

**PATRICIA M. NORMAN
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF KING WILLIAM**

**REPORT ON AUDIT
FOR THE PERIOD
APRIL 1, 2010 THROUGH SEPTEMBER 30, 2011**



–TABLE OF CONTENTS–

	<u>Pages</u>
AUDIT LETTER	1
COMMENTS TO MANAGEMENT	2
CLERK’S RESPONSE AND CORRECTIVE ACTION PLAN	3-4



Commonwealth of Virginia

Auditor of Public Accounts

Walter J. Kucharski
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

November 28, 2011

The Honorable Patricia M. Norman
Clerk of the Circuit Court
County of King William

Board of Supervisors
County of King William

Audit Period: April 1, 2010 through September 30, 2011
Court System: County of King William

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.

The Clerk has taken adequate corrective action with respect to the internal control finding(s) reported in the prior year that are not repeated in this letter.

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 R. Bruce Long, Chief Judge
Trenton L. Funkhouser, 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 has led or could lead to the loss of revenues, assets, or otherwise compromise the Clerk's fiscal accountability.

Properly Record and Collect Criminal Court Costs

The Clerk does not properly record and collect criminal fines and court costs as required by the Code of Virginia. Specifically, we tested 30 cases, both paid and unpaid accounts, and determined 9 had one or more errors.

- In two cases, the Clerk incorrectly recorded a state fine as a local fine, resulting in a potential loss of revenue to the Commonwealth of \$700.
- In one case, the Clerk did not charge defendant for the cost of preparing transcripts on a denied appeal, resulting in a potential loss of revenue to the Commonwealth of \$489.
- In two cases, the Clerk did not charge the defendant the "Felony Drug Fee" for drug convictions, resulting in a potential loss of revenue to the Commonwealth of \$300.
- In one case, the Clerk incorrectly entered a state attorney fee as a local fee, resulting in a potential loss of revenue to the Commonwealth of \$120.
- In three cases, the Clerk incorrectly charged defendants for the "DNA" fee, resulting in a potential loss of revenue to the Commonwealth of \$12.

We recommend the Clerk research all similar cases to make the appropriate corrections to case paperwork and where possible properly remit the collection to the appropriate party.

Improve Monitoring Trust Accounts

Section 8.01-600 of the Code of Virginia authorizes the Clerk to hold funds in trust, pursuant to a court order, if the beneficiary is not of legal age, and to maintain control of these funds until further court order. During the audit period, the bank allowed someone with the same name as the trust fund beneficiary to gain unauthorized access to a trust fund account and this individual made withdrawals totaling \$620.

While the Clerk contacted the bank to inform them of the unauthorized withdrawals, the Clerk did not initially actively pursue recovery of the funds from the bank. When we brought this matter to the Clerk's attention, the Clerk again pursued this matter with the bank, which corrected the error and restored the funds.

The Clerk should actively pursue any unauthorized withdrawals with any financial institution and make sure the financial institution only allows withdrawals with appropriate documentation from the court. Should the Clerk encounter a similar situation in the future, the Clerk should consider contacting the Commonwealth Attorney for assistance.

Patricia M. Norman, Clerk
(804) 769-4936

Brenda V. Taylor, Criminal Clerk
(804) 769-4938

Christine R. Dreyer, Civil Clerk
(804) 769-3118



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P.O. Box 216
King William, Virginia 23086

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Commonwealth of Virginia
KING WILLIAM CIRCUIT COURT
NINTH JUDICIAL CIRCUIT

November 14, 2011

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

Attn: Karen Helderman, Circuit Court Director

Re: Audit Period: April 1, 2010 through September 30, 2011
Court System: County of King William

I have received your letter dated October 25, 2011 regarding the above-mentioned Audit Period for King William Circuit Court.

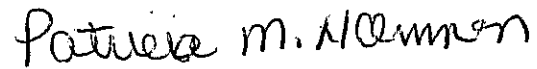
We do our best to properly record and collect criminal fines and court costs as required by the Code of Virginia. I have gone over all the cases that were mentioned and found that they were all corrected while the auditor was here in King William and no State monies were lost. Most of the cases that were mentioned have not had a payment made on them at all.

I am very pleased to know that we do properly record and collect jail admission fees. After discussion with our Sheriff for King William, he made a phone call to the Auditor of Public Accounts about the funds that the County would be losing. On November 4, 2011, I received an e-mail from you stating that you were removing the jail admission fee exception because we were correct on collecting this fee. All files that the Auditor had us to back out the jail admission fee have been corrected.

Please see the attached letter from EVB Bank stating that they had made a bank error on unauthorized electronic transactions that were made by another customer with the same first and last name of the funds under the control of the Court. I had discovered this prior

to the auditors being here and the Bank has credited the account in the amount of \$620.00 to cover their error.

Sincerely yours,

A handwritten signature in black ink that reads "Patricia M. Norman". The script is cursive and fluid, with the first name "Patricia" being more prominent than the last name "Norman".

Patricia M. Norman, Clerk

cc: The Honorable R. Bruce Long, Chief Judge
Trenton L. Funkhouser, 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