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Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
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July 17, 2015

The Honorable J. Gregory Ashwell
Chief Judge
County of Fauquier General District Court
6 Court Street
Warrenton, VA 20186-3299

Audit Period: July 1, 2013 through June 30, 2014
Court System: County of Fauquier
Judicial District: Twentieth

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:

Reconcile Bank Account

The Clerk did not reconcile the court's bank account during the audit period. Allowing reconciling items to go unresolved can lead to errors and irregularities going undetected and can increase the risk of loss of funds. Timely and complete reconciliations are an essential internal control. The Clerk should perform monthly bank reconciliations upon receiving the bank statements as required by the Financial Management System User's Guide.

Properly Bill and Collect Court Fines and Costs

The Clerk and her staff did not properly bill and collect court fines and costs. In 23 of 49 cases tested, we noted the following errors.

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- The Clerk did not bill defendants for \$600 in attorney fees and \$459 in court costs, resulting in a loss of revenue to the Commonwealth.
- The Clerk overcharged defendants for court costs and fees totaling \$186.
- The Clerk did not bill the locality for \$240 in attorney fees.
- Fines and costs were miscoded in several cases. In one County case, \$750 in fines and \$120 in attorney fees were incorrectly coded as town fines and costs. In other cases, fines of \$100 and costs of \$231 were miscoded as local instead of state, resulting in a loss of revenue to the Commonwealth. In one case, attorney fees of \$120 were coded to the wrong town.

The Clerk should correct these specific cases noted above. Further, the Clerk should work with her staff to ensure they understand billing and collection requirements and, if necessary, request additional training from the Office of the Executive Secretary of the Supreme Court of Virginia.

Appropriately Record Cash Overages and Shortages

The Clerk does not properly record cash overages and shortages in the court's financial system. The Clerk uses multiple general ledger accounts to record such transactions when there is a dedicated account specifically set up for this purpose. In addition, many transactions related to cash overages and shortages were recorded and then reversed, combined with unrelated transaction amounts, and accounted for more than once. The clerk should follow procedures outlined in Chapter 10 of The Financial Management System User's Guide for recording cash overages and shortages.

AUDITOR OF PUBLIC ACCOUNTS

MSM:alh

cc: Erica Ashley Gatchell, Clerk
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia