



Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

April 4, 2018

The Honorable Gordon F. Saunders
Chief Judge
County of Bath General District Court
20 S. Randolph Street, Suite 200
Lexington, VA 24450

The Honorable Laura L. Dascher
Chief Judge
County of Bath Juvenile and Domestic Relations District Court
P. O. Box 139
Covington, VA 22426

Audit Period: July 1, 2016 through June 30, 2017
Court System: County of Bath
Judicial District: Twenty-Fifth

We are performing a statewide audit of the Combined 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:

Transfer Excess Credit Card Fees

Repeat: No

The Clerk held excess credit card surcharge fee collections of \$3,744 during the audit period rather than depositing them with the State Treasurer. The courts collect a fee when defendants pay fines and costs with a credit card to cover surcharges assessed to the court. The Clerk pays the surcharge fees monthly when the credit card statement is received.

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The financial management system user's guide requires clerks to maintain an average of three months of surcharge payments and transfer the excess funds to the Commonwealth. The Clerk should deposit all excess credit card surcharge fees to the Commonwealth on a quarterly basis.

Promptly Disburse Liabilities

Repeat: No

The Clerk does not disburse liabilities promptly. As of the audit, the Clerk was holding \$253 in liabilities and \$73 in outstanding disbursements that should have been escheated or otherwise disbursed. The Clerk should review the status of all liability accounts and disburse or escheat them as applicable.

Review Individual Account Status Report

Repeat: No

The Clerk does not review the daily individual account status report and resolve accounts with errors. The report contains selected unpaid and liability account status and error conditions. One account with an error has been on the report since October 2016.

The Clerk should review the individual account status report daily and immediately correct all accounts with errors as required by the financial management system users' guide.

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

AUDITOR OF PUBLIC ACCOUNTS

MSM:alh

cc: Mikayo Curtis, Clerk
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia