



TERESA J. BROWN
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF FRANKLIN

FOR THE PERIOD
APRIL 1, 2017 THROUGH MARCH 31, 2019

Auditor of Public Accounts
Martha S. Mavredes, CPA
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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 Costs

Repeat: Yes (first issued in fiscal year 2017)

The Clerk and her staff did not properly bill and collect court costs. In 40 cases tested, we noted the following errors.

- In two cases, the defendants were overcharged \$2,480 in court appointed attorney fees.
- In five local cases, the Clerk incorrectly sent court appointed attorney bills, totaling \$790, to the state for payment. In these same cases, the court appointed attorney fees of \$1,270 were miscoded as state rather than local.
- In one case, the defendant was not charged \$390 in court costs.

The Clerk and her 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.

Update Individual Receivable Account Status

Repeat: No

The Clerk does not update and remove accounts from appeal status and correct credit balances when applicable. The court had 75 accounts in appeal status and four accounts with credit balances that remained on the report for up five months. Accounts should only be in appeal status when the Judge approves a stay in the sentence. Accounts with credit balances should be promptly corrected since this may indicate a receipting error or overpayment.

The Clerk should update the individual accounts noted above and review and take appropriate and timely action on all accounts in appeal status and accounts with credit balances as recommended by the financial accounting system user's guide.

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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

April 10, 2019

The Honorable Teresa J. Brown
Clerk of the Circuit Court
County of Franklin

Cline Brubaker, Board Chairman
County of Franklin

Audit Period: April 1, 2017 through March 31, 2019
Court System: County of Franklin

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 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.

AUDITOR OF PUBLIC ACCOUNTS

MSM: clj

cc: The Honorable James J. Reynolds, Chief Judge
Christopher Whitlow, Acting 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



FRANKLIN COUNTY
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CLERK OF THE CIRCUIT COURT
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TERESA J. BROWN, CLERK

CLYDE H. PERDUE, JR., JUDGE

April 30, 2019

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

Dear Ms. Mavredes:

In response to the audit report for the Circuit Court of Franklin County, I concur with the auditor's findings.

As to "Properly Bill and Collect Court Costs", we assessed two waiver fees for court appointed attorney fees in error. On April 25, 2018, we inquired about assessment of attorney waiver fees with the Supreme Court of Virginia and immediately corrected our assessment. We have set up a protocol for assessing court costs to one of our three localities and will try to diligently assess such costs properly. This office will continue to strive to collect and bill court costs in accordance with the Code of Virginia.

As to "Updating Individual Receivable Account Status", I appreciate the auditor bringing this report to my attention. All cases were immediately updated correctly.

Respectfully submitted,

Teresa J. Brown, Clerk