staff has been coached to scan waivers into the electronic file as to ensure maintenance of documentation that should be retained within the Circuit Court Clerk's Office.

Sincerely,

  
Angela F. Reason