



Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

January 30, 2018

The Honorable Stephen D. Bloom
Chief Judge
County of Prince George General District Court
315 South Main Street
Emporia, VA 23847

The Honorable Carson E. Saunders, Jr.
Chief Judge
County of Prince George Juvenile and Domestic Relations District Court
315 South Main Street
Emporia, VA 23847

Audit Period: July 1, 2016 through June 30, 2017
Court System: County of Prince George
Judicial District: Sixth

We are performing a statewide audit of the Combined 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:

Reconcile Bank Account Timely

Repeat: No

The Clerk did not reconcile her bank account for ten months of the audit period. Timely and complete reconciliations are an essential internal control. Allowing reconciling items to go unresolved can lead to errors and irregularities going undetected and increases the risk of loss of funds. The Clerk should perform monthly bank reconciliations upon receiving the bank statements and resolve all reconciling items timely as required by the court's financial management system user's guide.

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Request Tax Set-Off Refunds

Repeat: Yes

The Clerk did not submit claims to the Virginia Department of Taxation for tax setoff of refunds totaling \$4,770 for delinquent court costs and fines, resulting in a loss of revenue to the Commonwealth and locality. A court must submit claims for set-off of tax refunds through Taxation's automated accounting system. The Clerk should use the tax refund set-off process to maximize collections as required by the Code of Virginia.

Properly Review General Ledger

Repeat: No

The Clerk does not properly review the Court's general ledger to ensure account balances are appropriate. As of June 2017, the Clerk was holding \$2,450 in tax refunds that should have been allocated to defendants' accounts. The Clerk should correct the current errors and, going forward, should review the general ledger on a daily basis to ensure the propriety of all account balances.

Properly Bill and Collect Court Costs

Repeat: No

The Clerk and her staff did not properly bill and collect court costs. In six cases tested, we noted the following errors.

- In three cases, defendants were not billed for \$537 in court costs.
- In two cases, defendants were overcharged \$50 in court costs.

The Clerk and her staff should correct the specific cases noted above and institute a more diligent system of review to minimize the likelihood of assessment errors going undetected. In all cases, the Clerk should bill and collect court costs in accordance with the Code of Virginia.

We acknowledge the cooperation extended to us by the Clerk and her staff during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

MSM: clj

cc: The Honorable Bruce A. Clark, Judge
The Honorable H. Lee Townsend III, Judge
The Honorable Jacqueline R. Waymack, Judge
Denise Covington, Clerk
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia