



Commonwealth of Virginia

Walter J. Kucharski, Auditor

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

February 13, 2004

The Honorable David C Mabie
Clerk of the Circuit Court
County of Prince William

Board of Supervisors
County of Prince William

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of the County of Prince William for the period October 1, 2002 through December 31, 2003.

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. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system. However, we noted weaknesses in internal controls and noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

Properly Assess Court Costs and Fees

The Clerk does not use the mandated fixed-misdemeanor fee in accordance with Section 16.1-69.48 of the Code of Virginia, but instead manually enters each fee associated with misdemeanors separately in the court's automated system. While the manual process allows the Clerk to more easily allocate courthouse maintenance fees to the applicable locality within the court's jurisdiction, we found error in assessing other fees.

We found defendants were over-charged for Court Costs up to \$59 per case. We also noted that the Clerk improperly assesses the DNA Fee on misdemeanor convictions. Section 19.2-310.2 of the Code of Virginia specifies that the DNA fee only applies to felony convictions. Improperly assessing the DNA fee on misdemeanor convictions results in defendants being overcharged \$25 per case.

The Clerk should use the mandated fixed-misdemeanor fee in accordance with the Code of Virginia. Further the Clerk should only assess the DNA fee for felony convictions. Also, we recommend that the Clerk

coordinate with the county Finance Department to develop alternate procedures if there is a continuing requirement to allocate courthouse maintenance fees collected among the localities.

Strengthen Delinquent Accounts Receivable Procedures

The Clerk improperly removes the remaining fines and costs from delinquent accounts when the private collection agent recovers less than the total amount due. In five of ten accounts tested, we noted that the Clerk removed more than \$950 from individual accounts received from the collection agent. This action effectively negates further collection efforts of delinquent accounts and results in the loss of revenue to the Commonwealth.

The Clerk should strengthen procedures to ensure the collection agent receives updated account cost and fee information timely. Further, absent a court order, the Clerk has no authority to remove unpaid costs and fees from delinquent accounts and should immediately stop this practice.

Monitor and Disburse Liabilities

The Clerk failed to escheat more than \$8,100 in unclaimed refunds and restitution to the Commonwealth. Section 55-210.9:2 of the Code of Virginia requires clerks to identify those funds held by the court that have remained unclaimed for more than one year after becoming payable, and to petition the court to escheat such funds to the State Treasurer.

The Clerk should establish procedures to review all liabilities at least annually, to identify funds that remain unclaimed after one year and, after performing due diligence, report and escheat such funds to the State Treasurer in accordance with state law.

We discussed these comments with the Clerk on February 25, 2004 and we acknowledge the cooperation extended to us by the court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:cam

cc: The Honorable William D. Hamblen, Chief Judge
Craig S. Gerhart, County Executive
Bruce Haynes, Executive Secretary
Compensation Board
Paul Delosh, Technical Assistance
Supreme Court of Virginia
Martin Watts, Court Analyst
Supreme Court of Virginia
Don Lucido, Director of Technical Assistance
Supreme Court of Virginia
Director, Admin and Public Records
Department of Accounts