

**STEVEN A. MCGRAW, SR.
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF ROANOKE**

**REPORT ON AUDIT
FOR THE PERIOD
JULY 1, 2009 THROUGH DECEMBER 31, 2010**

APA

**Auditor of
Public Accounts**

COMMONWEALTH OF VIRGINIA

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Commonwealth of Virginia

Walter J. Kucharski, Auditor

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

March 21, 2011

The Honorable Steven A. McGraw, Sr.
Clerk of the Circuit Court
County of Roanoke

Board of Supervisors
County of Roanoke

Audit Period: July 1, 2009 through December 31, 2010
Court System: County of Roanoke

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.

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: clj

cc: The Honorable William D. Broadhurst, Chief Judge
B. Clayton Goodman, III, 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.

Monitor and Disburse Liability Accounts

The Clerk is holding a \$2500 bond on a case ending in January 2011 and \$1544 in garnishment funds on a case ending in December 2010. Liability accounts record amounts the Clerk is holding to disburse to individuals, other agencies, or to pay fines and costs. The Clerk should monitor and disburse liabilities on a monthly basis as recommended by the Financial Management User's Guide.

Properly Bill Court Costs and Fines

In six of 38 cases tested, the Clerk and his staff did not properly bill and collect court costs and fines. The auditor noted the following errors:

- In one case, the Clerk did not properly bill the Commonwealth for the court appointed attorney fees, but billed the locality incorrectly, which paid \$158. The Clerk miscoded the court appointed attorney fees of \$158 as local court appointed attorney fees instead of state court appointed attorney fees. Further, the Clerk erroneously identified the fine of \$200 as a local violation rather than a state violation and should recover the funds from the locality and pay the Commonwealth.
- In three cases, the Clerk over charged the defendants for court appointed attorney fees, DNA, fixed misdemeanor, and jail admission fees totaling \$455.
- In one case, the Clerk erroneously identified a fine of \$150 as a state violation rather than a local violation.
- In one case, the Clerk did not bill the defendant for the DNA fee totaling \$25.

The Clerk should consider asking the Office of the Executive Secretary of the Supreme Court of Virginia to provide training for his staff on billing and collecting criminal related court costs and fees. After receiving the training, the Clerk should have his staff review all similar court cases and make any necessary corrections to the case papers. The Clerk and his staff should bill and collect court costs and fines in accordance with the Code of Virginia.



County of Roanoke



April 12, 2011

STEVEN A. MCGRAW, SR.
CLERK OF CIRCUIT COURT

Mr. Walter J. Kucharski
Auditor of Public Accounts
P. O. Box 1295
Richmond, Virginia 23218-1295

Dear Mr. Kucharski:

In response to your audit of the Roanoke County Circuit Court Clerk's office dated March 21, 2011, all deficiencies have been corrected, and the following procedures have been implemented in order to prevent a recurrence of the noted problems:

1. To ensure proper disbursement of garnishment funds held by the Clerk, we have implemented a system of flagging copies of the notices that are sent to the creditors advising them of the funds that have been received by this office.

2. Similarly, to ensure that appeal bonds are released after the final order has been entered by the Court, an additional notation will be placed in the file as a reminder.

(In both situations above, our chief deputy clerk/bookkeeper will continue to use the monthly reports to bring these items to the attention of the responsible deputy clerks.)

3. To ensure that court appointed attorney fees and fines will be correctly billed to the state rather than to the locality, we will determine proper billing by making particular note of the code section as provided on the warrant.

4. To ensure that defendants are not overcharged for court appointed fees in merged cases, we will pay closer attention to this detail in order to prevent this problem.

5. To ensure that state and local code violations are properly entered into FMS so as not to confuse these charges, we will pay closer attention to these details.

6. To ensure that defendants are not overcharged for mental evaluations, we have updated our office's chart of allowances from the Virginia Supreme Court's website.

7. To ensure that defendants are not charged fixed misdemeanor and/or jail fees for seatbelt violations (requiring only a civil penalty) our staff has been informed of same.

8. To ensure that defendants are properly charged the DNA fee, we will check the DNA status on all cases, including those under advisement or having a deferred disposition.

Thank you.

Sincerely,

Steven A. McGraw, Clerk
Roanoke County Circuit Court