



SARONA S. IRVIN
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF SHENANDOAH

FOR THE PERIOD
OCTOBER 1, 2018 THROUGH JUNE 30, 2020

Auditor of Public Accounts
Martha S. Mavredes, CPA
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(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.

Develop a Disaster Recovery Plan

Repeat: No

The Clerk has not developed a disaster recovery plan as required by § 17.1-258.3:1 of the Code of Virginia. Developing a disaster recovery plan ensures the recovery and continuation of court records in the event of a disaster. The Clerk should prepare a plan in accordance with the Code of Virginia.

Monitor and Disburse Liabilities

Repeat: Yes (first issued in 2018)

The Clerk did not properly monitor and disburse court liabilities. At the end of the audit period, the Clerk was holding \$6,235 in liabilities that should have been disbursed or escheated. The Clerk should disburse the amounts noted and, going forward, should monitor and disburse or escheat funds as directed by court order, Code of Virginia, or the financial accounting system user's guide.

Update Individual Receivable Account Status

Repeat: Yes (first issued in 2018)

The Clerk does not update and remove accounts from appeal status and correct credit balances when applicable. Twenty-three accounts were left in appeal status and two accounts had credit balances for up to 21 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.

Properly Bill and Collect Court Fines and Costs

Repeat: Yes (first issued in 2017)

The Clerk and her staff did not properly bill and collect court fines and costs. In 32 cases tested, we noted the following errors.

- In eight cases, defendants were not charged a total of \$630 in court costs, resulting in a \$580 loss to the state and a \$50 loss to the locality.
- Defendants in three cases were overcharged \$772 in court fines and costs.

- For one local case, the court-appointed attorney fee of \$255 was miscoded as state rather than local.

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.

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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

August 4, 2020

The Honorable Sarona S. Irvin
Clerk of the Circuit Court
County of Shenandoah

Dick Neese, Chairman of Board of Supervisors
County of Shenandoah

Audit Period: October 1, 2018 through June 30, 2020
Court System: County of Shenandoah

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.

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 these comments with the Clerk, and we acknowledge the cooperation extended to us by the Clerk and her staff during this engagement.

Martha S. Mavredes
AUDITOR OF PUBLIC ACCOUNTS

MSM: clj

cc: The Honorable Clark A. Ritchie, Chief Judge
Evan Vass, 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



SHENANDOAH COUNTY CIRCUIT COURT

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SARONA S. IRVIN, CLERK

DEPUTY CLERKS

Cynthia D. Kibler - Chief
Karla S. Ortt - Supervisor
Stacy D. Hunt
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Julie A. Richman
Shelby L. Free
Randy L. Litten, Jr.
Deirdre L. Dillon
Denise B. Estep

September 11, 2020

Martha S. Mavredes, CPA
Auditor of Public Accounts
P.O. Box 1295
Richmond, VA 23218

RE: Shenandoah County Circuit Court
Audit period 10/01/2018 through 06/30/2020

Ms. Mavredes:

I am in receipt of our court's audit wherein four (4) Comments to Management are noted. By this letter, I am responding and supplying my explanation and corrective action plan as to each comment.

Develop a Disaster Recovery Plan

Repeat: No

It is not true that I have not developed a Disaster Recovery Plan. It is true that it is not completed. The only aspects not complete are some of the technical hardware which I was trying to coordinate with the Supreme Court to discern the appropriate way to incorporate in the plan. Once that is completed then the plan can be signed off on by all applicable parties.

I will work to complete the Disaster Recovery Plan as quickly as possible.

Monitor and Disburse Liabilities

Repeat: Yes (first issued in 2018)

The \$6,235 funds of liabilities referenced as not being properly disbursed or escheated are listed in the table as Exhibit A which shows an explanation by each case. The auditors provided a list of cases and questions, and my accounting technician and I responded to all of the ones listed. I do not feel our office should be written up for these as it is clear that we did not have proper court orders to disburse the amounts. There were other cases on the original list submitted for our review which were not disbursed for the same reasons and so it is unclear why some would be reported and not others. Our office has made great strides in keeping restitution disbursed, but when all the information needed to disburse is not provided to the court, then we cannot disburse to recipients not identified or to recipients without valid addresses.

As noted on the attached chart, several of the cases had bond funds that no order had been tendered to the court to allow disbursements. Further, there were several amounts of restitution collected that could not be disbursed as no recipient information had been provided to the court. I am aware of our responsibility to ascertain appropriate orders and made many inquiries, both in person and by e-mail to obtain the appropriate Restitution Orders from the Commonwealth Attorney's office. When I shared this information with our audit team, they suggested that we turn those funds over as unclaimed restitution once one (1) year had elapsed. Our office did not know that those matters could get turned over as unclaimed, if we did not have a court order showing who the restitution was originally due too. So, this year, we have included the accounts which have been held long enough and sent the due diligence letters to the Commonwealth Attorney. They have supplied information on some of the accounts and the ones they have not, we are submitting as unclaimed restitution this year. I have also spoken with our Judge to suggest a better practice of not sentencing defendants until the restitution orders are 'in hand' for entry.

Update Individual Receivable Accounts Status

Repeat: Yes (first issued in 2018)

When the auditors brought this issue to our attention they stated there was a financial system update that changed how the indicator "APL" would function in FAS and a system notice was released to Clerks in July 2018 explaining what action should be taken in regards to accounts listed as "Appealed" on the BU06. I have researched my e-mails for update notices, as well as the notices posted for updates made to FAS and I cannot find the notice that is being referenced. My accounting technician has only been in this position since July 2018 and since I was not aware of this change, I did not alert my accounting technician. She has been made aware now and will watch for this in the future on the BU06 reports.

Properly Bill and Collect Court Costs

Repeat: Yes (first issued in 2017)

During this audit period our office continued to have new deputy clerks being trained to handle the criminal court costs. One area that is weak is the follow through of going back to review the work of the new deputy clerks. Due to the fact that the workload my staff is tasked to complete is greater than the number of staff our court has to properly perform said tasks, it is very difficult to have a good 'checks and balance', if you will, to be sure all costs are assessed correctly for every defendant.

With the large amount of turnover, my office is constantly challenged with a continual training process, with training comes errors, and errors are, unfortunately, unavoidable during periods of training.

Moving forward, I have corrected the matters that could be corrected and will strive to create a better 'checks and balance' system among my staff to attempt to catch errors in a timely manner. I will strive to do a better job of checking the new account listings on a regular basis to make sure the criminal staff are setting up cases timely and properly assessing court costs for criminal matters in accordance with the Code of Virginia.

Overall, I feel most of the errors have a great deal to do with my office being understaffed, underpaid and therefore creating the increased amount of turnover. We hire new staff, take the time to train and after they gain experience they apply for a higher paying position and the cycle starts all over again. In an office that is tasked with over 800 duties and responsibilities it is virtually impossible to not have errors if staff does not remain constant.

It was our pleasure working with the members of your staff during the audit. Because of the turnover of staff and the new procedures being implemented, I respectfully request that our office be audited after one (1) year, instead of a longer period like this current audit covered, so that we can assure changes have been successful and that the staff is performing according to the Code of Virginia.

If you should have any questions, please do not hesitate to contact me at my direct phone number of (540) 459-6153 or via e-mail: sirvin@vacourts.gov

Sincerely,



Sarona S. Irvin, Clerk

EXHIBIT A

CASE #	AMOUNT	REASON
CGM100929001	\$ 1,000.00	No Court Order to forfeit bond as there is an open show cause on why to not forfeit bond
CGM180000149	\$ 300.00	No Court Order to release bond
CL12000043-00	\$ 500.00	~This amount was included in the 2018 unclaimed due diligence letters ~Had a response from an attorney involved stating they would be getting court an order to disburse ~No order was presented and has been included in this years due diligence letter and will be submitted before November 1, 2020
CR03000152-00	\$ 470.00	No Court Order to release bond
CR05000082-00	\$ 100.00	Need Court Order to release bond
CR07000307-00	\$ 200.00	No restitution order submitted to court identifying recipients
CR10000024-00	\$ 669.37	No restitution order submitted to court identifying recipients
CR13000179-00	\$ 32.91	Joint and several restitution with Waaga - FAS issue with credits
CR13000181-00	\$ 32.91	Joint and several restitution with Hargrove - FAS issue with credits
CR13000375-01	\$ 27.20	Did not have an address to return refund; recently discovered address and funds disbursed on 08/03/2020
CR14000765-00	\$ 760.00	Incomplete restitution order; therefore recipient(s) not clear
CR16000161-00	\$ 143.10	No restitution order submitted to court identifying recipients
CR17000471-00	\$ 590.00	Incomplete restitution order; therefore recipient(s) not clear
CR17000569-00	\$ 1,000.00	No Court Order to release bond
CR18000272-00	\$ 50.00	Incomplete restitution order; no address for recipient(s)
CR19000062-00	\$ 358.97	Incomplete restitution order: no address for recipient(s)
	\$ 6,234.46	TOTAL