

**THE CLERK OF THE
COMBINED GENERAL DISTRICT COURT
FOR THE
COUNTY OF ORANGE**

**REPORT ON AUDIT
FOR THE PERIOD
JANUARY 1, 2007 THROUGH DECEMBER 31, 2008**





Commonwealth of Virginia

Walter J. Kucharski, Auditor

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

February 26, 2009

The Honorable Robert H. Downer, Jr.
Chief Judge
County of Orange
General District Court
P. O. Box 2677
Charlottesville, VA 22902

The Honorable Susan L. Whitlock
Chief Judge
County of Orange Juvenile and
Domestic Relations District Court
P. O. Box 452
Louisa, VA 23093

Mr. Karl R. Hade
Executive Secretary
Office of the Executive Secretary
of the Supreme Court of Virginia

Audit Period: January 1, 2007 through December 31, 2008
Court System: County of Orange
Judicial District: Sixteenth
Magisterial District: February 26, 2009

We have audited the cash receipts and disbursements of the Clerk of the Combined General District Court and the associated Magistrates for this locality. Our primary objectives for both the Court and the Magistrates were to test the accuracy of financial transactions recorded on the applicable financial management system; evaluate internal controls; and test its compliance with significant state laws, regulations, and policies.

Management's Responsibility

Court and Magistrate 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.

Financial Matters

We noted no instances of improper recording and reporting of financial transactions in the Court's financial management system.

Additionally, we noted no instances of improper recording and reporting of financial transactions in the Magistrates' financial management records.

Internal Controls

We noted no matters involving internal control and its operation necessary to bring to Court management's attention.

As well, we noted no matters involving internal control and its operation necessary to bring to Magistrate management's attention.

Compliance

However, the results of our tests of compliance with applicable laws and regulations disclosed instances of noncompliance in the Court that are required to be reported.

In addition, the results of our tests of compliance with applicable laws and regulations disclosed no instances of noncompliance with the Magistrates that are required to be reported.

We acknowledge the cooperation extended to us by the Court and the Chief Magistrate during this engagement. The issues identified above are discussed in the section titled Comments to Management.

AUDITOR OF PUBLIC ACCOUNTS

WJK:clj

cc: The Honorable Edward K. Carpenter, Judge
The Honorable Dwight D. Johnson, Judge
The Honorable Frank W. Somerville, Judge
Barbara B. Miller, Clerk
Cheryl Thompson, Regional Magistrate Supervisor
Cheryl Thompson, Chief Magistrate
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia

COMMENTS TO MANAGEMENT

Compliance

The results of our tests of compliance with applicable laws and regulations disclosed the following instances of the Clerk's noncompliance.

Properly Assess Fine and Costs

The Clerk does not properly assess and collect fines and court-appointed attorney/public defender fees involving local and state charges as required by Section 19.2-163 of the Code of Virginia. Auditors tested 20 cases and noted the following errors.

- Eleven cases incorrectly identified state charges as local charges where documentation clearly indicated state charges. This resulted in a loss of \$6,446 to the Commonwealth.
- Six cases involved court-appointed attorneys, both the locality and the Commonwealth, the Clerk did not properly bill for the attorney's fees. This resulted in a loss to both the locality and the Commonwealth of \$360.

Properly Certify Court Costs to Circuit Court

The Clerk does not properly certify court costs to the Circuit Court on appealed cases as required by Section 19.2-336 of the Code of Virginia. Auditors tested ten cases and noted the following.

- Four cases contained omissions of court costs resulting in a loss of \$374 to the Commonwealth and a loss of \$25 to the locality.

We recommend the Clerk research all similar cases, make the appropriate corrections to case paperwork, and where appropriate, bill the localities for the applicable court-appointed attorney and public defender fees. Further, we recommend the Clerk review appropriate procedures for completeness and accuracy and implement proper controls to ensure compliance with rules and regulations set forth by the Code of Virginia and Office of the Executive Secretary.

Promptly Allocate Tax Set-Off Funds

The Clerk did not allocate tax set off funds to individual accounts until October 2008 after receiving and receipting the funds totaling \$335 in April 2008. In addition to the delayed remittance of revenue to the Commonwealth, the defendants may also have experienced consequences such as license forfeiture and interest penalties.

We recommend the Clerk research all similar situations and allocate all account collections in a timely manner. As defendants meet their obligations to the Commonwealth, so should the Commonwealth return the courtesy and promptly update defendants' records.