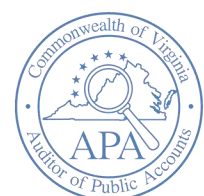




DEBRA M. SHIPP
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF ALBEMARLE

REPORT ON AUDIT
FOR THE PERIOD
APRIL 1, 2013 THROUGH SEPTEMBER 30, 2014

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.

Properly Bill and Collect Court Fines and Costs (Repeat Finding)

The Clerk and her staff did not properly bill and collect court fines and costs, resulting in a loss of revenue to the Commonwealth and the locality. In 20 of 69 cases tested, we noted the following errors.

- Costs, totaling \$2,303, were not charged to several defendants and one defendant was overcharged by \$50.
- The locality was not billed for \$316 in attorney fees.
- Costs, totaling \$568, were misclassified between state and local costs.
- Attorney fees of \$155 were not approved by the Judge for payment.
- For three accounts, the due dates for fines and costs entered into the financial management system were incorrect.
- Fines and costs of \$2,147 were either not entered as judgments in the Judgment Lien Docket or their docketing was delayed for up to six weeks.

The Clerk should correct these specific cases noted above and work with her staff to ensure they understand the billing and collection requirements. Additionally, the Clerk should establish procedures to review her staff's work in order to eliminate these types of errors.

File Annual Trust Fund Report

The Clerk did not file an annual report of trust funds held at June 30, 2013, with the Court. Section 8.01-600 of the Code of Virginia requires the Clerk to file an annual trust fund report with the Court no later than October 1 of each year and record the report in the court's trust fund order book.

The Clerk should immediately file the fiscal year 2013 trust fund report with the court and record the same in the court's trust fund order book. Additionally, the Clerk must file an annual trust fund report each year in accordance with Code of Virginia requirements.

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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

January 21, 2015

The Honorable Debra M. Shipp
Clerk of the Circuit Court
County of Albemarle

Ann H. Mallek, Chairman
County of Albemarle

Audit Period: April 1, 2013 through September 30, 2014
Court System: County of Albemarle

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 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 court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

MSM:alh

cc: The Honorable Timothy K. Sanner, Chief Judge
Thomas Foley, County Executive
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

ALBEMARLE COUNTY CIRCUIT COURT



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TO: Martha Mavredes, Auditor of Public Accounts

FROM: Debra M. Shipp, Clerk

DATE: December 19, 2014

In response to the audit conducted for the period April 1, 2013 through September 30, 2014, I offer the following explanations and course of action:

Properly Bill and Collect Court Fines and Costs (Repeat Finding)

I have worked with the Supreme Court, Office of Executive Secretary and arranged for a class "Assessing Fines and Cost" to be held in Albemarle County on March 5, 2015. This will enable the two deputy clerks in the criminal department, my chief deputy and myself to be able to attend this training. Upon completion of the class, we will work together to have duplicate means of checking the calculations on each case. We will make every effort to correct cases in which there were errors. I have contacted the county to alert them about the procedure our office has to follow in regard to the locality being billed.

File Annual Trust Fund Report

The annual report of trust funds held at June 30, 2013 with this Court was an oversight. This report has been recreated and signed by Hon. Cheryl V. Higgins on this date and filed in the trust fund order book.

Debra M. Shipp