



Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

January 28, 2013

The Honorable Joseph M. Serkes
Chief Judge
County of Amherst General District Court
P. O. Box 513
Amherst, VA 24521

Audit Period: July 1, 2011 through June 30, 2012
Court System: County of Amherst
Judicial District: Twenty-fourth

We are performing a statewide audit of the General District Courts. During our review of this court, we conducted certain audit procedures, as we deemed appropriate.

Management of this court is an important part of the court's accountability, since you are responsible for establishing and maintaining internal controls and complying with applicable laws and regulations. During our review, we noted certain matters that required management's attention and corrective action. These matters included:

Transfer Excess Credit Card Fees

The Clerk held excess credit card surcharge fee collections of \$ 9,200 until November 2012, rather than depositing them with the State Treasurer. The courts collect a fee when defendants pay their fines and costs with a credit card to cover surcharges.

The court pays the surcharge fee monthly when they receive their credit card statement. The Financial Management System User's Guide requires Clerks to maintain an average of three months of surcharge payments in the credit card surcharge account.

An analysis of the surcharge payments for the past fiscal year found the average three-month balance should be \$3,082 and the clerk had \$12,282. We recommend the Clerk deposit the excess credit card surcharge fee to the State Treasurer quarterly.

Properly Bill Court Costs and Fines

The Clerk did not properly bill and collect court fines and costs resulting in a loss of revenue to the Commonwealth and locality. In five of 34 cases tested, the auditor noted the following errors.

The Honorable Joseph M. Serkes, Chief Judge
January 28, 2013
Page Two

- In three cases, the Clerk miscoded the court appointed attorney fees of \$365 as local court appointed attorney fees instead of state court appointed attorney fees. Additionally, in one of these cases the Clerk erroneously identified the fine of \$100 as a local violation rather than a state violation.
- In one local case, the Clerk did not properly bill the locality for the court appointed attorney fees, but billed the state incorrectly, which paid \$120.
- In one case, the Clerk did not properly bill the state for the court appointed attorney fees, but billed the locality incorrectly, which paid \$120.
- In one case, the Clerk did not bill the defendant for a state fine of \$100.
- In one case, the Clerk over-charged the defendant for court appointed attorney fees totaling \$91.80.
- In three cases, the Clerk incorrectly entered the cases as local charges rather than state charges in the court's automated information system.

The Clerk should correct these specific cases noted above. Further, the Clerk should bill and collect court costs and fines in accordance with the Code of Virginia.

We acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

MSM:clj

cc: The Honorable R. Edwin Burnette, Jr., Judge
Beverly O. Lewis, Clerk
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia