



Martha S. Mavredes, CPA  
Auditor of Public Accounts

# Commonwealth of Virginia

*Auditor of Public Accounts*

P.O. Box 1295  
Richmond, Virginia 23218

August 15, 2014

The Honorable Jacqueline F. Ward-Talevi  
Chief Judge  
City of Roanoke General District Court  
P. O. Box 997  
Salem, VA 24153-0997

Audit Period: July 1, 2012 through June 30, 2013  
Court System: City of Roanoke  
Judicial District: Twenty-third

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:

## Properly Retain Voided Receipts

In 14 of 39 receipts tested, the Clerk did not retain all copies of the voided receipts. Voided transactions pose an increased risk for fraudulent activity and, as such, must be monitored and controlled closely. The Clerk and his staff should retain voided receipts as required by the Financial Management System User's Guide.

## Properly Document Manual Receipt Activity

The Clerk did not properly document manual receipt activity during the audit period. Specifically, several receipts were not dated, several did not classify the amounts paid by account code, and one receipt did not indicate the total amount paid. Failure to correctly complete manual receipts poses an increased risk for fraudulent activity, misappropriation of funds, and errors in recording manual activity in the court's financial system. We recommend the Clerk closely monitor all manual receipt activity to ensure all manual receipts contain the appropriate information.

Properly Bill and Collect Fines and Court Costs

The Clerk did not properly bill and collect fines and court costs. In 18 of 69 cases tested, we noted the following errors:

- The accounts related to three cases were assessed \$1,695 in unsubstantiated attorney fees.
- Defendants were not assessed a total of \$399 in attorney fees.
- Defendants were overcharged attorney fees and other court costs, totaling \$190.
- Five state cases were entered in the court's financial system as local cases. This led to the miscoding of \$125 in fines and \$40 in attorney fees, resulting in a potential loss of revenue to the Commonwealth and an overbilling of the locality for attorney fees.
- In two cases, the locality was not billed for \$180 in attorney fees.
- In one case, the due date for the payment of fines and costs was incorrectly calculated, giving the defendant additional time to pay without the appropriate signed payment agreement.

The Clerk should correct the specific cases noted above. Further, the Clerk should work with his staff to ensure they understand the billing and collection requirements and review their work to identify and correct potential errors. If necessary, the Clerk should request additional training from the Office of the Executive Secretary of the Supreme Court of Virginia.

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

AUDITOR OF PUBLIC ACCOUNTS

MSM:alh

cc: The Honorable J. Christopher Clemens, Judge  
The Honorable Francis W. Burkart, III, Judge  
The Honorable M. Frederick King, Judge  
The Honorable Vincent A. Lilley  
Rick S. Kahl, Clerk  
Paul F. DeLosh, Director of Judicial Services  
Supreme Court of Virginia